



Department of Developmental Disabilities

Mike DeWine, Governor
Kimberly Hauck, Director

Ohio House Finance Committee Governor DeWine's FY 24-25 Operating Budget

Director Kim Hauck Ohio Department of Developmental Disabilities

February 8, 2023

Chairman Edwards, Vice Chairman LaRe, Ranking Member Sweeney, and members of the Ohio House Finance Committee, my name is Kim Hauck and I serve as Director of the Ohio Department of Developmental Disabilities (DODD). Thank you for the opportunity to present Governor Mike DeWine's budget recommendations supporting Ohio's developmental disabilities system. I also want to thank you and your colleagues for supporting people with developmental disabilities and their families.

Together, Governor DeWine's administration and the legislature have made significant strides to address wages. We have established a technology first initiative to increase independence and access. We have also collaborated on a continuum of support for Ohio's youngest and youth with complex needs.

Background

DODD and Ohio's developmental disabilities system supports nearly 100,000 Ohioans with developmental disabilities and their families across the lifespan. At DODD, our mission is to improve the quality of life for Ohioans with developmental disabilities and their families. DODD oversees a statewide system of services that focuses on ensuring health and safety and providing opportunities for living a good life. We do this by honoring choice, offering a range of service options, supporting independence and

access to community participation, embracing technology, and increasing opportunities for meaningful employment.

Ohio has a proud tradition of supporting people with developmental disabilities and their families. Our constituency is represented well by strong advocacy and passion. It is led by people with developmental disabilities, families and guardians, county boards of developmental disabilities, small business providers, direct support professionals, and others.

Fiscal Year 2024 and 2025 Budget Overview

I am very grateful for Governor DeWine's overwhelming support for people with disabilities and their families. This budget proposal is structurally balanced while meeting key priorities of our community. Budget priorities for DODD focus on ensuring a strong workforce by increasing wages for DSPs, initiatives for innovative technology, and support for youth with complex needs. DODD's proposed budget increases by 4% in fiscal year 2024 and 5.2% in fiscal year 2025.

This budget proposal will have immediate and long-lasting impact for Ohio's DD system. I'd like to highlight areas of Governor DeWine's budget proposal that will greatly benefit Ohioans with developmental disabilities.

Supporting Critical DSP Workforce

The budget addresses the most pressing issue in our DD system: the availability of direct care workers for Ohioans with disabilities. Ohio's DD system has struggled to recruit, retain, and invest in this essential workforce.

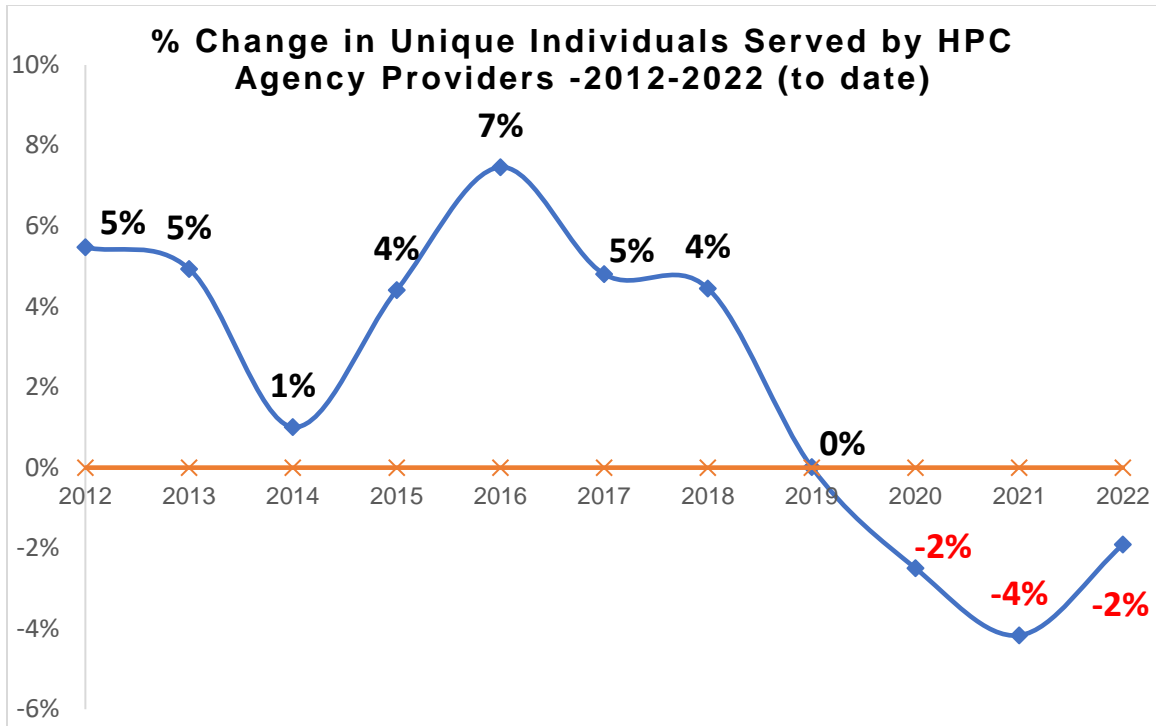
Small businesses across Ohio chose to provide essential supports to Ohioans with developmental disabilities. Those providers employ over 50,000 Ohioans as Direct Support Professionals (DSPs). DSPs play an essential role in the DD system by ensuring health and safety and providing people with developmental disabilities assistance and support with daily

