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**Charles H. Arndt**  
Executive Director

March 8, 2001

The Honorable James Hoops, Chairman  
House Finance Subcommittee on Human Services  
Statehouse  
Columbus, Ohio 43215

Dear Representative Hoops and Members of the Subcommittee:

I am Lee Wedemeyer, President of the Ohio Superintendents of County Boards of MR/DD and I am Charles H. Arndt, Executive Director of the Ohio Association of County Boards of MR/DD. We wish to testify in support of the proposed budget for the Ohio Department of Mental Retardation and Developmental Disabilities and Ohio's MR/DD system for fiscal years 2002-2003. We wish to present for you an innovative proposal for funding additional, expanded services to those unserved within residential supports through the use of approximately \$100 million of existing local property tax monies from county boards of MR/DD and unmatched state supported living monies of approximately \$40 million, with limited additional state support.

First, we want to explain our views related to the proposed state budget. We believe the budget begins to address the serious needs of individuals with developmental disabilities who are residentially unserved and have waited for these services for many years. The budget begins to address the infrastructure repairs that are needed after many years of state financial neglect of community services, programs, and supports. Our funding needs from the state are at least ten times the proposed increases in the state budget for community services as we indicated to the Taft administration in a budget plan adopted by a coalition of community MR/DD advocacy and professional organizations (Reference Appendix A). Over the past ten years, the Ohio Department of MR/DD has suffered under the lowest percentage increase of any of the agencies that have a

**MISSION:** To ensure the availability of programs, services, and supports that assist eligible individuals with mental retardation and other developmental disabilities in choosing and achieving a life of increasing capability such that they can live, work, and play in the community, and to assist and support the families of these individuals in achieving this objective.

Table One

A Comparison of State General Revenue Fund Growth For Comparable State Agencies with ODMRDD  
 Fiscal Year 1990 to Fiscal Year 2000

Source: State Executive Budget Documents

| AGENCY                 | FISCAL YEAR 1990 | % OF STATE<br>1990 | FISCAL YEAR 2000 | % OF STATE<br>2000 | GROWTH<br>PERCENTAGE |
|------------------------|------------------|--------------------|------------------|--------------------|----------------------|
| STATE OF OHIO          | \$11,585,700,000 |                    | \$19,454,800,000 |                    | 67.92%               |
| AGING                  | \$33,276,183     | N/A                | \$92,850,000     | N/A                | 179.03%              |
| EDUCATION              | \$2,889,632,884  | 24.94%             | \$5,012,106,000  | 25.76%             | 73.45%               |
| HEALTH                 | \$42,498,760     | 0.37%              | \$84,103,000     | 0.43%              | 97.90%               |
| HUMAN SERVICES         | \$4,321,141,818  | 37.30%             | \$7,005,247,000  | 36.01%             | 62.12%               |
| ALCOHOL AND DRUG ABUSE | \$19,832,566     | 0.17%              | \$32,485,000     | 0.17%              | 63.80%               |
| MENTAL HEALTH          | \$376,813,258    | 3.25%              | \$506,789,000    | 2.60%              | 34.49%               |
| MR/DD                  | \$259,627,826    | 2.24%              | \$341,404,000    | 1.75%              | 31.50%               |

comparable mission of delivering human or educational services. Table One identifies the numbers from the Executive budgets for the State of Ohio since 1990.

In the late 1980's and early 1990's, both the Celeste and Voinovich administrations told the community MR/DD system to leverage existing state and local monies against Medicaid in order to pay for service and support expansion for individuals with developmental disabilities. The Medicaid program has brought in about \$200 million of new federal monies for community services. However, House Bill 569, which was enacted in 1990, changing the definition of developmental disabilities, has caused a tremendous increase in the numbers of individuals that are served in community services from around 35,000 in 1990 to nearly 60,000 in October 2000, a 70 percent growth rate. In addition to federal funding, county boards have had to double their yield on property taxes to over \$600 million in Calendar Year 2000 within that same time period.. With all the changes and the implementation of Medicaid funding, Ohio's community MR/DD system has had to change its way of doing business with increased regulation, increased mandates, increased accountability, and increased complexities. We are no longer just a human service agency, we are a business.

State funding, meanwhile, has not kept pace with system needs let alone inflation. Largely, the state has ignored existing programs that were put in place years ago and have funded a few initiatives principally for residential supports. Supported living services in line 322-413, initiated in 1989, have been funded at \$21 million with an additional \$20 million converted from the group home system. There have also been approximately \$32 million for new waiver services in that same line and some cost of living increases but none to keep pace even with modest level of inflation. Since 1990, approximately 4,500 new individuals have been able to be served under waivers or supported living, individuals previously not served within residential supports.

Case management services (322-452) were initiated in 1986 with about \$4 million as county boards of MR/DD were mandated to provide these services to provide local monitoring and oversight. In spite of tremendous growth in enrollment, state funding has only increased to \$6.3 million in FY 2001, fifteen years later. County MR/DD boards have absorbed most of the burden and contributed over \$28 million of local monies to this mandate in Calendar Year 1999. These are the personnel who determine eligibility, assess need, plan services and supports, assist individuals in selecting providers, conduct quality assurance and outcome reviews, and monitor and remediate cases of abuse, neglect, and exploitation at the local level. We applaud the Executive budget increase of \$3.0 million for these essential administrative oversight services.

