



August 20, 2021

Maureen Corcoran
Director, Ohio Dept. of Medicaid
50 W. Town Street #400
Columbus, OH 43215

Jeff Davis
Director, Ohio Dept. of Developmental Disabilities
30 E. Broad Street, 12th Floor
Columbus, OH 43215

RE: Distribution of American Rescue Plan Act of 2021 (ARPA) Funds

Dear Directors Corcoran and Davis:

Thank you for soliciting stakeholder feedback on ways the State of Ohio can most effectively use the estimated \$225 million in federal supplemental enhanced FMAP funding it will receive from qualifying state- and locally-funded developmental disabilities (DD) services via the American Rescue Plan Act of 2021 (ARPA).

The organizations listed as signatories to this letter collectively represent the vast majority of service provider agencies within Ohio's DD service delivery system as well as all 88 of Ohio's county boards of developmental disabilities. Working together as funders, case managers, advocates, and providers of direct services, we help more than 95,000 people with DD across the state live happy, healthy, and fulfilling lives.

It is on their behalf, and on behalf of the thousands of direct support professionals (DSPs), nurses, and others who work on the front lines of our system supporting them, that we strongly urge the State of Ohio to guarantee that all supplemental EFMAP dollars it shall receive as a result of state and local Medicaid expenditures for DD services be put into use as soon as possible within Ohio's DD service delivery system.

To support the state in achieving this outcome, we have submitted two collaborative proposals designed to enhance Home and Community-Based Services (HCBS) over the next three years while supporting the DD service providers who have faced significant trials and tribulations over the past 17 months of the pandemic.

Each of our organizations submitted these two proposals independently via the online portal prescribed by the Ohio Department of Medicaid as requested; however, we believe it is important to underscore the united nature of our request with this letter. Our two collaborative proposals are summarized on the following pages.

Proposal 1: Offer Direct Financial Relief to Ohio's DD Service Providers

The intent of the American Rescue Plan Act of 2021 (ARPA) was to provide immediate economic relief to those individuals and businesses who have experienced significant financial repercussions as a result of the COVID-19 pandemic. In particular, the 10% supplemental EFMAP increase was intended to support providers of Home and Community-Based Services, including those supporting Ohioans with developmental disabilities.

Providers of DD services have been severely impacted by COVID and continue to have increased costs related to the pandemic. Examples include, but are not limited to:

- Purchasing millions of dollars' worth of PPE, often at greatly inflated cost due to supply scarcity;
- Developing and implementing new infection control procedures, including disinfection supplies, new equipment and increased staffing needs due to revised procedures;
- Providing services at a level of government-mandated staffing inefficiency, which was absolutely necessary to preserve health and safety, but came at a significantly increased operational cost;
- Additional training costs resulting from changes in operations designed to protect health and safety and abide by regulatory protocols;
- Increased monitoring of COVID-19 signs/symptoms and testing among people served, as well as costs related to contact tracing and notifications;
- Increased monitoring of staff exposures, filling staff vacancies and determining when return to work criteria are met;
- Implementing ever-changing OSHA regulations, including the new Emergency Temporary Standard, all of which required significant expense and operational changes;
- Complying with significantly increased reporting to various state entities and much, much more.

While we appreciate the State of Ohio's significant financial assistance during the pandemic, prior support payments were quickly spent and Ohio's DD providers are in desperate need of additional financial assistance to continue serving Ohioans with developmental disabilities. We request two measures of direct financial relief to Ohio's DD providers:

1. Payments to HCBS Service Providers (HPC, ADS, OSL/OSOC, etc.)

First, we ask for lump sum payments to HCBS providers equal to 20% of their revenue for the period of April 1, 2021 to March 31, 2022, which is the period in which the state earns the 10% supplemental EFMAP. We believe the ARPA was intended to provide immediate relief, so we would ask for the first payment to be made as soon as possible, but no later than October 1, 2021, which is six months after the state began earning supplemental EFMAP authorized by ARPA. The first part of our proposal would be for all DD providers, with the exception of non-medical transportation providers (NMT) providing per-trip services.