living tasks, promoting independence, and enabling them to live fulfilling lives in their communities. They also provide emotional support, assist with communication, and facilitate access to community resources and activities.

People with developmental disabilities and their families primarily rely on Medicaid services that pay DSPs to provide those services. Other assistance or family and community support may be available for some. However, for the extensive residential and daily support often needed, DODD Medicaid supports are the only realistic option for families. These are robust options, but very little exists outside this construct and the state budget funding.

Due to projected job growth, DSPs are the number one job on Ohio's Top Jobs List. They are the lowest compensated and have the highest proportion of vacancies to filled positions. In 2021, the vacancy rates in the DD Home and Community Based System was at 19 percent for full-time and 23 percent for part-time jobs, which equates to approximately 8,500 full and part-time jobs. Since 2018, the annual turnover rate for DSPs has been around 50 percent.

The impact of the workforce crisis on people with developmental disabilities and their families is not overstated. Increased turnover and vacancies result in fewer supports being provided. Agencies that employ DSPs served almost 2,000 less people in 2022 than in 2019. In contrast, the average number of people served by these agencies increased approximately **1,000 per year** between 2014 and 2018. This issue will be compounded by projected growth in need of services.



DODD reimbursement rates are established through state budget appropriations, administrative rules, or the Ohio Revised Code. County boards, nor providers, can set their own rates or supplement the Medicaid rate. **This is a critical point of the system – providers are capped at paying low wages because they can only pull from the rates that are funded in the budget.** From that rate, providers must determine starting wages, longevity, overtime, and other considerations in the compensation of DSPs. **There is no private pay, no alternative service option, and no way to charge higher rates.** Providers and their DSPs can only earn what the rates pay through the appropriation we establish in the budget.

Due to low reimbursement rates, DSPs, on average, start at \$12.10 an hour, with an average overall hourly wage of \$13.72. It is estimated that 18% of the Ohio direct care workforce falls below the federal poverty line. In Ohio, 44% of direct care workers are receiving public assistance, with 25% receiving food and nutrition assistance and 32% on Medicaid.

Without budget action, providers cannot account for increased costs, compete for new workers in a growing wage market, or increase the wages

for their tenured staff. Without budget action, people with developmental disabilities and their families will struggle to find and keep essential employees.

To recognize and value the work of DSPs is to recognize and value the people they support.

Governor DeWine's budget addresses wages for these essential workers. Rates in the budget are intended to be used by private provider businesses to increase the wage and compensation of their direct care staff.