Family support services (322-453), first initiated in 1983, has languished in terms of increased state aid. Within Ohio's MR/DD system, there are approximately 18,000 children with developmental disabilities living at home with families and an estimated 14,000, adults ages 22 and over who remain at home with families and unserved within the residential support system. Even a modest family support program should provide a minimum of \$1,000 per family or \$32 million of aid not \$7.9 million, as currently appropriated. These families, especially the families of adults with developmental disabilities, have provided care to their sons and daughters and have consequently not placed a significant, financial obligation on the state or counties to provide more expensive out of home care.

County MR/DD boards offer services and supports to over 7,000 infants and 29,000 adults with mr/dd. Historically since 1967, county MR/DD boards have received a subsidy for these services within Line 322-501. The last time there was an increase in this line beyond growth in enrollment was 1985 when the current \$1,200 for adults and \$950 for infants was adopted. These amounts of state funding for adult and infant services compare to an average cost for adults of \$15,000 (eight percent) and \$9,000 for infants (eleven percent). In addition, within the administration's proposal, capping language has been inserted in the budget to eliminate any growth in these levels of funding even when enrollment increases occur. We respectfully request that this language be deleted from the proposed budget and the state live up to at least these modest levels of funding. These funding levels have required county MR/DD boards to increase their property taxes significantly to meet individual needs.

We also deplore the cut in line 323-321 for state developmental centers of over \$4 million. There are approximately 2,000 adults with significant, intensive needs served in these centers. The cut in this line is magnified by a loss of at least \$6.0 million of federal financial reimbursement. We do not understand the rationale behind the cut and believe it may seriously compromise the capabilities of the centers to effectively meet needs of the people they serve. We also are concerned that there is a belief by many of the families of residents of state developmental centers that somehow or way we intend to move residents to community care, causing the closure of one or more state developmental centers. County MR/DD boards have approximately 13,500 adults, ages 22 and over who still reside at home with their families including 4,500 adults ages 40 and over served by aging caretakers. None of these individuals are served in the residential supports system. The community MR/DD system has much work ahead for many years providing new residential supports to unserved individuals who are priorities before we can address individuals desiring alternative services and supports to the ones they are currently receiving.

As we have reviewed the proposed state budget, we are appreciative of the infrastructures repairs that have been added including funding for program managers for providers of Medicaid waiver and supported living services to provide oversight of program implementation, funding for delegated nursing, behavioral interventions, and investigations of major unusual incidents. We also notice an increase of approximately \$6 million in FY 2002 and \$16 million in FY 2003 for expansion of Medicaid waivers for 1,000 individuals. We appreciate this expansion but have an alternative proposal that addresses many issues simultaneously that plague our community MR/DD system.

The state of Ohio has a unique way of funding Ohio's MR/DD system. It uses property taxes to fund over fifty percent of the services, programs, and supports provided or arranged by county boards of MR/DD. Most of the states in the nation have a state funded system whereby the state collects all the general revenue funds and redistributes the monies to the counties or providers delivering the services. This state collection process provides uniformity, comparability and equity. It also allows ease of pledging monies to draw down federal financial participation.

Ohio, in adopting a property tax system for county MR/DD boards many years ago, has created a revenue source that is highly important in meeting the needs of over 60,000 Ohioans with MR/DD. In 1983, counties had approximately \$100 million of local property tax monies and this has grown to \$275 million by 1990 and to approximately \$600 million in calendar year 2000. While on a statewide basis, the yield is impressive and contributes to our capability to effectively serve people, let us not forget that we have eighty-eight tax centers each with their own assessed values for residential and industrial property. This factor skews the yield in similar proportions as occurs for Ohio's public schools, counties, and others agencies funded through property taxation.

Counties are wealthy or poor based on the combination of factors of assessed property values and enrollment. Many of our smaller counties, though, have been impacted by the placement on rural county land of large intermediate care facilities for MR by residential providers through contracts issued many years ago by the Ohio Department of Human Services. Perry, Belmont, Morrow, Preble, and Henry counties all have such facilities and have become tax poor. These facilities have open enrollment processes and usually have accepted people out of county and even sometimes out of state. Thus, these counties have been seriously impacted by individuals coming to their counties to an unusual, almost artificial housing and living situation, with the county required to provide most of the funding for adult services.

