

Greenbook
LSC Analysis of Enacted Budget

**Ohio Department of
Developmental Disabilities**

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Legislative Service Commission

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ATTACHMENT:

Budget Spreadsheet By Line Item

Department of Developmental Disabilities

- Funding increase of 10.1% in FY 2018 and 2.4% in FY 2019
- Funding will support an increase in the number of waivers and waiver costs
- Approximately 95% of funding for Medicaid expenditures

OVERVIEW

Agency Overview

The Ohio Department of Developmental Disabilities (ODODD) is the primary state service agency for Ohioans with developmental disabilities. Most of ODODD's budget is used to pay for individuals with developmental disabilities to receive services in residential facilities and in home and community-based settings. ODODD pays for: about 37,800 disabled individuals to receive services through three home and community-based Medicaid waiver programs; 430 private intermediate care facilities (ICFs) to provide residential Medicaid services to about 5,565 residents with developmental disabilities; and about 700 severely disabled individuals to receive services at regional developmental centers. In addition, ODODD provides subsidies to, and oversight of, Ohio's 88 county boards of developmental disabilities (DD). As of July 31, 2017, ODODD had approximately 2,230 employees.¹

County DD boards provide a variety of community-based services including residential support, early intervention, family support, and employment services. At the end of FY 2016, over 94,000 people received services through county DD boards.

Appropriation Overview

Agency Appropriations by Fund Group, FY 2018-FY 2019 (Am. Sub. H.B. 49)					
Fund Group	FY 2017*	FY 2018	% Change	FY 2019	% Change
General Revenue	\$656,761,719	\$673,310,954	2.5%	\$678,927,354	0.8%
Dedicated Purpose	\$354,414,503	\$427,356,564	20.6%	\$462,081,026	8.1%
Internal Service Activity	\$9,569,672	\$17,000,000	77.6%	\$9,000,000	-47.1%
Federal Revenue	\$1,607,725,264	\$1,775,780,782	10.5%	\$1,811,459,225	2.0%
TOTAL	\$2,628,471,157	\$2,893,448,300	10.1%	\$2,961,467,605	2.4%

*FY 2017 figures represent actual expenditures.

¹ This number includes permanent, part-time, temporary, and intermittent employees.

The table above shows appropriations by fund group for FY 2018 and FY 2019. For FY 2018, the budget provides \$2.89 billion in appropriations, a 10.1% increase over FY 2017 expenditures. For FY 2019, the budget provides \$2.96 billion, a 2.4% increase over FY 2018. The overall increase is mainly due to projected increases in Medicaid waiver program enrollments and cost increases within the waiver program over the biennium.

Federal funds account for the largest portion (61.3%) of ODODD's budget. Federal funds in ODODD's budget are primarily federal Medicaid reimbursement for expenditures for services provided to Medicaid recipients. ODODD receives federal Medicaid reimbursement for payments made for home and community-based waiver services, services provided in developmental centers, payments to private ICFs, and targeted case management services.

GRF dollars account for the second largest share (23.1%) of the budget. Most GRF dollars are used as the Medicaid state share for home and community-based waiver services, services provided in developmental centers, and payments to private ICFs. GRF dollars are also used to distribute subsidies to county DD boards.

Dedicated Purpose Fund dollars account for the third largest share of appropriations at 15.2%. DPF funds mainly include the following:

- Funds from county DD boards to pay a portion of the nonfederal share for waiver services;
- Developmental center residents' unearned incomes, which are received by the state and used toward residents' cost of care; and
- Revenue from a fee that county DD boards pay to ODODD based on the value of Medicaid waiver claims paid by the board.

Lastly, Internal Service Activity funds account for 0.4% of ODODD's budget and include revenue generated from leasing land or space at a developmental center or service payments for some private residents.

Major Initiatives in H.B. 49

Below are some of the initiatives that will be implemented during the FY 2018-FY 2019 biennium.²

- The budget will continue to provide support for 3,000 waivers created in H.B. 64 of the 131st General Assembly, as well as adding about 750 new waivers. This should allow waiting lists for waiver services to be reduced.

² Ohio Department of Developmental Disabilities, "DODD Outlines FY18-19 Budget Initiatives," <http://dodd.ohio.gov/Communications/Lists/Posts/Post.aspx?ID=707>.

- The budget will provide additional funding for providers that serve individuals with complex care needs – individuals who are dependent in all areas of daily living. According to ODODD, this rate add-on should start in the fall of 2017.
- The budget provides additional pay for direct support staff who have two years of experience and complete additional training. According to ODODD, this wage increase should start in July 2018.
- The budget requires ODODD to work in collaboration with certain organizations to finalize recommendations for a new ICF reimbursement formula and specifies that it is the General Assembly's intent to enact legislation establishing this formula no sooner than July 1, 2018 and no later than January 1, 2019.
- The budget provides for an increase in the ICF reimbursement rate to cover complex care needs for ventilator dependent adults.
- The budget provides \$1.0 million in each fiscal year to improve outcomes for multi-system youth by avoiding out of state placement and custody relinquishment.