Home and Community-Based Services

Over 40,000 Ohioans are supported through DODD-administered home and community-based services, or HCBS waivers. HCBS waivers are state and local Medicaid-funded supports for people to live and receive support in their communities.

DODD worked with other cabinet agencies to raise the rates of related services experiencing the worst workforce crisis. This work aims to raise the wages for direct care workers, especially for residential settings where the need is felt the most. Increased rates for these services in DODD HCBS waivers will result in a \$16 per hour average reimbursement for the rates that pay DSP wages.

DODD will also address rates in adult day services, technology through remote supports, and Shared Living, a program that pays for a person with a developmental disability to get the support they need while living with a family member or a caregiver.

Intermediate Care Facilities

Approximately 4,500 Ohioans are supported through DODD-administered Intermediate Care Facilities (ICFs). ICFs are state Medicaid-funded residential settings for people with developmental disabilities. State funds are used to match federal Medicaid dollars to pay for these supports

through a statutory cost-based reimbursement formula. The budget maintains and fully funds the statutory reimbursement formula for ICFs. The budget addressed wages for DSPs in ICFs by adjusting the direct care component of the rate to closely align with increases for HCBS DSPs.

This budget also provides an increase to the add-on rate for ICFs who support Ohioans who are dependent on ventilator care. This will allow more people dependent on ventilators to receive care in an ICF instead of needing higher cost and more restrictive hospital settings.

Increasing Advocacy and Accessibility

Ohioans with developmental disabilities and their families should have every opportunity to be a part of their communities. People with disabilities across Ohio have led this effort and advocated for communities to be accepting and inclusive .

Budget language will ensure that at least one person eligible for services is appointed to each county board of developmental disabilities. This change will give people with disabilities a more prominent voice in matters concerning the services and support they rely on. Many counties in Ohio have already chosen to appoint people eligible for services to their boards. They have seen good results because of the lived experiences and ideas they bring to the discussions and decisions of the board. DODD will support self-advocates, county boards, and local appointing authorities in this effort.

Additionally, DODD will collaborate with state and local partners to increase the availability of universal changing tables in public places and businesses. This will increase the number of public places where people will have a safe, clean place to attend to their personal needs.

Investing in Technology Support

Technology allows for greater independence and quality of life for Ohioans with developmental disabilities. This budget continues initiatives the General Assembly supported in the previous budget that has furthered Ohio's work as a national leader in technology efforts. The budget will establish regional technology support, which will create close-to-home opportunities for people to experience and try technology that may benefit them. Regional support will also provide technical assistance for the county boards and providers who want to offer the service or learn more about how it can increase the independence of the people they support.

The budget increases rates for remote support services and provides additional funds to help providers develop their own technology services. This will allow providers to better support people with disabilities and extend the impact of their DSPs. These investments are essential to giving more people across Ohio the opportunity to be supported by technology in the way it works best for them.

Investing in Youth with Complex Needs

Governor DeWine's administration has worked collaboratively to support youth with complex needs and their families. Families have brought stories and needs to us and to you. Together, we developed a previous budget that established dedicated funding for DODD's multi-system youth initiatives.

This budget bolsters partnerships to support youth with complex needs in their family homes, through short-term stabilization as well as long-term residential settings. DODD will increase the capacity of the Multi-Disciplinary Comprehensive Assessment Team and coaching for families, while also making it an option for younger youth. DODD will continue the Keeping Families Together initiative, which funds county efforts to support multi-system youth and their families. All these initiatives support families staying together and prevent custody relinquishment. Because of the growing need for long-term residential options, the budget will increase

options for ICFs willing to provide intensive services for youth with complex behavioral health needs and a disability.

Conclusion

Chairman Edwards and members of the committee, thank you for this opportunity to provide an overview of Governor DeWine's budget proposals for the Department of Developmental Disabilities. I look forward to continuing to meet with you and working together on a budget that supports Ohioans with developmental disabilities, their families, and those who support them. I am happy to answer any questions.

Thank you,

A handwritten signature in black ink that reads "Kimberly K. Hauck". The signature is written in a cursive style with a large, stylized 'K'.

Kim Hauck
Director