

# 2010 Business Managers' Summer Conference



## OPENING SESSION



**DAN OHLER**  
EXECUTIVE DIRECTOR

# AGENDA



- **State of the State**
- **Tax Equity Funding**
- **501 Subsidy**
- **Enhanced FMAP**
- **Financial Hardship Rule**
- **Flexible Supports Waiver**

# STATE OF THE STATE



- **Unemployment still above 10%, but stabilizing past quarter**
- **Tax Revenues on target, but the target is set low – five years back**
- **274,000 jobs lost in 2009**
- **State budget being held together with \$8B in one-time federal money**

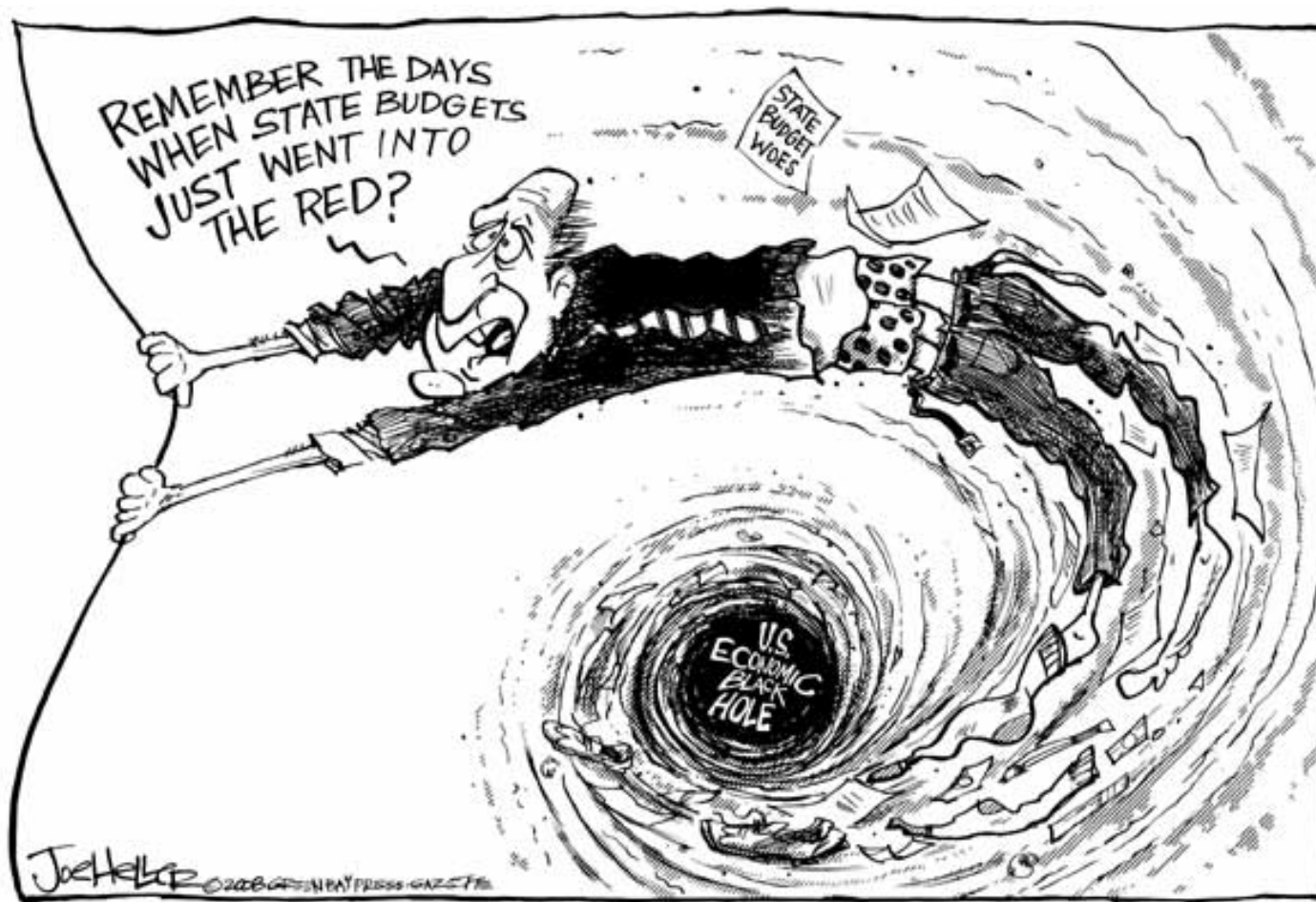


# STATE REVENUES



- ***Department of DD (DODD)***  
**Annual Budget approximately \$317M**
- **Down from \$350M three years ago**
- **Reductions in all *DODD* line items**
- **Still over \$200M allocated to *County Boards of DD***





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# 3 PRIMARY SOURCES OF GRF TO CBDD



***1. Waiver Match***

***2. 501 Subsidy***

***3. Tax Equity***



# STATE DOLLARS TO *CBDD*

(FY 11)



- **Family Support Services:** \$6.5M
- **Residential Support Services:** \$4.5M
- **Tax Equity:** \$14M
- **Martin Waivers:** \$31.2M
- **501 Subsidy:** \$62.3M
- **Waiver Match:** \$97M

# PROJECTED STATE OF THE STATE



- **Economic recovery will lag other parts of the Nation**
- **Projected \$5B-\$8B budget deficit**
  - ✦ **10% of State Budget**
- **Bi-Partisan Budget Planning & Management Commission**



# TAX EQUITY



- **Goal: Preserve the \$14M!**
- **Current statute is in uncodified law.**
- **No formula in statute.**
- **Formula Base: Fair, predictable and dependable!**