ANALYSIS OF ENACTED BUDGET

Introduction

This section provides an analysis of the budget funding for each line item in ODODD's budget. In this analysis, ODODD's line items are grouped into three major categories. For each category, a table is provided listing the appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation in the upcoming biennium. The three categories used in this analysis are as follows:

1. Medicaid Services;
2. County Subsidies, Grants, and Other Services; and
3. Administration.

To aid the reader in finding each item in the analysis, the table below shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

Fund			ALI and Name		Category
General Revenue Fund Group					
GRF	320411	Special Olympics	2:	County Subsidies, Grants, and Other Services	
GRF	320412	Protective Services	3:	Administration	
GRF	320415	Developmental Disabilities Facilities Lease Rental Bond Payments	3:	Administration	
GRF	322420	Screening and Early Identification	2:	County Subsidies, Grants, and Other Services	
GRF	322421	Part C Early Intervention	2:	County Subsidies, Grants, and Other Services	
GRF	322422	Multi System Youth	2:	County Subsidies, Grants, and Other Services	
GRF	322451	Family Support Services	2:	County Subsidies, Grants, and Other Services	
GRF	322501	County Boards Subsidies	2:	County Subsidies, Grants, and Other Services	
GRF	322503	Tax Equity	2:	County Subsidies, Grants, and Other Services	
GRF	322507	County Board Case Management	2:	County Subsidies, Grants, and Other Services	
GRF	322508	Employment First Initiative	2:	County Subsidies, Grants, and Other Services	
GRF	322509	Community Supports & Rental Assistance	1:	Medicaid Services	
GRF	653321	Medicaid Program Support – State	3:	Administration	
GRF	653407	Medicaid Services	1:	Medicaid Services	

Categorization of ODODD's Line Items for Analysis of Enacted Budget			
Fund	ALI and Name		Category
Dedicated Purpose Fund Group			
5GE0	320606	Central Office Operating Expenses	3: Administration
5QM0	320607	System Transformation Supports	1: Medicaid Services
2210	322620	Supplemental Service Trust	2: County Subsidies, Grants, and Other Services
5DK0	322629	Capital Replacement Facilities	2: County Subsidies, Grants, and Other Services
5H00	322619	Medicaid Repayment	3: Administration
4890	653632	Developmental Centers Direct Care Services	1: Medicaid Services
5EV0	653627	Medicaid Program Support	3: Administration
5GE0	653606	ICF/IID and Waiver Match	1: Medicaid Services
5S20	653622	Medicaid Administration and Oversight	3: Administration
5Z10	653624	County Board Waiver Match	1: Medicaid Services
Internal Service Activity Fund Group			
1520	653609	DC and Residential Facilities Operating Services	1: Medicaid Services
Federal Revenue Fund Group			
3250	322612	Community Social Service Programs	2: County Subsidies, Grants, and Other Services
3A40	653654	Medicaid Services	1: Medicaid Services
3A40	653655	Medicaid Support	1: Medicaid Services
3A50	320613	Developmental Disabilities Council	2: County Subsidies, Grants, and Other Services

Medicaid Services

This category of appropriations includes the major sources of funding for community-based services, which includes funding for Medicaid waivers and targeted case management services, as well as funding for residential facilities. The table below shows the line items included in this category and the funding amounts.

Funding for Medicaid Services				
Fund	ALI and Name		FY 2018	FY 2019
General Revenue Fund				
GRF	322509	Community Supports & Rental Assistance	\$727,500	\$727,500
GRF	653407	Medicaid Services	\$576,275,649	\$583,775,649
General Revenue Fund Group Subtotal			\$577,003,149	\$584,503,149
Dedicated Purpose Fund Group				
4890	653632	Developmental Centers Direct Care Services	\$10,718,092	\$10,718,092
5GE0	653606	ICF/IID and Waiver Match	\$38,406,616	\$39,614,603
5QM0	320607	System Transformation Supports	\$1,000,000	\$0
5Z10	653624	County Board Waiver Match	\$340,210,215	\$374,726,690
Dedicated Purpose Fund Group Subtotal			\$390,334,923	\$425,059,385
Internal Service Activity Fund Group				
1520	653609	DC and Residential Operating Services	\$17,000,000	\$9,000,000
Internal Service Activity Fund Group Subtotal			\$17,000,000	\$9,000,000
Federal Revenue Fund Group				
3A40	653654	Medicaid Services	\$1,683,779,023	\$1,718,457,466
3A40	653655	Medicaid Support	\$61,000,000	\$62,000,000
Federal Revenue Fund Group Subtotal			\$1,744,779,023	\$1,780,457,466
Total Funding: Medicaid Services			\$2,729,117,095	\$2,799,020,000

The appropriation items above provide funding for waiver services and residential facilities. Below is a brief description of the funding by line item for each of these areas.

Medicaid Waivers

ODODD administers three³ home and community-based Medicaid waivers: Individual Options (IO), Level One (L1), and Self-Empowerment Life Funding (SELF). The primary goal of these waivers is to enable people with developmental disabilities to remain in their homes or community-based settings by providing them with cost-effective services and support to maximize their quality of life while also ensuring their

³ The Transitions DD Waiver was closed on June 30, 2017.

health and safety. Given the funding provided in the enacted budget, ODODD estimates the following enrollment numbers in the waiver programs.

Average Monthly Enrollment Estimates for DD Waivers					
Waiver	FY 2016*	FY 2017*	FY 2018	FY 2019	Change FY 2017-FY 2019
Individual Options	19,145	21,312	23,508	24,138	2,826
Level One	14,374	14,584	14,586	14,706	122
Transitions DD**	2,004	631	0	0	N/A
SELF	579	1,104	1,846	2,566	1,462
TOTAL	36,102	37,631	39,940	41,410	3,779

*FY 2016 and FY 2017 are actual average monthly enrollment.