Table Two shows the distribution for adults on a one mill levy whereby the county MR/DD board with the highest yield in the state gets \$17,747 (Delaware) on a one

Table Two  
 The Ohio Association of County Boards of Mental Retardation and Developmental Disabilities  
 County Property Tax Yield and Requirements for State Funding of 1/2 Mill  
 to bring Below Average Yield Counties to the Statewide Average

| A<br>County | B<br>Per Mill<br>Yield |       | C<br>Adult<br>Enrollment |       | D<br>Per Mill<br>Per Enrollee |         | E     | F<br>Yield on<br>0.5 Mills |           | G<br>Adult<br>Enrollment |           | H<br>Per 1/2 Mill<br>Per Enrollee |       | I<br>S Under State<br>Avg \$3,367 |           | J<br>FY 2002<br>Half Yr |           | K<br>FY 2003<br>Full Yr |           |
|-------------|------------------------|-------|--------------------------|-------|-------------------------------|---------|-------|----------------------------|-----------|--------------------------|-----------|-----------------------------------|-------|-----------------------------------|-----------|-------------------------|-----------|-------------------------|-----------|
|             |                        |       |                          |       |                               |         |       |                            |           |                          |           |                                   |       |                                   |           |                         |           |                         |           |
| Delaware    | \$3,017,059            | 170   | \$17,747                 | 170   | \$1,568,930                   | \$9,274 | \$0   | \$8,974                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Noble       | \$162,557              | 11    | \$14,778                 | 11    | \$61,278                      | \$7,369 | \$0   | \$7,369                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Adams       | \$575,015              | 43    | \$13,372                 | 43    | \$287,507                     | \$6,686 | \$0   | \$6,686                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Greene      | \$2,580,725            | 202   | \$12,776                 | 202   | \$1,290,363                   | \$6,388 | \$0   | \$6,388                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Geauga      | \$2,220,649            | 174   | \$12,762                 | 174   | \$1,110,324                   | \$6,381 | \$0   | \$6,381                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Wood        | \$2,301,954            | 222   | \$10,369                 | 222   | \$1,450,977                   | \$6,565 | \$0   | \$6,565                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Gallia      | \$698,583              | 58    | \$10,315                 | 58    | \$304,282                     | \$5,257 | \$0   | \$5,257                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Lake        | \$5,264,162            | 538   | \$9,765                  | 538   | \$2,632,051                   | \$4,892 | \$0   | \$4,892                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Union       | \$899,193              | 90    | \$9,547                  | 90    | \$428,586                     | \$4,773 | \$0   | \$4,773                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Hamilton    | \$17,180,762           | 1,823 | \$9,424                  | 1,823 | \$8,590,381                   | \$4,712 | \$0   | \$4,712                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Fairfield   | \$1,997,479            | 213   | \$9,378                  | 213   | \$998,740                     | \$4,689 | \$0   | \$4,689                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Clermont    | \$3,311,572            | 355   | \$9,328                  | 355   | \$1,655,786                   | \$4,664 | \$0   | \$4,664                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Erie        | \$1,482,034            | 161   | \$9,205                  | 161   | \$741,017                     | \$4,603 | \$0   | \$4,603                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Stuller     | \$5,786,538            | 650   | \$8,902                  | 650   | \$2,893,269                   | \$4,451 | \$0   | \$4,451                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Shelby      | \$542,508              | 108   | \$6,727                  | 108   | \$471,254                     | \$4,363 | \$0   | \$4,363                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Warren      | \$2,988,817            | 344   | \$8,717                  | 344   | \$1,499,408                   | \$4,358 | \$0   | \$4,358                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Cinton      | \$686,439              | 83    | \$8,270                  | 83    | \$343,220                     | \$4,135 | \$0   | \$4,135                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Portage     | \$2,265,150            | 271   | \$8,137                  | 271   | \$1,102,575                   | \$4,069 | \$0   | \$4,069                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Medina      | \$2,961,706            | 365   | \$8,114                  | 365   | \$1,480,853                   | \$4,057 | \$0   | \$4,057                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Ottawa      | \$1,359,389            | 167   | \$8,104                  | 167   | \$678,690                     | \$4,052 | \$0   | \$4,052                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Montgomery  | \$8,987,456            | 1,113 | \$8,075                  | 1,113 | \$4,483,728                   | \$4,037 | \$0   | \$4,037                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Hancock     | \$1,370,568            | 171   | \$8,015                  | 171   | \$685,280                     | \$4,007 | \$0   | \$4,007                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Pickaway    | \$934,519              | 105   | \$7,946                  | 105   | \$417,260                     | \$3,974 | \$0   | \$3,974                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Miami       | \$1,822,440            | 232   | \$7,855                  | 232   | \$911,220                     | \$3,928 | \$0   | \$3,928                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Cuyahoga    | \$25,479,415           | 3,310 | \$7,698                  | 3,310 | \$12,739,708                  | \$3,849 | \$0   | \$3,849                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Franklin    | \$20,886,984           | 2,726 | \$7,656                  | 2,726 | \$10,434,482                  | \$3,828 | \$0   | \$3,828                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Defiance    | \$608,615              | 80    | \$7,608                  | 80    | \$304,308                     | \$3,804 | \$0   | \$3,804                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Fulton      | \$744,020              | 104   | \$7,154                  | 104   | \$372,010                     | \$3,577 | \$0   | \$3,577                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Summit      | \$10,155,583           | 1,452 | \$6,984                  | 1,452 | \$5,077,792                   | \$3,497 | \$0   | \$3,497                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Huron       | \$737,587              | 118   | \$6,759                  | 118   | \$398,793                     | \$3,380 | \$0   | \$3,380                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Wayne       | \$1,728,234            | 256   | \$6,751                  | 256   | \$864,117                     | \$3,375 | \$0   | \$3,375                    | \$0       | \$0                      | \$0       | \$0                               | \$0   | \$0                               | \$0       | \$0                     | \$0       | \$0                     | \$0       |
| Logan       | \$774,003              | 119   | \$6,504                  | 119   | \$387,002                     | \$3,252 | \$115 | \$6,836                    | \$13.671  | \$115                    | \$6,836   | \$13.671                          | \$115 | \$6,836                           | \$13.671  | \$115                   | \$6,836   | \$13.671                | \$13.671  |
| Williams    | \$581,182              | 90    | \$6,458                  | 90    | \$290,598                     | \$3,229 | \$138 | \$6,217                    | \$12.434  | \$138                    | \$6,217   | \$12.434                          | \$138 | \$6,217                           | \$12.434  | \$138                   | \$6,217   | \$12.434                | \$12.434  |
| Licking     | \$2,534,098            | 402   | \$6,304                  | 402   | \$1,267,004                   | \$3,152 | \$215 | \$4,326                    | \$6.550   | \$215                    | \$4,326   | \$6.550                           | \$215 | \$4,326                           | \$6.550   | \$215                   | \$4,326   | \$6.550                 | \$6.550   |
| Tuscarawas  | \$1,359,112            | 216   | \$6,282                  | 216   | \$679,556                     | \$3,146 | \$221 | \$3,858                    | \$4.716   | \$221                    | \$3,858   | \$4.716                           | \$221 | \$3,858                           | \$4.716   | \$221                   | \$3,858   | \$4.716                 | \$4.716   |
| Muskingum   | \$1,004,373            | 168   | \$5,978                  | 168   | \$502,167                     | \$2,989 | \$378 | \$3,175                    | \$6.349   | \$378                    | \$3,175   | \$6.349                           | \$378 | \$3,175                           | \$6.349   | \$378                   | \$3,175   | \$6.349                 | \$6.349   |
| Washington  | \$977,532              | 167   | \$5,853                  | 167   | \$489,766                     | \$2,927 | \$440 | \$3,676                    | \$7.323   | \$440                    | \$3,676   | \$7.323                           | \$440 | \$3,676                           | \$7.323   | \$440                   | \$3,676   | \$7.323                 | \$7.323   |
| Trumbull    | \$3,232,169            | 553   | \$5,845                  | 553   | \$1,616,084                   | \$2,922 | \$445 | \$122,933                  | \$245.867 | \$445                    | \$122,933 | \$245.867                         | \$445 | \$122,933                         | \$245.867 | \$445                   | \$122,933 | \$245.867               | \$245.867 |
| Auglaize    | \$756,794              | 132   | \$5,748                  | 132   | \$379,897                     | \$2,874 | \$493 | \$3,523                    | \$6.547   | \$493                    | \$3,523   | \$6.547                           | \$493 | \$3,523                           | \$6.547   | \$493                   | \$3,523   | \$6.547                 | \$6.547   |
| Richland    | \$1,921,387            | 337   | \$5,701                  | 337   | \$960,694                     | \$2,851 | \$516 | \$86,993                   | \$173.985 | \$516                    | \$86,993  | \$173.985                         | \$516 | \$86,993                          | \$173.985 | \$516                   | \$86,993  | \$173.985               | \$173.985 |
| Manion      | \$3,572,428            | 628   | \$5,689                  | 628   | \$1,786,214                   | \$2,844 | \$523 | \$164,131                  | \$328.262 | \$523                    | \$164,131 | \$328.262                         | \$523 | \$164,131                         | \$328.262 | \$523                   | \$164,131 | \$328.262               | \$328.262 |
| Morgan      | \$249,878              | 43    | \$5,672                  | 43    | \$121,939                     | \$2,836 | \$531 | \$11,421                   | \$22.842  | \$531                    | \$11,421  | \$22.842                          | \$531 | \$11,421                          | \$22.842  | \$531                   | \$11,421  | \$22.842                | \$22.842  |
| Fayette     | \$417,354              | 74    | \$5,640                  | 74    | \$208,692                     | \$2,820 | \$547 | \$20,233                   | \$40.466  | \$547                    | \$20,233  | \$40.466                          | \$547 | \$20,233                          | \$40.466  | \$547                   | \$20,233  | \$40.466                | \$40.466  |
| Lorain      | \$4,544,716            | 830   | \$5,478                  | 830   | \$2,272,368                   | \$2,738 | \$629 | \$261,126                  | \$522.252 | \$629                    | \$261,126 | \$522.252                         | \$629 | \$261,126                         | \$522.252 | \$629                   | \$261,126 | \$522.252               | \$522.252 |

