To: Janet Stephan, Development Administrator, Ohio Department of Developmental Disabilities
From: Ohio Provider Resource Association (OPRA), Ohio Health Care Association (OHCA), Values & Faith Alliance (VFA), The Arc of Ohio
Date: July 22, 2026
Re: Acuity-Based Rates Feedback

We appreciate the opportunity to provide feedback on the proposed payment methodology options. After discussion, however, we do not believe stakeholders have enough information to meaningfully evaluate or recommend any of the proposed approaches at this time.

Our biggest concern is that we are being asked to choose the payment methodology before we know how the rest of the system will work. While this discussion is framed as a choice between 15-minute units ("granularity") and daily or partial-day rates ("simplicity"), we don't believe that's the real decision. The question isn't which payment method we prefer, it's whether any of these options will work within Ohio's broader waiver modernization effort.

The payment methodology is directly tied to interRAI, case-mix groupings, support levels (one budget and service bands), acuity-based tiers (which may be different for different services) and ultimately acuity-based rates. Those pieces all build on one another, and we don't yet know enough about the earlier steps to evaluate the last one.

Some or our questions include:

- How will interRAI replace the current assessment processes (including AAI), and will it truly become the single statewide assessment used to determine support levels (e.g. no separate assessments at the local level that determine support levels)?
- When will the data (sample, regression, variance, validation) be translated into Ohio-specific case-mix groupings, support levels (one budget and service bands), acuity tiers? Will stakeholders have the opportunity to review and provide feedback?
- How will today's separate budgets (residential, adult day, transportation) be combined into one individual budget, and what will that transition mean for people currently receiving services?
- How will person-centered planning, flexibility, due process, and appeal rights be preserved as all of these changes happen at the same time?
- What cost modeling and financial analysis will be completed before implementation, and how will the impact on individuals, providers, and the system be evaluated?
- How will DODD determine whether the new system is working before moving on to additional payment reforms?

We also have concerns about the payment options themselves. In particular, we are concerned that some approaches could create unintended incentives not to serve people with lower support needs or fail to recognize the fixed costs providers incur regardless of an individual's acuity.

For many months, OPRA has recommended a phased approach, and that continues to be our recommendation. We believe Ohio should first implement and validate interRAI, establish support levels and acuity-tiers, evaluate the data and real-world impacts, and only then determine the most appropriate long-term payment methodology.

Finally, we continue to question whether the proposed direction is the only path available. DODD has indicated that CMS will not allow continuation of the current MRC methodology, but we have not seen information from CMS requiring Ohio to abandon MRC. We are also concerned about moving quickly to acuity-based rates before there is validated data, cost modeling, or a clear understanding of how the new assessment and support levels will work in practice.

Until these questions are answered, we do not believe stakeholders can meaningfully choose among the proposed payment methodologies. Put simply, **DODD is asking stakeholders to choose the last step in the process before we've designed or understood the first steps**.