**Transitions DD waiver was phased out on June 30, 2017. Program enrollees were transferred to other waivers.

The table below shows the funding that is dedicated to waiver services in the FY 2018-FY 2019 biennium. Line item 653655, Medicaid Support, will also be used for the administration costs for waiver services.

Line Items Used for Waivers				
Fund	Line Item		FY 2018	FY 2019
GRF	653407, Medicaid Services		\$323,275,649	\$330,775,649
5GE0	653606, ICF/IID and Waiver Match		\$27,406,616	\$29,758,853
5Z10	653624, County Board Waiver Match		\$340,210,215	\$374,726,690
3A40	653654, Medicaid Services		\$1,174,964,476	\$1,186,960,316
Waiver Services Total			\$1,865,856,956	\$1,922,221,508

Residential Facilities

The following tables show the Medicaid spending plans for ICFs and developmental centers in the FY 2018-FY 2019 biennium by line item. In addition, line item 653655, Medicaid Support, will be used for the administration costs for both developmental centers and ICFs.

Line Items Used for Intermediate Care Facilities				
Fund	Line Item		FY 2018	FY 2019
GRF	653407, Medicaid Services		\$190,000,000	\$190,000,000
5GE0	653606, ICF/IID and Waiver Match		\$11,000,000	\$9,855,750
3A40	653654, Medicaid Services		\$327,947,368	\$339,617,934
ICFs Total			\$528,947,368	\$539,473,684

ICFs provide health care and habilitation services to Medicaid recipients to help their functional status in a residential setting. There are approximately 430 private ICFs in the state that provide services to about 5,565 individuals. ICFs vary in size with many serving less than 50 individuals, but with a few in the state that serve over 100.

Line Items Used for Developmental Centers			
Fund	Line Item	FY 2018	FY 2019
GRF	653407, Medicaid Services	\$63,000,000	\$63,000,000
1520	653609, DC and Residential Operating Services	\$17,000,000	\$9,000,000
4890	653632, Developmental Centers Direct Care Services	\$10,718,092	\$10,718,092
3A40	653654, Medicaid Services	\$90,000,000	\$96,000,000
Developmental Centers Total		\$180,718,092	\$178,718,092

The state's developmental centers provide habilitative environments and residences for individuals with significant or other developmental disabilities. Individuals residing in developmental centers generally have severe-profound disabilities; some have behavioral problems and have had issues with the law. Developmental centers are designed to return individuals, once stabilized, to less intensive living environments within their local communities. There are eight developmental centers located throughout the state. These centers have a current census of about 694 individuals and a capacity to serve 855 individuals.

Below are descriptions and total appropriations for the line items that fund these services.

Medicaid Services (653407)

This GRF line item is used for Medicaid payments for ICF services, community-based services, and services to residents in state developmental centers. The budget provides \$576.3 million in FY 2018, a 5.8% increase over FY 2017 expenditures, and \$583.8 million in FY 2019, a 1.3% increase over FY 2018. The appropriations are planned for the uses shown in the table below.

Expenditure Plan for Line Item 653407, Medicaid Services		
Program	FY 2018	FY 2019
Home and Community-Based Waivers	\$323,275,649	\$330,775,649
ICFs	\$190,000,000	\$190,000,000
Developmental Centers	\$63,000,000	\$63,000,000
Total Appropriations	\$576,275,649	\$583,775,649

H.B. 49 requires that GRF line item 653407, Medicaid Services, be used for multiple purposes: home and community-based waiver services, including services to meet the requirements of the Martin and Sermak settlements; ICF services; and other programs identified by the Director. The bill requires up to \$3.0 million in each fiscal year to be used to increase employment opportunities for Medicaid-eligible individuals with developmental disabilities through the Employment First Initiative. Additionally, the bill requires up to \$14.0 million in each fiscal year from 653407 be used to distribute funds to county DD boards to address economic hardships and promote efficiency of operations.

According to ODODD, the budget for community-based services will support the requirements of the Martin Settlement and the Sermak Settlement. The Martin Settlement stems from a law suit filed by the Ohio Legal Rights Service (OLRS) in 1989 that claimed undue segregation in institutions for individuals with developmental disabilities and waiting lists for people in need of services. The Sermak Settlement stems from a 1980 class action law suit filed by OLRS alleging that individuals were being discharged from state-operated institutions to nursing facilities that were not certified to provide for their care.

Medicaid Services and Support (653654 and 653655)

New federally funded line item 653654, Medicaid Services, will be used for Medicaid payments for community-based waiver, targeted case management, ICF/IID, and DC services. The line item will also be used by ODODD to pay the ICF franchise fee.⁴ New federally funded line item 653655, Medicaid Support, will be used for administrative activities related to those services. In H.B. 49, funding from the following line items is being combined into new line item 653654: 653653, ICF/IID; 653605, DC and Residential Facilities Services and Support; 653639, Medicaid Waiver Services; and 653650, CAFS Medicaid. For line item 653655, the following are being combined: 653604, DC and ICF/IID Program Support; and 653640, Medicaid Waiver Program Support.

For line item 653654, Medicaid Services, the budget provides \$1.68 billion in FY 2018 and \$1.72 billion in FY 2019, a 2.1% increase over FY 2018. For line item 653655, Medicaid Support, the budget provides \$61.0 million in FY 2018 and \$62.0 million in FY 2019, an increase of 1.6%. The table below shows the expenditure plan for 653654, Medicaid Services.