Table Two  
 The Ohio Association of County Boards of Mental Retardation and Developmental Disabilities  
 County Property Tax Yield and Requirements for State Funding of 1/2 Mill  
 to bring Below Average Yield Counties to the Statewide Average

| A<br>County | B<br>Per Mill<br>Yield |        | C<br>Adult<br>Enrollment |            | D<br>Per Mill<br>Per Enrollee | E<br>Yield on<br>0.5 Mills | F<br>Adult<br>Enrollment | G<br>Per 1/2 Mill<br>Per Enrollee | H<br>S. Under State<br>Avg \$2,367 | I<br>FY 2002 |              | K<br>FY 2003<br>Full Yr |
|-------------|------------------------|--------|--------------------------|------------|-------------------------------|----------------------------|--------------------------|-----------------------------------|------------------------------------|--------------|--------------|-------------------------|
|             | Per Mill               | Yield  | Adult                    | Enrollment |                               |                            |                          |                                   |                                    | Half Yr      | Full Yr      |                         |
| Hocking     | \$351,746              | 65     | \$5,411                  | 65         | \$2,706                       | \$175,873                  | 65                       | \$2,706                           | \$661                              | \$21,491     | \$42,982     |                         |
| Deiwe       | \$373,378              | 193    | \$5,356                  | 193        | \$2,678                       | \$436,659                  | 193                      | \$2,678                           | \$688                              | \$56,066     | \$112,132    |                         |
| Ashland     | \$789,271              | 144    | \$5,273                  | 144        | \$2,636                       | \$79,635                   | 144                      | \$2,636                           | \$731                              | \$52,606     | \$105,213    |                         |
| Columbiana  | \$1,284,780            | 253    | \$5,078                  | 253        | \$2,539                       | \$642,390                  | 253                      | \$2,539                           | \$825                              | \$104,730    | \$209,461    |                         |
| Stark       | \$5,618,572            | 1,109  | \$5,066                  | 1,109      | \$2,533                       | \$2,809,286                | 1,109                    | \$2,533                           | \$834                              | \$462,359    | \$924,717    |                         |
| Ross        | \$661,788              | 178    | \$5,066                  | 178        | \$2,533                       | \$450,894                  | 178                      | \$2,533                           | \$834                              | \$74,216     | \$148,432    |                         |
| Mercer      | \$661,254              | 132    | \$5,010                  | 132        | \$2,505                       | \$330,627                  | 132                      | \$2,505                           | \$862                              | \$56,909     | \$113,817    |                         |
| Ashtabula   | \$1,433,461            | 291    | \$4,926                  | 291        | \$2,463                       | \$716,731                  | 291                      | \$2,463                           | \$904                              | \$131,533    | \$263,066    |                         |
| Jefferson   | \$1,127,517            | 233    | \$4,888                  | 233        | \$2,420                       | \$663,759                  | 233                      | \$2,420                           | \$947                              | \$110,376    | \$220,752    |                         |
| Allen       | \$1,591,072            | 329    | \$4,636                  | 329        | \$2,418                       | \$795,936                  | 329                      | \$2,418                           | \$949                              | \$186,103    | \$312,207    |                         |
| Manion      | \$870,742              | 183    | \$4,798                  | 183        | \$2,379                       | \$435,371                  | 183                      | \$2,379                           | \$988                              | \$90,395     | \$180,790    |                         |
| Jackson     | \$348,969              | 74     | \$4,716                  | 74         | \$2,358                       | \$174,484                  | 74                       | \$2,358                           | \$1,009                            | \$37,337     | \$74,674     |                         |
| Putnam      | \$515,005              | 112    | \$4,588                  | 112        | \$2,299                       | \$257,503                  | 112                      | \$2,299                           | \$1,068                            | \$69,801     | \$119,601    |                         |
| Hardin      | \$390,067              | 85     | \$4,589                  | 85         | \$2,285                       | \$195,034                  | 85                       | \$2,285                           | \$1,072                            | \$45,581     | \$91,161     |                         |
| Harrison    | \$189,442              | 44     | \$4,533                  | 44         | \$2,266                       | \$99,721                   | 44                       | \$2,266                           | \$1,101                            | \$24,214     | \$48,427     |                         |
| Madison     | \$585,412              | 132    | \$4,435                  | 132        | \$2,217                       | \$292,706                  | 132                      | \$2,217                           | \$1,190                            | \$75,869     | \$151,738    |                         |
| Van Wert    | \$413,186              | 94     | \$4,395                  | 94         | \$2,197                       | \$206,553                  | 94                       | \$2,197                           | \$1,170                            | \$54,972     | \$109,945    |                         |
| Lucas       | \$6,476,860            | 1,474  | \$4,394                  | 1,474      | \$2,197                       | \$3,238,430                | 1,474                    | \$2,197                           | \$1,170                            | \$662,284    | \$1,724,528  |                         |
| Henry       | \$480,062              | 115    | \$4,261                  | 115        | \$2,131                       | \$245,031                  | 115                      | \$2,131                           | \$1,236                            | \$71,087     | \$142,174    |                         |
| Sandusky    | \$914,691              | 216    | \$4,234                  | 216        | \$2,117                       | \$457,245                  | 216                      | \$2,117                           | \$1,250                            | \$135,013    | \$270,027    |                         |
