



Department of Developmental Disabilities

Office of the Director

John R. Kasich, Governor
John L. Martin, Director

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To: Tim Keen, Director
Office of Budget and Management

From: John L. Martin, Director
Ohio Department of Developmental Disabilities

Subject: Budget Narrative for Fiscal Year 2016 and Fiscal Year 2017

Introduction:

I am pleased to present two biennial budget scenarios for consideration for fiscal years 2016 and 2017. These scenarios seek to balance national, state and local priorities, and reflect initiatives that will support Ohioans with developmental disabilities and their families across the lifespan and in community-based settings. The following memorandum describes the work that has been accomplished over the last four years in the areas of Employment and Integrated Day Services, Developmental Centers, Private Intermediate Care Facilities and Waivers, and how the Department would move forward in the next biennium if a 90 percent or 100 percent budget scenario was fully implemented.

Kasich Administration Accomplishments

Employment and Integrated Day Services

Ohio's developmental disability service delivery system has long recognized the importance of employment for individuals. Ohio ranks 6th in the nation for day services and 8th nationally regarding the number of individuals receiving integrated employment, when adjusted for population. Improving employment outcomes has been a significant initiative under the Kasich Administration. Governor Kasich signed the executive order initiating Employment First in March 2012, and as a result, significant efforts and funding have been invested to strengthen the community employment infrastructure. These efforts include: Creating a partnership with Opportunities for Ohioans with Disabilities (OOD) to fund 17 vocational rehabilitation counselors dedicated solely to serving individuals with developmental disabilities; developing an online benefits calculator for job seekers and their families; offering supported employment training for providers; implementing dual certification for OOD and DODD providers to ensure continuity in service delivery; engaging system transformation experts to consult with facility based agencies to transition from segregated to integrated services; and contracting with

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national experts to develop a new waiver reimbursement system to incentivize integrated employment and integrated day services. These efforts represent a tremendous advance, and DODD will continue to work to ensure that individuals who want to work in the community are provided that opportunity.

State-Operated Developmental Centers

By the end of the current fiscal year, the census at state-operated Development Centers (DC) will be approximately 850 individuals, down from more than 1,600 individuals eight years ago. Over the past four years, the Department has developed a comprehensive discharge planning process and follow-along procedures to ensure that those individuals now living in the community are safe and well cared for in their homes. Additionally, DODD has utilized technology, including tele-medicine, to support individuals and families, thereby limiting the need for the more extensive services provided by the DCs. During Fiscal Years 2016 and 2017, the Department will continue to reduce census at the DCs by approximately 90 individuals per fiscal year, with funding for these individuals redirected to the waiver program.

Private Intermediate Care Facilities (ICF)

In House Bill 153, the Kasich Administration transferred the operation of the ICF program to the Department. After the transfer, DODD began a process to encourage both the conversion of ICF homes to waiver homes and the downsizing of large ICFs (16 or more beds). DODD secured a commitment from providers to downsize and/or convert 1,200 beds in a five-year period. In this biennium, DODD will focus on large ICFs, both reducing the number of people who live in them and offering community-based alternatives. The Department will continue its efforts to ensure individuals are able to live and be supported in the community.

Waivers

Because of the availability of local tax levy dollars, Ohio has been able to continue to add individuals to the waiver program. Over the past four years, Ohio has added approximately 2,000 individuals per year to the waiver program, while many states' waiver growth has remained stagnant. As the Department moves forward into the next four years, it recognizes the need to continue to strengthen the waiver program to accommodate the individuals with more involved medical and behavioral needs who are moving from DCs and ICFs to waivers.

Managing at the 100 percent and 90 percent Scenarios

In both budget scenarios Medicaid was held harmless. DODD is requesting a 2.7% increase in the Medicaid GRF line item for FY 16 when compared to FY 15 and an increase of 1.19 % in FY17 when compared to FY 16. DODD will be able to continue current policy initiatives at these funding levels.

100 percent Scenario

90 percent Scenario

Guardians play an important role in our system; problems in the appointment and oversight of private guardians were highlighted in a series of *Columbus Dispatch* articles earlier this year. The 100 percent budget scenario recognizes the importance of guardianship services, and redirects \$300,000 of GRF county board subsidy funding and \$200,000 from the Employment First GRF line item in each year of the biennium to the protective service line item for use by Advocacy and Protective Services, Inc. (APSI). Strengthening APSI will ensure that it can maintain its level of service to those with developmental disabilities who need the protection of a guardian and for whom APSI is the only alternative.

90 percent Scenario

To achieve the reductions needed to meet a 90 percent budget scenario, the Department will reduce the County Board subsidy by \$7.8 million in each fiscal year. County Boards use these subsidies to help fund service and support administrators, early intervention services, services for adults, supported living and match for Medicaid waivers. This reduction may put fiscal pressure on County Boards, which could be forced to cut services and look to the State to provide those services, or approach local tax payers for additional levy dollars. If County Boards cannot meet their waiver obligations due to these reductions, the state has the responsibility to meet this obligation.

Conclusion

As we look to manage these scenarios, both the Department and the County Boards will struggle to meet current service demands placed on them by individuals and families. Additionally, adhering to these scenarios would also place in jeopardy the work currently being contemplated by the Strategic Planning Leadership Group. This group, composed of stakeholders from every part of the field, will be advising the Department on the direction it should take over the course of the next biennium as well as the next ten years. This work will finish in November. At that time, the Department will be in a better position to more fully discuss our ideas to strengthen the system of services and supports.

Thank you for the opportunity to submit this budget narrative. Please contact me directly if there are questions.

Sincerely,



John L. Martin, Director