⁴ ICFs (which include state developmental centers) are required to pay an annual franchise permit fee to the state based on the number of beds in the facility.

Expenditure Plan for Line Item 653654, Medicaid Services		
Program	FY 2018	FY 2019
Home and Community-Based Waivers	\$1,174,964,476	\$1,186,960,316
ICFs	\$327,947,368	\$339,617,934
Developmental Centers	\$90,000,000	\$96,000,000
Targeted Case Management	\$90,867,179	\$95,879,216
Total Appropriations	\$1,683,779,023	\$1,718,457,466

These federally funded line items expend the federal reimbursement received from expenditures for Medicaid services and administration. Federal reimbursement is deposited into the Medicaid Waiver Fund (Fund 3A40), which supports both line items. The federal government reimburses allowable expenditures based on a state's FMAP rate, which is determined annually by the federal government. For FFY 2017, Ohio's FMAP rate is about 62% (for every \$1 spent on Medicaid-eligible services, the federal government reimburses the state about \$0.62). Administrative costs for Medicaid programs are generally reimbursed at 50%.

Developmental Centers Direct Care Services (653632)

This line item is used to offset an individual's cost of care while in a developmental center. The budget provides \$10.7 million in FY 2018 and FY 2019, a 70.6% increase over FY 2017 expenditures. This line item is supported by revenues from client resources, such as Social Security, as well as the match for day habilitation services paid in by the county boards.

ICF/IID and Waiver Match (653606)

This line item is used for Medicaid payments for private ICF services and community-based waiver services. The budget provides \$38.4 million in FY 2018, a 248.6% increase over FY 2017 expenditures, and \$39.6 million in FY 2019, a 3.2% increase over FY 2018. Revenue to support this line item comes from quarterly payments that ODODD receives from the Ohio Department of Medicaid from the collection of ICF franchise fees. In FY 2018-FY 2019, this line item will also support activities that were previously provided through line item 653607, Intensive Behavioral Needs. This line item was used for Medicaid payments for services provided to 100 state-funded individuals under 22 years old with intensive behavioral needs enrolled in the SELF waiver. Individuals in this waiver program may select the package of services that best suits the individual's needs within a capped budget of \$25,000 per year.

System Transformation Supports (320607)

This line item will be used to purchase residential facility beds for the purpose of reducing the number of beds that are certified for participation in Medicaid as ICF/IID

beds in Ohio. The line item will also be used to fund other system transformation initiatives identified by the Director. The budget provides \$1.0 million in FY 2018, a 67.5% decrease from FY 2017 expenditures of \$3.1 million. Funding is eliminated in FY 2019. However, in H.B. 49, the Director may also use line item 322612, Community Social Service Programs, to purchase residential facility beds in the upcoming biennium as well.

DC and Residential Facilities Operating Services (653609)

This line item is used for operating costs at state developmental centers. The budget provides funding of \$17.0 million for FY 2018, an increase of 77.6% over FY 2017 expenditures of \$9.6 million, and \$9.0 million in FY 2019, a 47.1% decrease from FY 2018. The increase in FY 2018 is due to the ODODD's shifting of expenditures from GRF line item 653407, Medicaid Services, to this line item. Line item 653609 has a cash balance to support an increase in expenditures in FY 2018; thus, this appropriation is increased and the amount used for developmental centers in the GRF line item is decreased. This line item is supported by the Miscellaneous Revenue Fund (Fund 1520), which receives revenue generated from leasing land or space at a developmental center or service payments for some private residents ("private" means that the residential care for these residents is paid by the county DD board). The appropriation is mainly used to meet the operating expenses of the developmental centers that serve these individuals.

County Board Waiver Match (653624)

This line item is used for Medicaid payments for community-based waiver services. The budget provides \$340.2 million in FY 2018, a 12.4% increase over FY 2017 expenditures and \$374.7 million in FY 2019, a 10.2% increase over FY 2018. This line item is supported by payments received from county DD boards when a county board has exceeded its state allocation of GRF dollars (from line item 653407, Medicaid Services) for the nonfederal share of Medicaid claims and must use local resources to pay their portion. The increase in appropriations in each fiscal year is due to the estimated increase in waiver enrollees and waiver costs. Additionally, county DD boards are required to fund the day services portion of new state waivers.

Community Supports & Rental Assistance (322509)

This GRF line item will be used to provide county DD boards with funding for rental assistance for individuals who are receiving home and community-based services and individuals who enroll in a Medicaid waiver component providing home and community-based services after receiving readmission counseling. The budget provides funding of \$727,500 in FY 2018 and FY 2019, a 158.8% increase over FY 2017 expenditures.

County Subsidies, Grants, and Other Services

This category of appropriations includes the major sources of funding for services provided by the county DD boards as well as grants and other services. The table below shows the line items included in this category and the funding amounts.

