



Department of Developmental Disabilities

Mike DeWine, Governor
Kim Hauck, Director

October 28, 2022

Kimberly Murnieks, Director
Office of Budget and Management
30 East Broad Street, 34th Floor
Columbus, Ohio 43215

Dear Director Murnieks,

Thank you for the opportunity to submit FY24-25 budget priorities for the Ohio Department of Developmental Disabilities (DODD). I am pleased to present budget initiatives that contribute to Governor Mike DeWine's priorities and are a continuation of his investments in Ohio's developmental disabilities community.

In this budget, we have the historic opportunity to put Ohio on a path to right-size wages for direct support professionals (DSP) who provide daily support to Ohioans with developmental disabilities while also funding programs that give the best start at life for Ohio's youngest, strengthen our support for youth with complex needs and their families, and increase the use of innovative technology in the everyday lives of Ohioans with developmental disabilities.

Addressing the Workforce Crisis

There is uniform agreement across our support system that the number one issue facing the DD community is the fear, stress, and danger to health and safety caused by the scarcity of DSPs. Ohio's DD system has long struggled to recruit, retain, and invest in this essential workforce. Without substantial changes, it will continue to be a critical problem as more people need our system's support.

Due to projected job growth, DSPs are the number one job on Ohio's Top Jobs List, but they are the lowest compensated and have the highest proportion of vacancies to filled positions. More than 50,000 DSPs in Ohio are employed by small business providers who rely solely on the rates we establish in the state budget. [DSPs are foundational and essential to the DD community](#). It is the priority of DODD and Ohio's DD community to significantly increase the wages of DSPs to ensure that Ohioans with developmental disabilities and their families get the daily support they need and deserve.

Unfortunately, sole reliance on fixed Medicaid rates has resulted in low wages for DSPs. The federal poverty line for a family of four is \$13.34, while the average starting wage for a DSP providing essential support for Ohioans with developmental disabilities is just \$12.10 an hour.¹ It is estimated that 18% of the Ohio direct care workforce falls below the federal poverty line. Additional workforce statistics are just as sobering, with an estimated 44% of Ohio direct care workers receiving public assistance, 25% receiving food and nutrition assistance, and 32% on Medicaid.²

While other assistance, such as family and community support, may be available for people with developmental disabilities, it is not always enough to meet the person's needs. For the extensive residential and daily support often needed, a Medicaid waiver or an intermediate care facility (ICF) are the only options for the person. These are robust options, but very few resources exist outside of them and the state budget that funds them. People with developmental disabilities and their families heavily rely on the services provided by DSPs that are solely paid for by Medicaid rates. It is estimated that by 2028, the anticipated demand for new direct care workers in Ohio will grow by 24%. Considering expected growth and projected separations due to workforce demographics, the total number of anticipated direct care job openings in Ohio is over 150,000.²

Unfortunately, Ohio did very little from when Medicaid waiver rates were established in 2007 until the first substantial increase in 2020. The few small increases over those years did not keep up with inflation or starting wages for comparable state employees. Years of inaction have caused a considerable rate deficit that has resulted in providers struggling to meet the growing demand for services due to the low rates which are used to pay DSP wages.

What We Have Done

Following years of inaction contributing to the crisis, Governor DeWine used his first budget to introduce the largest increase in DD provider rates in Ohio's history. This investment leveraged a first-of-its-kind funding partnership between the county boards and the state to draw down significant federal matching funds. Through the advocacy of the DD community and the shared priority of the Ohio General Assembly, the budget invested even more in the rates that pay the wages for DSPs. As historic as that budget was, the preceding years of inaction coupled with the dramatic impact the pandemic has had on wages and the labor supply have created a need for significant investment to stabilize our system.

DODD formed the DD Workforce Crisis Task Force with a representative group of system partners for the past year and a half. The task force [and others](#) have shared heart-breaking stories and discussed the realities of the crisis while investigating the issues and making recommendations on solutions. Through this work, we have implemented many strategies to provide immediate regulatory relief and support providers in recruiting and retaining DSPs.

¹ 2021 DSP Compensation Verification Workforce Survey, Ohio Department of Developmental Disabilities (draft as of 10/06/22).

² 2 PHI. "Workforce Data Center." Last modified September 22, 2022. <https://phinational.org/policy-research/workforce-data-center/>.

Proposal

DODD has worked extensively with partners to understand what they feel is necessary to maintain and build up the DSP workforce. DODD has researched and evaluated many factors that impact providers and DSPs, including the increasing demand for services, lack of rate growth compared to other industries and costs, strategies other states have employed, and the impact of turnover and loss of DSPs on the system. Through this real-world understanding and data-driven analysis, DODD has developed multiple scenarios that invest in the critical workforce. These options are sustainable for the state and are an opportunity to bring assurances for people with developmental disabilities and their families. We will continue conversations with our county board partners to creatively leverage resources to address our shared priority of supporting our workforce.

Additionally, DODD has developed proposals utilizing one-time and continuing funding to increase the use of Ohio Shared Living and technology for people-supported and provider operations, resources to meet other needs of DSPs, recruitment of the DSP role, and working with schools to provide opportunities for students to become credentialed DSPs.