# TAX EQUITY



- **Legislation has been crafted to clarify the appropriate use of these funds.**
- **Phase-In/Phase-Out for impacted counties is eight years with a one year “hold harmless” (9<sup>th</sup> year).**
- **Population and per-mill yield utilized to set a “poverty factor” per county.**



# MORE ON TAX EQUITY...



- **At full implementation, 60 counties will receive Tax Equity Funds;**
- **Only 5 counties currently receiving Tax Equity will go to zero;**

✦ **Frees up \$3.6M**



# AND MORE...



- **An additional 29 counties will experience a decrease in tax equity;**
- **27 counties will experience a decrease; and,**
- **4 counties go from nothing to something.**



# 501 SUBSIDY



- **Also requires a new formulary**
- **JLT is now working with *DODD***
- **A much larger sum of money - \$57M – and it impacts all 88 counties**



# 501 SUBSIDY/KEY QUESTIONS



- **What are the impacts on a county's total budget – all funds?**
- **What will the final outcome of TPPT be?**
- **Will eFMAP continue?**
- **Will there be an increase to TCM?**



# ENHANCED FMAP



- **Part of the American Recovery & Reinvestment Act of 2009**
- **Currently set to expire December 31, 2010**
- **Both the *U.S. Senate* and *U.S. House* have passed bills to extend eFMAP**



# ENHANCED FMAP



- **However, no consensus between the two Chambers on a bill to send to the President**
- **Estimated impact for DD Boards in FY 10:**
  - ✦ **Waivers \$103M**
  - ✦ **TCM \$4.2M**
  - ✦ **MAC is always 50% (Federal & State)**



# ENHANCED FMAP



- **Currently, *OACB* is advising members not to include eFMAP in 2011 budget**
  - ✦ **National Perspective, June 2010 edition**
- **However, not yet a “time crunch” by D.C. standards – still 5 months out**
- **Nothing likely to move in *Congress* prior to November elections**



# PLASTIC MAN

MR. PRESIDENT,  
MAYBE YOU'RE  
STRETCHING YOURSELF  
TOO THIN...



# FINANCIAL HARDSHIP



- ***DODD*** is required by HB1 to adopt rules that establish a method by which a ***CBDD*** unable to meet their Medicaid match obligations can access state funding assistance



# RULE PROCESS



- ***OACB* staff worked closely with *DODD* to develop a process and write the rule**
- ***OAC* 5123:1-5-02 is scheduled for public hearing on Friday, July 16**
- ***OACB* will support the Rule**



# ACCESSING THE FUND



- **Combination of extraordinary service costs and/or levy failure**
- ***CBDD* must request assistance from the *Board of County Commissioners***
- **Reduce Administrative costs**
- **Develop a plan to resolve the Board's financial hardship within 12 months**

# REQUIRED ACTIONS



- **Outline of actions *CBDD* has taken to meet their match obligations**
- **Ten year history of levies**
- **Cash flow analysis of most recent year and upcoming year**
- **Annual financial statements**
- **Board resolution requesting *DODD* assistance to pay waiver match**



# *DODD* ACTIONS



- **Analysis of *CBDD* submitted data**
- **Authorized to compare data to other county agencies and/or other *CBDD***
- **May appoint a group of *CBDD* peers to perform an on-site review of *CBDD* operations**



# FINAL DETERMINATION



- ***DODD* retains full authority**
- **They may agree to lower the floor in lieu of paying match**
- **Not an appealable process**
- ***DODD* is authorized to monitor utilization of funds if granted**



# FLEXIBLE SUPPORTS WAIVER



- **Will create self-directed services for individuals in Ohio**
- **Will create an additional source of revenue for *CBDD***
- **A “win-win” waiver**



# FLEXIBLE SUPPORTS WAIVER



- **A hard capped waiver to limit liability while maximizing FMAP**
- **\$25,000 cap for kids; \$40,000 cap for adults**
- **Waiver is supposed to permit movement from Level One and/or IO to FSW if the individual and Board agree**



# FSW TIMELINES



- ***DODD & OACB* are targeting a **January 1, 2011** implementation**
- **September 1, 2010 is the target for *DODD* to submit waiver to *ODJFS***
- **October 1, 2010 is the target for *JFS* to submit to *CMS* to meet the January 1st goal.**



# MORE ABOUT FSW...



- **Friday at 1:00 pm with Patrick Stephan**
- **Sessions at the 27<sup>th</sup> Annual Convention**
  - ✦ **Robin Cooper**
  - ✦ **Sue Flanagan**
  - ✦ **Barb Edwards**



# I.O. WAIVER



- **16,228 slots allocated as of July 1, 2010**
- **15,770 slots filled on July 1, 2010**
- **5886 filled slots; or 37%, filled by the Big Three**
- **Only one county at single digit enrollment; one other at exactly ten**



# LEVEL ONE WAIVER



- **9015 slots allocated as of July 1, 2010**
- **8253 slots filled on July 1, 2010**
- **2832 slots filled by the Big Three, 34%**
- **9 counties at single digit enrollment**



# KEYS FOR THE FUTURE



- **Solid Strategic Planning**
- **Good community relations**
- **Minimizing Administrative and excess costs**
- **Maximizing all sources of revenue**



# Upcoming Events

OPAC Golf Outing  
Golf Club of Dublin  
September 23, 2010



27<sup>TH</sup> ANNUAL  
OACB CONVENTION

HILTON AT EASTON  
DECEMBER 1-3, 2010