Funding for County Subsidies, Grants, and Other Services				
Fund	ALI and Name		FY 2018	FY 2019
General Revenue Fund				
GRF	320411	Special Olympics	\$100,000	\$100,000
GRF	322420	Screening and Early Identification	\$330,999	\$330,999
GRF	322421	Part C Early Intervention	\$10,887,711	\$10,887,711
GRF	322422	Multi System Youth	\$1,000,000	\$1,000,000
GRF	322451	Family Support Services	\$5,843,767	\$5,843,767
GRF	322501	County Board Subsidies	\$43,266,294	\$43,266,294
GRF	322507	County Board Case Management	\$2,450,000	\$1,462,500
GRF	322508	Employment First Initiative	\$2,724,111	\$2,724,111
General Revenue Fund Subtotal			\$66,602,882	\$65,615,382
Dedicated Purpose Fund Group				
2210	322620	Supplemental Service Trust	\$500,000	\$500,000
5DK0	322629	Capital Replacement Facilities	\$750,000	\$750,000
Dedicated Purpose Fund Group Subtotal			\$1,250,000	\$1,250,000
Federal Revenue Fund Group				
3A50	320613	Developmental Disabilities Council	\$3,324,187	\$3,324,187
3250	322612	Community Social Service Programs	\$27,677,572	\$27,677,572
Federal Revenue Fund Group Subtotal			\$31,001,759	\$31,001,759
Total Funding: County Subsidies, Grants, and Other Services			\$98,854,641	\$97,867,141

Special Olympics (320411)

H.B. 49 reestablishes GRF line item 320411, Special Olympics, and requires the funds to be distributed to the Ohio State University to support its hosting of the annual Special Olympics Ohio Summer Games. The budget provides \$100,000 in FY 2018 and FY 2019.

Screening and Early Identification (322420)

This GRF line item provides funding for screening and early identification programs for children with autism and other complex developmental disabilities and their families. The budget provides funding of \$330,999 for FY 2018 and FY 2019, a decrease of 62.0% from FY 2017 expenditures of \$870,455. H.B. 49 requires \$30,000 in each fiscal year to be distributed to the Preble County Board of Developmental Disabilities for the Play and Language for Autistic Youngsters Project.

Part C Early Intervention (322421)

H.B. 483 of the 131st General Assembly transferred from the Ohio Department of Health to ODODD, the responsibility for implementing the state's Part C Early Intervention Services Program, through which eligible infants and toddlers receive early intervention services in accordance with federal law. Additionally, the bill designated ODODD as the "lead agency" responsible for the administration of funds provided for the program. The budget provides \$10.9 million in each fiscal year, a 15.4% increase over FY 2017 expenditures.

Multi System Youth (322422)

This new GRF line item will support youth with complex needs who are served by multiple state systems and the need to avoid out-of-state placement, institutionalization, and custody relinquishment. ODODD entered into a grant agreement with Oesterlen Services for Youth in 2016 to support a program focusing on this population, which is now operational. The budget provides \$1.0 million in each fiscal year.

Family Support Services (322451)

This GRF line item provides funding for the family support subsidy. The budget provides funding of \$5.8 million for FY 2018 and FY 2019, a 1.5% decrease from FY 2017 expenditures. These subsidy dollars are provided to ensure the availability of support so people may live as they choose while promoting their health, safety, and welfare. The primary goal for families receiving these dollars is to care for the family member with developmental disabilities in their own homes. Supports include respite care, adaptive equipment, special diets, home modifications to accommodate the family member with a disability, and other services and items that are individualized to meet the needs of the family. In order to access these dollars, the family must be caring for the person with developmental disabilities at home and the individual must be eligible for services through their local county DD board. In H.B. 49, the line item may also be used to distribute funds to county boards for the purpose of addressing economic hardships and to promote efficiency of operations.

County Boards Subsidies (322501)

This GRF line item is used to provide subsidy dollars to county DD boards to assist with the costs of services and administration provided by the board. This subsidy can be used for county board operating expenses, supported living services, service and support administration for county residents, and waiver match. The budget provides funding of \$43.3 million for FY 2018 and FY 2019, a 2.0% decrease from FY 2017 expenditures.

H.B. 49 specifies that this line item must be used for the following purposes:

1. A quarterly subsidy to county DD boards according to a formula developed by the Director in consultation with county boards for early childhood services and adult services, supported living, and service and support administration;
2. Funding for residential and support services to enable individuals with developmental disabilities to live in the community; and
3. Funding for county DD boards to address economic hardship and promote efficient operations.

The first purpose relates to the Supported Living Program and Service and Support Administration subsidies. Since FY 2008, these subsidies have been funded from this line item. The second purpose allows counties to expend funds from this line item for residential supports. The third purpose allows for overall flexibility in expending subsidy dollars. In addition, the line item may also be used to transfer portions of funds to a flexible funding pool, in consultation with the county's family and children first council.

County Board Case Management (322507)

This GRF line item is used to provide funding to county DD boards to provide case management services for individuals who were enrolled on the Transitions DD waiver and were transferred to the IO waiver. The budget provides funding of approximately \$2.5 million in FY 2018, a 2.0% decrease from FY 2017, and approximately \$1.5 million in FY 2019, a 40.3% decrease from FY 2018.

Employment First Initiative (322608)

This GRF line item is used to fund a partnership with the Opportunities for Ohioans with Disabilities (OOD) Agency and to develop a long-term system for placing individuals with developmental disabilities in community employment. The budget provides \$2.7 million in FY 2018 and FY 2019, a 40.8% decrease from FY 2017 expenditures of \$4.6 million. However, H.B. 49 requires up to \$3.0 million in each fiscal year from 653407, Medicaid Services, also be used for the Employment First Initiative.

