

January 11, 2013

John Martin, Director Ohio Department of Developmental Disabilities 30 E Broad St, 12<sup>th</sup> Floor Columbus OH 43215

Dear Director Martin:

As you are intimately aware, providers of service to individuals with developmental disabilities (DD) have not had a rate increase since the implementation of the Individual Options Waiver reimbursement system in 2005. Staff directly responsible for providing supports to Ohio's most vulnerable citizens now receive average salaries that place them below the Federal Poverty Guidelines (for a family of four). As a result, direct care support staff turnover has now reached an alarming rate of 42.8% jeopardizing continued quality of care. In addition, 90% of provider respondents report having employees on public assistance.

Since 2005, administrative regulations have increased, the minimum wage has jumped from \$5.15 in 2005 to the current \$7.85, the cost of energy and other operations have skyrocketed, and the providers are facing the uncertainties associated with implementation of the Affordable Care Act. In addition, the Department has been clear that the realignment of the ICF program will include the conversion of ICF beds to waiver. The Department also intends to continue downsizing state-operated developmental centers, with half of these individuals transitioning to the waiver system. Our fragile waiver system will not be able to accommodate these conversions without adequate rates.

As the State's largest developmental disabilities provider association we believe now is the time to aggressively pursue a waiver rate increase. While we recognize that the current budget climate in Ohio is one of restraint and that significant competing budgetary priorities exist, we are convinced we must act immediately. We cannot wait another two and one-half years for an increase. We know the Department is sympathetic to this issue and we appreciate your ongoing efforts to address the situation. We submit this letter to inform you that we stand fully ready to support a Department initiated remedy, or absent that, we intend to pursue this legislatively as our budget priority for the waiver system. We welcome further opportunity to discuss the parameters of such a request.

We appreciate your leadership and consideration.

Mach Davis

Sincerely,

Mark Davis President