| Morrow      | \$434,304              | 104    | \$4,176                  | 104        | \$2,088                       | \$127,152                  | 104                      | \$2,088                           | \$1,273                            | \$66,593     | \$133,016    |                         |
| Athens      | \$598,624              | 144    | \$4,157                  | 144        | \$2,079                       | \$299,312                  | 144                      | \$2,079                           | \$1,288                            | \$92,768     | \$185,536    |                         |
| Knox        | \$809,789              | 196    | \$4,132                  | 196        | \$2,066                       | \$404,895                  | 196                      | \$2,066                           | \$1,301                            | \$127,519    | \$255,037    |                         |
| Crawford    | \$542,121              | 132    | \$4,107                  | 132        | \$2,053                       | \$271,060                  | 132                      | \$2,053                           | \$1,314                            | \$66,692     | \$173,384    |                         |
| Meigs       | \$238,399              | 59     | \$4,041                  | 59         | \$2,020                       | \$119,200                  | 59                       | \$2,020                           | \$1,347                            | \$39,727     | \$79,453     |                         |
| Champaign   | \$564,303              | 140    | \$4,031                  | 140        | \$2,015                       | \$282,751                  | 140                      | \$2,015                           | \$1,352                            | \$94,674     | \$189,229    |                         |
| Preble      | \$639,251              | 161    | \$3,971                  | 161        | \$1,985                       | \$319,626                  | 161                      | \$1,985                           | \$1,382                            | \$111,231    | \$222,461    |                         |
| Brown       | \$426,066              | 106    | \$3,944                  | 106        | \$1,972                       | \$213,003                  | 106                      | \$1,972                           | \$1,385                            | \$75,316     | \$150,633    |                         |
| Guernsey    | \$438,443              | 113    | \$3,880                  | 113        | \$1,940                       | \$219,221                  | 113                      | \$1,940                           | \$1,427                            | \$80,625     | \$161,250    |                         |
| Holmes      | \$553,407              | 147    | \$3,765                  | 147        | \$1,882                       | \$276,704                  | 147                      | \$1,882                           | \$1,485                            | \$109,123    | \$218,245    |                         |
| Wyandot     | \$320,913              | 86     | \$3,732                  | 86         | \$1,868                       | \$160,457                  | 86                       | \$1,868                           | \$1,501                            | \$84,553     | \$129,105    |                         |
| Highland    | \$434,804              | 117    | \$3,715                  | 117        | \$1,858                       | \$217,402                  | 117                      | \$1,858                           | \$1,509                            | \$88,268     | \$176,537    |                         |
| Seneca      | \$840,074              | 228    | \$3,685                  | 228        | \$1,842                       | \$420,037                  | 228                      | \$1,842                           | \$1,525                            | \$173,819    | \$347,639    |                         |
| Lawrence    | \$597,369              | 167    | \$3,577                  | 167        | \$1,786                       | \$296,679                  | 167                      | \$1,786                           | \$1,579                            | \$111,805    | \$223,610    |                         |
| Coshocton   | \$632,630              | 179    | \$3,554                  | 179        | \$1,767                       | \$316,300                  | 179                      | \$1,767                           | \$1,600                            | \$143,187    | \$286,393    |                         |
| Clark       | \$1,286,587            | 547    | \$3,471                  | 547        | \$1,735                       | \$949,293                  | 547                      | \$1,735                           | \$1,632                            | \$446,228    | \$892,456    |                         |
| Carroll     | \$393,156              | 120    | \$3,276                  | 120        | \$1,638                       | \$196,578                  | 120                      | \$1,638                           | \$1,729                            | \$103,731    | \$207,462    |                         |
| Scioto      | \$689,072              | 215    | \$3,205                  | 215        | \$1,602                       | \$344,536                  | 215                      | \$1,602                           | \$1,765                            | \$189,685    | \$379,269    |                         |
| Belmont     | \$788,820              | 262    | \$3,010                  | 262        | \$1,505                       | \$394,310                  | 262                      | \$1,505                           | \$1,862                            | \$243,922    | \$487,844    |                         |
| Paulding    | \$259,113              | 89     | \$2,911                  | 89         | \$1,456                       | \$129,557                  | 89                       | \$1,456                           | \$1,911                            | \$85,053     | \$170,105    |                         |
| Perry       | \$336,589              | 136    | \$2,475                  | 136        | \$1,237                       | \$168,299                  | 136                      | \$1,237                           | \$2,130                            | \$144,807    | \$289,613    |                         |
| Pike        | \$353,263              | 164    | \$2,154                  | 164        | \$1,077                       | \$176,627                  | 164                      | \$1,077                           | \$2,290                            | \$187,781    | \$375,561    |                         |
| Vinton      | \$124,718              | 66     | \$1,890                  | 66         | \$945                         | \$62,359                   | 66                       | \$945                             | \$2,422                            | \$179,932    | \$358,863    |                         |
| Totals      | \$192,535,161          | 28,581 | \$6,736                  | 28,581     | \$5,367                       | \$96,267,981               | 28,581                   | \$5,367                           |                                    | \$6,487,656  | \$12,995,712 |                         |