The goal of the program is to increase employment opportunities for individuals with developmental disabilities. H.B. 49 requires the ODODD Director and the OOD Executive Director to enter into an interagency agreement for the initiative. The bill requires that a portion of funds from this line item be transferred to OOD to use for vocational rehabilitation services under the initiative; the bill does not specify an amount to be transferred, only that the directors of both agencies agree upon the amount. Any federal match OOD receives for expending transferred funds is required to be used for the initiative.

Supplement Service Trust (322620)

This line item is used for community-based services that are not allowable under Medicaid, such as reimbursements for attendance at recreational events, travel, vacations, sports, elective medical or dental care, gym memberships, etc. When an individual with a supplemental service trust dies, 50% of the remaining funds in the trust are paid to ODODD and deposited into the Supplemental Service Trust Fund (Fund 2210). ODODD then returns those dollars to the county DD board in the individual's county of origin. The annual revenue the fund receives depends on the number of individuals who hold such a trust at the time of death. The budget provides \$500,000 for FY 2018 and FY 2019, a 30.2% increase over FY 2017 expenditures.

Capital Replacement Facilities (322629)

This line item provides financial assistance to county DD boards or nonprofit agencies for the purchase or renovation of community housing for individuals with developmental disabilities. After 15 years, the state share of the loan is forgiven. However, the recipient of such assistance may apply for approval to sell the facility before the terms of the agreement expire for the purpose of acquiring a replacement facility to be used to provide services to the individuals it serves. After selling the facility, the local entity is required to return to ODODD a prorated amount of the state assistance based on the unexpired term of the agreement. The repayment of the prorated state share of funding is deposited in the Capital Replacement Facilities Fund (Fund 5DK0), which supports this line item. Once a replacement facility is purchased, the funds may be returned to the county board to offset the cost of the purchase. However, if a replacement facility is not purchased, then the funds are used to support ODODD's community construction projects. The budget provides funding of \$750,000 for FY 2018 and FY 2019, an 85.0% increase over FY 2017 expenditures.

Developmental Disabilities Council (320613)

This federally funded line item supports the operational expenses for the Ohio Developmental Disabilities Council (ODDC), which is a planning and advocacy body committed to community inclusion for people with developmental disabilities. The budget provides funding of \$3.3 million for FY 2018 and FY 2019, a 20.3% increase over FY 2017 expenditures.

ODDC is part of a national network of state councils and consists of at least 30 members appointed by the Governor. Members are people with developmental disabilities, parents and guardians of people with developmental disabilities, and representatives from concerned state agencies, nonprofit organizations, and agencies that provide services to people with developmental disabilities. Members serve in a voluntary capacity. ODDC operates through eight committees and relies on

professional support staff to handle the day-to-day operations, administration, planning, advocacy, and project monitoring.

ODDC receives federal funding for innovative advocacy, capacity building, and systems change activities. ODODD is responsible for receiving, accounting for, and disbursing funds in accordance with Ohio's federally required state plan. Ohio's state plan addresses federal areas of interest including education and early intervention, quality assurance, child care, health, employment, housing, transportation, recreation, and other services available or offered to individuals in the community.

ODDC disburses federal funds through grants and contracts for the provision of services that are needed by, or are useful to, individuals with developmental disabilities living in the community. ODDC monitors progress with each project that receives grant funding. Progress is measured through site visits and quarterly reports from grantees. ODDC annually reports results of its activities to the Federal Administration on Intellectual and Developmental Disabilities.

Community Social Service Programs (322612)

This federally funded line item is used to fund a variety of community services provided to individuals with developmental disabilities. The budget provides funding of \$27.7 million for FY 2018 and FY 2019, a 38.4% increase over FY 2017 expenditures. As mentioned above, H.B. 483 of the 131st General Assembly transferred from ODH to ODODD, the responsibility for implementing the state's Part C Early Intervention Services Program, through which eligible infants and toddlers receive early intervention services in accordance with federal law.

In H.B. 49, this line item will also be used to purchase residential facility beds for the purpose of reducing the number of beds that are certified for participation in Medicaid as ICF/IID beds in Ohio. Additionally, the bill permits a portion of the line item to be used to provide a subsidy, disbursed in quarterly installments, to county family and children first council administrative agencies to support central coordination and child find activities. The bill requires the Director, in consultation with the Early Intervention Services Advisory Council, to establish a formula for allocating the funds and restrictions on the use of the subsidy funds disbursed to the administrative agencies.

The fund that supports this line item also receives funds from the federal Social Services Block Grant received under Title XX. The block grant is a capped entitlement program that helps states provide a wide array of social services that may include protective services, employment services, case management, and special services to individuals with disabilities. Title XX funds are received by the Ohio Department of Job and Family Services, which keeps 72.5% and distributes the remaining 14.57% to ODODD and 12.93% to the Ohio Department of Mental Health and Addiction Services.

ODODD distributes their portion of the grant to county DD boards to supplement the costs of services provided by the boards. The total block grant is about \$58.0 million per year, of which ODODD typically receives about \$8.3 million.

Administration

This category of appropriations includes the major sources of funding for ODODD's administrative expenses. The following table shows each line item in this category and funding amounts.