As instructed by the Office of Budget and Management, we submitted an initial budget request that projects costs using current Medicaid rates, including maintaining the ICF reimbursement formula in the statute. This will provide a baseline for continuing extensive conversations as Governor DeWine prepares his executive budget.

Supporting Ohio's Youth

Governor DeWine's first budget doubled the investment in the Early Intervention (EI) program. Previously, funding for Ohio's EI program had remained flat or declined for years. Demand for EI supports experienced significant growth in referrals and the number of children served without corresponding financial support. Historic FY20-21 budget investments supported Governor DeWine's children's initiative platform to ensure the best start at life for every Ohio child. DODD appreciates this investment and proposes to continue the state's partnership with county boards to support Ohio's youngest. In the next two years, DODD will also continue to partner with the Ohio Department of Education (ODE) to implement the Learning Aid Ohio initiative to provide in-home tutoring support for students with individual education plans (IEP).

The Keeping Families Together initiative provides county boards of developmental disabilities and councils of governments funding to increase resources available for providers, to support families with opportunities for coaching or mentoring, and to cover household expenses and repairs to keep children with complex needs in their homes or communities. In the last year, DODD established a Multidisciplinary Comprehensive Assessment Team (MCAT) to assess and identify supportive tools, interventions, strategies, and resources to address the needs of the whole child. Regional Family Coaches who assist families with implementing the recommendations provided by the MCAT were also developed last year to help keep youth in their homes.

The Intensive Behavioral Support Rate Add-On (IBSRAO) allows ICFs to receive increased funding for providing short-term, intensive behavioral support to youth with Mental Illness/Intellectual Disability (MI/ID), violent and aggressive behaviors toward self and others,

and a history of significant trauma. Often these youth are unable to get intensive treatment and supports in their home and there is a need to be placed in an out-of-home residential setting for stabilization while determining what support the family needs for the youth to return home.

Continued funding for successful projects such as these or for local projects that can be scaled statewide will be crucial to providing a full continuum of services that starts with keeping children with, or as close as possible to, their families.

Embracing Innovative Technology Supports

Ohio is a national leader in the use of innovative technologies for people with developmental disabilities, but we know there is much more potential. Technology is improving the lives of people with developmental disabilities and leading to greater independence that many people and their families never realized was possible. We also know that when a person embraces technology that it can decrease or eliminate the need for that person to have a DSP. This can help ease the strain on the DSP workforce and help ensure that those who need in-person support have a DSP available.

In the previous budget, DODD established a technology first policy and the Technology First Task Force. These efforts bring together state agencies for a coordinated approach to incorporate technology in service options for Ohioans with developmental disabilities. That budget included dedicated funding for initiatives to encourage the acceptance of technology support. In this budget, DODD will continue increasing the utilization of technology support and invest in strategies to help that progress. DODD proposes dedicated funding for this initiative that will support regional expertise, aid providers in adopting technology into business operations and becoming technology providers themselves and increase the technology support available for Ohioans with developmental disabilities.

As a part of the DD Workforce Crisis Task Force work, a report has been generated defining supportive technology as an asset in responding to Ohio's workforce crisis and expanding the impact of DSPs. The report sets three performance goals with the target of seeing an increase in the utilization of supportive technology:

1. Remote supports service will increase by 15% by June 30, 2023;
2. 18% of people who use residential supports will use remote supports by 2026; and
3. 25% of people who utilize HCBS services will use technology or virtual support by 2026.

DD Waiver System Modernization

DODD has started a systemwide effort to modernize and streamline the funding system for DODD waiver support over the next two years. The result will be the redesign and modernization of current processes related to assessments, funding, rate setting, data collection, and establishing individual budgets for Medicaid Home and Community-Based Services Waivers administered by DODD. Significant investment in this budget to stabilize our workforce is fundamental to the success of this critical initiative.

All of this will be done with the primary goal of creating a system of services that supports people with developmental disabilities and their families to achieve their vision of a good life.

Through this work, we strive to:

1. Create a simpler and more streamlined funding system built on a fair and logical payment system;
2. Continue to be good stewards of limited public resources by incorporating sustainable structures;
3. Provide quality outcomes by establishing processes that are flexible enough to meet the diverse needs and preferences of people receiving services;
4. Respond to choices made by the people served, in alignment with community support; and
5. Develop a system-wide vision and long-range strategic plan by listening to those we support, funding partners, and stakeholders.

Conclusion

We have done much together by investing in Ohio's system of support. But, it is clear that people with developmental disabilities, their families, and the workforce that supports them are at a crisis point. It is our collective responsibility to make investments that will have dramatic impacts on the lives of those we support. Together, we can build on our significant successes and investments from the previous four years to leave a legacy that shows Ohio values and provides exceptional support to and opportunities for people with developmental disabilities and their families.

Thank you for the opportunity to present this budget for consideration. I look forward to more conversations and dialogue as we prepare a budget responsive to the challenges we collectively face.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Hauck".

Kim Hauck
Director