mill levy while the poorest county (Vinton) gets only \$1,890. The lack of state funding growth has seriously impacted the counties with below average yield on their property taxes. Can you imagine the problems these tax poor counties have in meeting the same laws, rules and regulations as well as paying a fair wage to attract and retain competent staff to deliver services in a safe and healthy manner with counties with above average tax yields? So essentially, we have created a significantly, disparate capability of county MR/DD boards to deliver comparable services to infants and adults across Ohio. When the State of Ohio encourages county MR/DD boards to leverage more of their programs against Medicaid, we all must be mindful that the disparity in capability of county MR/DD boards will cause us to not comply with Medicaid comparability, a federal Medicaid regulation. The average expenditures in 1999 for adult services ranged from a low of \$6,688 in Lawrence County and the highest is Union County at \$23,105. The average in the state is \$15,606. Generally, the level of funding comports solely to local property tax capabilities. We need to seriously reduce this disparity between the counties in funding capabilities so individuals with MR/DD can receive comparable services, supports, and programs no matter in which county they choose to live.

In 1993, the Ohio General Assembly, through the united efforts of then Senator Ted Gray and then Rep. Michael Shoemaker, enacted language in Sections 5126.16 through 5126.18 of the Ohio Revised Code for a tax equity program for county MR/DD boards. Since 1993, \$1.5 million has been appropriated for this purpose annually. Obviously, this funding has not been a state priority in spite of legislative intent.

The state is proposing to place adult day habilitative services within Medicaid waivers, to reduce their entitlement liabilities under the Medicaid state plan amendment called CAFS, the Community Alternative Funding System. We believe it is incumbent upon the state to address the serious adult services funding disparities by funding county MR/DD boards who are below average on a one half mill levy up to the average yield on this levy for fiscal years 2002 and 2003. We therefore, request utilization of the \$6.5 million for FY 2002 and \$13 million in FY 2003 in line 322-413 for waiver expansion as tax equity monies for county MR/DD boards. This number includes each year the existing \$1.5 million appropriation. The boards will be required by statute to bring at least one half mill of local levy money as Medicaid match with their state tax equalization monies. These monies would be solely used for this purpose under a plan to be developed by all county MR/DD boards and approved by the director of the Ohio Department of MR/DD. Using the money in this manner will get us the additional Medicaid waiver development while creating improved comparability in services, supports, and programs by reducing the disparities based solely on local property tax capabilities.



When the state agrees to this tax equalization proposal, the county MR/DD boards are ready to begin pledging local property tax monies as match for Medicaid waivers for supported living and family support services as well as day habilitation and supported employment services. For two years, our two associations have worked actively with the state and other advocacy and professional organizations to draft a Medicaid redesign for Ohio's MR/DD system. Since September, working in concert with the Director of the Ohio Department of MR/DD and a national Medicaid waiver expert, Robin Cooper, Associate Director of the National Association of State Program Directors for DD Services, we have developed a six year plan for using local levy monies with tax equalization to :

- 1.) provide supported living services to 4,000 adults age 22 unserved within residential supports, with emphasis upon those living with aging caretakers and those with critical, unmet needs. Match of \$75 million from local county MR/DD board levies would generate \$105 million of federal monies, totalling \$180 million to serve the individuals at an average expenditure of \$45,000.
- 2.) provide family support services to 7,500 adults, age 22 and over, unserved within residential supports, living with their families for respite care and other related family supports. Match of \$15 million from local county MR/DD board levies would generate \$21 million of federal monies, totalling \$36 million at an average expenditure of \$4,810.
- 3.) leverage existing state supported living monies and other local monies dedicated to supported living services for approximately 4,000 adults receiving residential supports so we can enhance their services and access Medicaid monies for their day habilitation services. Match of \$42 million from state supported living appropriations would generate \$58 million of federal monies, totalling \$100 million at an average expenditure of \$25,000.
- 4.) all of these individuals when placed on waivers would have their day habilitation services funded through the Medicaid waivers. Match of \$103 million from local county MR/DD board levies would generate \$145 million of federal monies, totalling \$248 million at an average expenditure of \$16,000.
- 5.) provide family support services to approximately 2,000 adults with MR/DD who are not eligible for Medicaid waiver services. Total family support costs of \$9.6 million would be borne by county MR/DD boards.
- 6) provide Medicaid waiver services to approximately 200 children who have intensive, chronic needs and would be termed medically fragile, using existing local property tax monies as match.

If the State of Ohio applies for and gains approval of a Medicaid Supported Living waiver and a Medicaid Family Support waiver, each with day habilitation components no later than October 1, 2001, county MR/DD boards are prepared to begin a phase in implementation beginning January 1, 2002 of this program. We can reasonably expand supported living to 670 adults by the end of each calendar year with 1,340 adults receiving these services by December 31, 2003. The same numbers would apply to individuals currently receiving supported living services whose services would be enhanced through the Medicaid waiver. We also anticipate providing 2,500 families with family support through enrollment on Medicaid waivers by December 31, 2003. Our proposal gives a fair share of Medicaid waiver development to each of the eighty-eight county MR/DD boards based on the numbers of residentially unserved adults within these counties as identified within official ODMRDD records, ensuring Medicaid required statewideness.

We have presented to the Taft administration legislative language that has been developed collaboratively through these two associations and the Ohio Provider Resource Association. The language attempts to deal with a wide range of issues and concerns in our system as we attempt to expand services and supports to individuals who have waited too long for governmental supports.