Funding for Administration				
Fund	ALI and Name		FY 2018	FY 2019
General Revenue Fund				
GRF	320412	Protective Services	\$2,381,923	\$2,381,923
GRF	320415	Developmental Disabilities Facilities Lease Rental Bond Payments	\$20,323,000	\$19,426,900
GRF	653321	Medicaid Program Support – State	\$7,000,000	\$7,000,000
General Revenue Fund Subtotal			\$29,704,923	\$28,808,823
Dedicated Purpose Fund Group				
5GE0	320606	Central Office Operating Expenses	\$13,339,487	\$13,339,487
5H00	322619	Medicaid Repayment	\$900,000	\$900,000
5EVO	653627	Medicaid Program Support	\$1,500,000	\$1,500,000
5S20	653622	Medicaid Administration and Oversight	\$20,032,154	\$20,032,154
Dedicated Purpose Fund Group Subtotal			\$35,771,641	\$35,771,641
Total Funding: Administration			\$65,476,564	\$64,580,464

Protective Services (320412)

This GRF line item is used to pay costs associated with guardianships, trusteeships, and protectorships for individuals with developmental disabilities. Protective services refer to the provision of services by a contract agency that performs the duties otherwise fulfilled by a guardian, trustee, or conservator. An individual acting in this capacity provides guidance, service, and encouragement of the development of maximum self-reliance while also ensuring health and safety. Individuals receiving these services must undergo a comprehensive evaluation that includes psychological and medical exams, as well as a social history. ODODD contracts with Advocacy and Protective Services, Inc., a nonprofit agency, for these services. The budget provides funding of approximately \$2.4 million for FY 2018 and FY 2019, a 1.5% decrease from FY 2017 expenditures.

Developmental Disabilities Facilities Lease Rental Bond Payments (320415)

This GRF line item is used to make debt service payments on bonds issued for long-term capital construction projects. The Office of Budget and Management calculates the amount needed for each fiscal year to fulfill these obligations. The budget provides funding of \$20.3 million for FY 2018, an increase of 2.3% over FY 2017 expenditures, and \$19.4 million for FY 2019, a 4.4% decrease from FY 2018.

Medicaid Program Support – State (653321)

This GRF line item is used to support central office operating expenses. Funds are used for staffing, maintenance, supplies, and equipment needed to carry out ODODD's mission and ensure compliance with state and federal laws. The budget provides \$7.0 million for FY 2018 and FY 2019, an 8.0% decrease from FY 2017 expenditures.

Central Office Operating Expenses (320606)

This line item is used to support central office administration, including payroll and information technology projects. The budget provides funding of \$13.3 million for FY 2018 and FY 2019, a 46.5% increase over FY 2017 expenditures.

Medicaid Repayment (322619)

This line item is used to pay ODM the federal portion of collections of overpayments to Medicaid providers discovered during an audit. The budget provides funding of \$900,000 in FY 2018 and FY 2019.

Medicaid Program Support (653627)

This line item is used for the supported living provider certification program, as well as licensing and inspecting residential facilities. The line item is supported by fees paid to ODODD for employee certification and registration, licensing of residential facilities, and provider certification. ODODD collects certification fees from ODODD providers on behalf of ODM. This line item accounts for this fee revenue, which is transferred to ODM. The budget provides funding of \$1.5 million in FY 2018 and FY 2019, a 4.7% increase over FY 2017 expenditures.

Medicaid Administration and Oversight (653622)

This line item is used to fund administrative activities such as eligibility determinations, training, claims processing, fiscal management, and quality assurance. The budget provides \$20.0 million in FY 2018 and FY 2019, a 2.8% increase over FY 2017 expenditures of \$19.5 million.

This line item is supported by a portion of a fee collected from county DD boards. County DD boards pay ODODD a 1.25% fee on the value of all Medicaid-paid claims for home and community-based services. The fee revenue is deposited into the Administration and Oversight Fund (Fund 5S20), which supports this line item.

