

# State Budget Update

---

2015



**Lori Stanfa**

# House Bill 64



- As introduced, the DODD budget provided for the following:
- Unprecedented new General Revenue Funds to reduce waiver waiting lists to enroll new individuals on IO and 1000 SELF state funded slots.
- Additional funds allocated to divert new admissions to ICFs by giving individual's choice of waiver over facility with informed choice.

# House Bill 64



- ICFs- provided incentives for providers to convert existing beds to waivers and downsize large facilities. Provided penalties including mandatory closing of beds and reduced flat rates. Provided state funded “exit” waivers for anyone wanting to leave. Provided reduced flat rates for individuals with lower acuity/needs.

# House Bill 64



- Proposed to close Youngstown Developmental Center and Montgomery Developmental Center within 2 years impacting almost 200 individuals and families.
- Provided for the phase out of the TDD waiver allowing individuals to transfer to other DODD waivers.
- Provided additional funds for “system transformation” and Employment First initiatives

# House Bill 64

---

- Included new GRF dollars to state fund a 6% increase in the Homemaker Personal Care rate paid to provider...approximately a increase of \$1.25 an hour.

# House Bill 64



- Proposed the phase out of Independent Providers across all systems over a 3 year period. Potential impact on thousands of providers, individuals and families.
- Complete phase out of the Tangible Personal Property Tax (TPPT) which started in 2005. County boards of DD would lose \$40 million in the biennium. (Medina almost \$300,000)

# House Bill 64

---

- Despite new money, most of the public testimony was negative and opposed to provisions in the budget as introduced...individuals served, families, independent providers, ICF providers, etc.
- Negotiations began to reach an alternative agreement on the ICF issues.....

# House Bill 64



- OACB efforts included intense lobbying for alternative to complete loss of TPPT \$. Proposed amendment to transfer dollars to DODD budget to replace TPPT to be used as Medicaid match for waivers.
- OACB IP survey and testimony was critical.



# Points of Confusion/Anxiety

---

- CMS rule requiring Integrated services in waiver settings is not related to the budget but it got caught up in the mix....
- CMS rule on Conflict Free case management is also not related to the state budget...
- DRO pressures on DODD have heightened anxiety on various levels including families...

# Amended Sub HB 64

---

House approved on 4/23 included the following:

- Cuts to GRF 2016 \$4 million, 2017 \$9 million due to an accounting disagreement
- Restrictions in spending related to part of lost TPPT dollars moved to waiver match line item (complicated issue)
- Creates a Developmental Center closure commission

# Amended Sub HB 64

---

- Removes the phase out for the Independent Providers to allow time for a work group to develop meaningful alternatives to address Department of labor issues and liability concerns.

# Amended Sub HB 64

---

- ICF agreement included eliminating penalties for providers
- Proposes changes to the Bill of Rights not previously discussed or vetted
- Proposes language about county boards being allowed to continue to operate sheltered work shops and being a choice for individuals

# Amended Sub HB 64

---

- What does this all mean?
- There is a risk that the initiatives in the DODD budget will not be funded to the degree that they were intended including new waivers to reduce waiting lists and/or the 6% rate increase.
- DC closure commission will potentially freeze discharges and jeopardize potential savings.

# Next Steps

---

- Advocacy organizations have mounted letter writing campaign in the Senate, OACB will sign off on a joint letter.
- Hearings begin next week and Director Martin expected to make strong case for restoration of all funds.
- OACB continuing to lobby for restoration of funds including some replacement for the \$40 million loss in TPPT.

# Questions & Answers

---



Thank you for your  
time and attention today!