The OSCBMRDD and the OACBMRDD are willing to require in statute the following:

- that each county MR/DD board pledge on a continuing basis one half mill of levy money equaling \$96 million, \$41 million of state supported living monies, and adult subsidies totalling \$33 million as match for Medicaid waivers, along with \$13 million of state property tax equalization monies: totalling \$183 million of matching funds. (one third of the monies will be committed by CY 2002, two thirds by CY 2003, and the full amount by CY 2004 ;
- That each county MR/DD board develop a comprehensive six year plan for Medicaid waiver services including Medicaid waiver expansion for residentially unserved adults and infrastructure improvements, and ensuring administrative capabilities related to business and Medicaid waiver administration;
- That each county MR/DD board pay comparable monies to providers for staff of similar capabilities within the county MR/DD boards and that all boards ensure a fair staff compensation to attract and retain competent staff to provide quality supports in a healthy and safe manner to Ohioans with MR/DD. We cannot expect within county boards or through private providers that we can expand services and attract necessary staff with substandard wages and benefits;
- that one percent of the total value of all Medicaid waiver services for each county MR/DD board be assessed and used by the Departments of Jobs and Family Services and ODMRDD for staff dedicated solely to Ohio's MR/DD Medicaid waiver system increasing their capability to implement their side of Medicaid waiver administration;
- that we address a myriad of system issues related to Medicaid within the statutory provisions including ensuring individuals with MR/DD have a free choice of provider,

that we identify that we are proposing to serve individuals in need of residential supports who are unserved, and that we identify clearly the roles and responsibilities of county MR/DD boards and private providers. We anticipate adding language on county required reserves, a risk pool at the state level, and potentially the purchase of insurance for catastrophic costs. We are working with insurance representatives to study our risk potential and offer us advice on these legislative aspects. We want to protect the counties and the state from any unintended or unforeseen financial consequences of this initiative.

For our Medicaid initiative to work effectively, the OSCBMRDD and OACBMRDD endorses and strongly urges your approval of the use of \$6.5 million for FY 2002 and \$13 million in FY 2003 for tax equalization for tax poor county MR/DD boards. The monies would be funded from Line 322-413 and the counties would be mandated to use the monies as Medicaid waiver match for adults with unmet needs.

Chairman Hoops and members of the subcommittee. We have labored with the state for two years to develop a Medicaid redesign proposal. Our members have committed and discussed issues till the morning hours. It is now time to stop talking and start acting. We requested over \$200 million over the next six years from the state to meet unmet needs. Within this budget ten percent is addressed. Knowing the significant issues that the state faces with the many funding priorities that there are, we endeavored to be inventive, proactive, focused, and positive in presenting an interim solution that is fiscally prudent and responsible. We have discussed our proposal widely throughout this administration. We have heard from directors of two key departments that have said our proposal is unique because we oftentimes viewed Medicaid through the state's eyes and not our own, creating solutions for longstanding state concerns. We are concerned that while directors may see the light of day, long time state bureaucrats may wish to maintain the status quo. Our focus has been on outcomes, outcomes for the families and their children who have given so generously throughout their lives. We must eliminate the negative inertia in Ohio and access Ohio's fair share of Medicaid waiver monies.

In 1999, the OACBMRDD brought before the House Finance Subcommittee on Human Services, fourteen families, all of whom were aging parents and who have a son or daughter living at home with them over the age of 40. These families in their own words stood before you and begged this subcommittee to provide the assistance that they need to be at peace, ensured that their sons and daughters will have a home and appropriate supports when they are no longer able to care for them. There are 4,500 adults ages 40 and over, living with aging caretakers. No additional aid has been given them or the other families by the state since 1999. At an average annual cost of \$25,000, these families have saved the state of Ohio \$4 billion in providing care to their sons or daughters long after the age of majority. Our plan can offer them this peace. Our plan can work effectively,

if you, the members of the Ohio General Assembly, send a clear message to those who prefer to put up obstacles and not focus on outcomes. We need to eliminate the negative inertia that exists in state government that impedes the necessary progress in meeting human needs.

Most states have maximized the utilization of Medicaid waivers for MR/DD. New York has over 46,000 individuals out of 100,000 with MR/DD on Medicaid waivers, forty six percent. Their waiver program was begun in 1991 at the same time as Ohio's MR/DD waiver initiative. Ohio has 6,000 Medicaid waivers out of a total MR/DD population of 60,000 or roughly ten percent. Ohio has treated Medicaid waivers as a scarce resource and now Ohio ranks 43rd in the nation in the use of this mechanism for MR/DD funding. Ohio has a serious problem should Medicaid ever be capped by the United States government due to an economic recession and growth restricted. Where will the state of Ohio find the monies to serve 13,000 individuals living at home with families? We ask that you embrace our proposal so we can address the growing, unmet need in a responsible manner in the next few years.

Thank you for your interest and in giving us this opportunity to testify. We will be pleased to address your questions and any issues you need clarified.

The Honorable Larry Householder, Speaker, Ohio House of Representatives  
The Honorable Gary Cates, State Representative  
The Honorable John Carey, State Representative  
The Honorable Jon Peterson, State Representative  
Kenneth Ritchey, Director, Ohio Department of MR/DD  
Presidents and Superintendents, County Boards of MR/DD