2. **Payments to Non-Medical Transportation (NMT) Providers**

Ohio's NMT providers were hit extremely hard by the pandemic due to the state's order limiting how day services could be provided and health/safety restrictions implemented to maximize physical distance, which is difficult in vehicles. Stakeholders had previously agreed to a \$10 per trip increase in NMT, which was ultimately denied by the state. We believe the ARPA funds can be used to implement this prior agreement and propose that each NMT provider receive a retroactive rate adjustment equal to \$10 per trip for each NMT trip provided between June 2020 and June 2021, which is the period from which day services first restarted in Ohio under restrictions until the point at which the day services order was rescinded earlier this year.

Using prior claims data and NMT billing unit totals provided by the Ohio Department of Developmental Disabilities (DODD), we estimate the total cost of the proposal to be approximately \$426M, with \$382M for the first part of the proposal and \$44M for the second part. However, since these are payments to providers, they would be eligible for reinvestment of the ARPA funds to draw down additional FMAP. As such, we estimate the total amount of ARPA funds needed for the proposal to be approximately \$96M, which will draw down \$330M of federal funding through Medicaid. It should be noted that this \$96M is only about 40% of the total ARPA funds that will be earned from state- and locally-funded DD services.

In addition, timing of these payments is important, as the 6.2% FMAP increase from the CARES Act will end upon the conclusion of the federal public health emergency. Our estimate includes half of the payments to providers being made with that 6.2% FMAP increase.

We believe the State of Ohio has a responsibility to our taxpayers to maximize the use of these ARPA funds and this proposal would do just that by allowing the funds to be matched through Medicaid. We urge the State of Ohio to act quickly on this proposal to make best use of this limited-time opportunity for relief.

Proposal 2: Allocate Funds to Address Direct Support Workforce Crisis Initiatives

The DD service system in Ohio, like many other industries, is facing a workforce shortage worse than any time in our history. While lack of workforce has been an issue for years, the pandemic has exacerbated this shortage to crisis levels. People with disabilities in Ohio are struggling to find workers to support their needs. Service providers are having to consolidate settings, unable to take on new clients/residents, closing service locations, and sometimes discontinuing services entirely. Demographics point to more people retiring and less working-age citizens in Ohio over the coming years.

In response to this existential threat to DD services, the Ohio Department of Developmental Disabilities has created a Workforce Crisis Task Force (WCTF) that will identify ways to better recruit and retain workers in our system. Organizations and individuals representing every DD stakeholder group (the State of Ohio, service providers, county boards, people with developmental disabilities, family members/guardians, and advocacy groups) are represented on the WCTF, ensuring that all key voices are at the decision-making table.

In the coming months, the WCTF shall recommend actions needed to ensure Ohio's DD system can meet the needs of all Ohioans with disabilities in a sustainable way. Examples of initiatives currently being discussed, but which are not fully finalized to the point that they could be submitted as part of this process before the August 19, 2021 deadline, include (but are not limited to) the following:

- Retention payments to DSPs;
 - Enhancing recruitment activities for DSPs,
 - Marketing and outreach activities,
 - On-boarding support,
 - Training, and
 - Additional DSP supports needed for employment;
- Outreach efforts to secondary and post-secondary schools;
- Rate enhancements for specialized staff; and
- Developing a career path for DSPs to encourage long term careers in the DD system; among others.

We propose to use \$50M of the ARPA funds generated by the DD system to initiatives identified by the WCTF. These funds can be used to attract new workers into the field, incentivize current workers to stay in the field, or make adjustments to the DD system to increase access and sustainability. The initiatives determined by the WCTF would be new initiatives and would not replace any current Medicaid spending. In addition, the WCTF would select initiatives that do not have an ongoing nature beyond March 2024, or identify an alternative funding source after ARPA funds have been exhausted.

In closing, we reiterate our gratitude for the opportunity to submit proposals and offer feedback as the State of Ohio allocates hundreds of millions of dollars in federal COVID-19 relief through the American Rescue Plan Act (ARPA). Ohio's developmental disability service delivery system is united in our support for these proposals and looks forward to continued conversations in the coming weeks and months on their implementation.

Sincerely,



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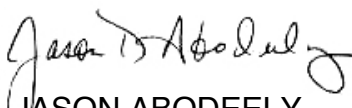
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