FY 2018 - FY 2019 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
Report For Main Operating Appropriations Bill			Version: As Enacted					
DDD Department of Developmental Disabilities								
GRF	320321	Central Administration	\$ 123,493	\$ 206,007	\$ 0	-100.00%	\$ 0	N/A
GRF	320411	Special Olympics	\$0	\$0	\$ 100,000	N/A	\$ 100,000	0.00%
GRF	320412	Protective Services	\$ 2,418,196	\$ 2,418,196	\$ 2,381,923	-1.50%	\$ 2,381,923	0.00%
GRF	320415	Developmental Disabilities Facilities Lease Rental Bond Payments	\$ 20,948,102	\$ 19,858,807	\$ 20,323,000	2.34%	\$ 19,426,900	-4.41%
GRF	322420	Screening and Early Identification	\$ 595,842	\$ 870,455	\$ 330,999	-61.97%	\$ 330,999	0.00%
GRF	322421	Part C Early Intervention	\$0	\$ 9,436,425	\$ 10,887,711	15.38%	\$ 10,887,711	0.00%
GRF	322422	Multi System Youth	\$0	\$0	\$ 1,000,000	N/A	\$ 1,000,000	0.00%
GRF	322451	Family Support Services	\$ 5,932,758	\$ 5,932,758	\$ 5,843,767	-1.50%	\$ 5,843,767	0.00%
GRF	322501	County Boards Subsidies	\$ 44,149,280	\$ 44,149,280	\$ 43,266,294	-2.00%	\$ 43,266,294	0.00%
GRF	322503	Tax Equity	\$ 14,000,000	\$ 14,000,000	\$ 0	-100.00%	\$ 0	N/A
GRF	322507	County Board Case Management	\$ 2,500,000	\$ 2,500,000	\$ 2,450,000	-2.00%	\$ 1,462,500	-40.31%
GRF	322508	Employment First Initiative	\$ 5,103,061	\$ 4,599,873	\$ 2,724,111	-40.78%	\$ 2,724,111	0.00%
GRF	322509	Community Supports and Rental Assistance	\$ 30,678	\$ 281,069	\$ 727,500	158.83%	\$ 727,500	0.00%
GRF	653321	Medicaid Program Support-State	\$ 6,475,731	\$ 7,606,680	\$ 7,000,000	-7.98%	\$ 7,000,000	0.00%
GRF	653407	Medicaid Services	\$ 484,153,796	\$ 544,902,169	\$ 576,275,649	5.76%	\$ 583,775,649	1.30%
General Revenue Fund Total			\$ 586,430,936	\$ 656,761,719	\$ 673,310,954	2.52%	\$ 678,927,354	0.83%
5GE0	320606	Central Office Operating Expenses	\$ 8,711,598	\$ 9,106,854	\$ 13,339,487	46.48%	\$ 13,339,487	0.00%
5QM0	320607	System Transformation Supports	\$ 1,842,288	\$ 3,076,126	\$ 1,000,000	-67.49%	\$ 0	-100.00%
2210	322620	Supplement Service Trust	\$ 48,596	\$ 383,982	\$ 500,000	30.21%	\$ 500,000	0.00%
5DJ0	322625	Targeted Case Management Match	\$ 12,565,335	\$0	\$ 0	N/A	\$ 0	N/A
5DK0	322629	Capital Replacement Facilities	\$0	\$ 405,385	\$ 750,000	85.01%	\$ 750,000	0.00%
5H00	322619	Medicaid Repayment	\$ 107,900	\$ 332,940	\$ 900,000	170.32%	\$ 900,000	0.00%
4890	653632	Developmental Centers Direct Care Services	\$ 4,216,770	\$ 6,282,791	\$ 10,718,092	70.59%	\$ 10,718,092	0.00%
5CT0	653607	Intensive Behavioral Needs	\$ 269,619	\$ 232,187	\$ 0	-100.00%	\$ 0	N/A

FY 2018 - FY 2019 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
DDD Department of Developmental Disabilities								
5DJ0	653626	Targeted Case Management Services	\$ 48,429,365	\$ 0	\$ 0	N/A	\$ 0	N/A
5EV0	653627	Medicaid Program Support	\$ 743,585	\$ 1,432,770	\$ 1,500,000	4.69%	\$ 1,500,000	0.00%
5GE0	653606	ICF/IID and Waiver Match	\$ 22,232,402	\$ 11,018,012	\$ 38,406,616	248.58%	\$ 39,614,603	3.15%
5S20	653622	Medicaid Administration and Oversight	\$ 18,312,936	\$ 19,480,126	\$ 20,032,154	2.83%	\$ 20,032,154	0.00%
5Z10	653624	County Board Waiver Match	\$ 304,569,886	\$ 302,663,328	\$ 340,210,215	12.41%	\$ 374,726,690	10.15%
Dedicated Purpose Fund Group Total			\$ 422,050,279	\$ 354,414,503	\$ 427,356,564	20.58%	\$ 462,081,026	8.13%
1520	653609	DC and Residential Facilities Operating Services	\$ 2,310,070	\$ 9,569,672	\$ 17,000,000	77.64%	\$ 9,000,000	-47.06%
Internal Service Activity Fund Group Total			\$ 2,310,070	\$ 9,569,672	\$ 17,000,000	77.64%	\$ 9,000,000	-47.06%
3250	322612	Community Social Service Programs	\$ 10,103,451	\$ 20,003,254	\$ 27,677,572	38.37%	\$ 27,677,572	0.00%
3A40	653604	DC and ICF/IID Program Support	\$ 5,403,657	\$ 8,111,448	\$ 0	-100.00%	\$ 0	N/A
3A40	653605	DC and Residential Facilities Services and Support	\$ 109,823,634	\$ 94,025,351	\$ 0	-100.00%	\$ 0	N/A
3A40	653653	ICF/IID	\$ 337,311,133	\$ 333,110,405	\$ 0	-100.00%	\$ 0	N/A
3A40	653654	Medicaid Services	\$ 0	\$ 0	\$ 1,683,779,023	N/A	\$ 1,718,457,466	2.06%
3A40	653655	Medicaid Support	\$ 0	\$ 0	\$ 61,000,000	N/A	\$ 62,000,000	1.64%
3A50	320613	Developmental Disabilities Council	\$ 3,000,257	\$ 2,764,053	\$ 3,324,187	20.26%	\$ 3,324,187	0.00%
3G60	653639	Medicaid Waiver Services	\$ 1,006,170,092	\$ 1,105,530,725	\$ 0	-100.00%	\$ 0	N/A
3G60	653640	Medicaid Waiver Program Support	\$ 38,182,826	\$ 44,180,027	\$ 0	-100.00%	\$ 0	N/A
3M70	653650	CAFS Medicaid	\$ 189,163	\$ 0	\$ 0	N/A	\$ 0	N/A
Federal Fund Group Total			\$ 1,510,184,213	\$ 1,607,725,264	\$ 1,775,780,782	10.45%	\$ 1,811,459,225	2.01%
Department of Developmental Disabilities Total			\$ 2,520,975,499	\$ 2,628,471,157	\$ 2,893,448,300	10.08%	\$ 2,961,467,605	2.35%