

## Office of Health Transformation

# Continue to Rebalance Developmental Disabilities Services

### **Background:**

In 2001, Ohio took historic steps that dramatically improved the availability and quality of home and community based services as an alternative to institutions for people with developmental disabilities. This was a profound change from the days when institutions were the only option.

Working together, consumers and advocates, county boards, private providers and the State of Ohio agreed on a developmental disabilities system redesign that enabled thousands more people to live and work in the community, instead of institutions. Redesign leveraged local levy dollars for use as Medicaid match, enabling an incredible growth in home and community-based services (HCBS) with little additional state funding. As a result, thousands more Ohioans with developmental disabilities live and work in the community.

Governor Kasich's first budget continued the system transformation that began in 2001, and gave the Ohio Department of Developmental Disabilities (DODD) more authority to design and control programs that allow people with disabilities to move seamlessly from one setting of care to another. It moved two key programs from Ohio Medicaid to DODD: the intermediate care facility (ICF/IID) program and the transitions – developmental disabilities (TDD) waiver. It authorized DODD to implement additional services under the individual options (IO) waiver program and create a new participant-directed self-empowered life funding (SELF) waiver program. The budget also continued the process of downsizing state-operated institutions and transitioning more individuals from ICF/IIDs into HCBS waiver settings.

Today, nearly 30,000 individuals with developmental disabilities receive HCBS waiver services, with federal funds supporting two-thirds of the costs. Approximately 1,000 people reside in Ohio's state-operated institutions (compared to 10,000 residents in 1963). Another 50,000 individuals are receiving services using state and local funding, some of which is only available because of being able to earn federal reimbursement for home and community based services. In addition, with changes in policy and support structures, more and more individuals with developmental disabilities will have the opportunity to work in competitive employment – enriching the quality of their lives, as well as their communities.

Despite significant progress, challenges remain. For example, Ohio has more people living in large *private* facilities (greater than 16 beds) than any state in the nation, and Ohio ranks eighth in large *publicly* operated ICF/IIDs. Some of the individuals living in these facilities are also on waiting lists for HCBS waiver services and would prefer to live in home and community-based settings. Despite progress in community employment of individuals with developmental disabilities, Ohio is overly reliant on sheltered workshops as its main employment service delivery system.

## Executive Budget Proposal and Impact:

The Executive Budget promotes further downsizing for large ICF/IIDs, the conversion of ICF/IID funded beds to home and community-based waiver settings, an emphasis on supported employment, and an increase in autism services. Specifically, the Executive Budget authorizes DODD to:

- ***Set a flat rate for residents of institutions who are less profoundly disabled.*** The Executive Budget authorizes Ohio Medicaid to pay a flat rate for all individuals residing in an ICF/IID who are in the “typical adaptive needs and non-significant behaviors” classification of residents, which means they are less profoundly disabled than other residents. By prescribing a flat rate to be paid for the least resource-intensive individuals, this provision allows funds to flow to those most in need and encourages facilities to actively consider the opportunity for those individuals with less profound needs to receive home and community based services instead of receiving services in an institution. (This policy parallels a similar program adopted in the Governor’s first budget that set a flat rate for the lowest-acuity residents in skilled nursing facilities.)
- ***Provide a financial incentive to convert institutional beds into HCBS waiver services.*** The Executive Budget authorizes DODD to create a payment incentive for ICF/IIDs to downsize or convert to smaller facilities, and allows DODD to redirect savings that result from an institutional downsizing or conversion to support larger facilities that downsize to smaller ICF/IIDs and any facility that converts ICF/IID licensed beds to home and community based services. This change reflects the goal of improving the quality of service while connecting resources to the appropriate level of need.
- ***Increase rates for providers serving former residents of institutions.*** The Executive Budget permanently extends a temporary \$2.08 per hour rate increase that was enacted in the Mid-Biennium Review for HCBS waiver providers if the individual they are serving was a resident of a public hospital, developmental center, or converted ICF/IID facility immediately prior to enrollment in the waiver. The policy change more appropriately directs resources to individualized service packages based upon individual preference
- In 2012, Governor Kasich issued an Executive Order making community employment the preferred outcome for working-age adults with developmental disabilities. The Executive Order created the Employment First Task Force that has reviewed policies and programs and made recommendations for increasing community employment opportunities in Ohio. The mid-biennium budget review (MBR) paved the way for additional opportunities by requiring all state agencies affecting DD services and programs to align policies for supporting community employment, and also requires that Individual Education Plans (IEPs) for youth with DD include strategies for preparing for community employment after the school career is over. The Executive Budget

continues Governor Kasich's efforts to eliminate employment barriers for those individuals interested in earning a paycheck. Policy changes will improve data collection, make permanent the Governor's Employment First Taskforce, create a presumption that all individuals with developmental disabilities can work unless determined otherwise, ask local county boards to create their own Employment First policies, and create a new Employment First line item to fund these efforts.

- Governor Kasich also took steps to improve services for individuals with autism spectrum disorder (ASD). He authorized DODD to launch a new autism diagnostic education project to train pediatricians to correctly identify the early signs of autism, approved funding to train professionals serving infants and toddlers in a play-based approach that nurtures the critical early parent/child relationship,<sup>1</sup> shifted Ohio's focus to employment first as an option rather than sheltered workshops<sup>2</sup> and, most significantly, required autism services to be covered as an essential health insurance benefit in Ohio.<sup>3</sup> As a package, these decisions create a continuum of services for families – from early detection and services, to employment and health coverage. The Executive Budget includes \$100,000 for the Ohio Center for Autism and Low Incidence (OCALI) to continue providing technical assistance to the Interagency Workgroup on Autism (IWGA) as state agencies work to coordinate autism services throughout the lifespan of an individual.

*Updated January 23, 2013*

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<sup>1</sup> [Helping Ohioans with autism lead meaningful and successful lives](#) (September 2012)

<sup>2</sup> [Improve Job Opportunities for Individuals with Developmental Disabilities](#) (March 2012)

<sup>3</sup> [Ohio's new autism policies](#) (December 2012)