

OACB Budget Symposium

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Ohio Department of Developmental Disabilities



Budget and Post Budget Work

Thank you Dan



The Feds are Active ~Olmstead~

The Importance of:

- DC Downsizing
- ICF/MR Conversion to Waiver
- Reduction in Sheltered Workshops
- Waiting Lists



The Forums

- Educate and inform families about our budget situation and continued emphasis on good stewardship.
- Communicate a shared vision of Increasing Independence, Increasing Connections, and Decreasing Dependence on Taxpayer Funding by reducing services where appropriate—where services can be reduced or where alternative tools or services meet needs better.
- Raise awareness of tools available, with primary emphasis on three areas:
 - Technology (remote monitoring)
 - Adult Foster Care/Adult Family Living (home sharing)
 - Shared Services/Natural Supports
- Seek feedback from families (as well as providers and SSAs) on ideas, suggestions, and success stories regarding what could be done, or has been done, to reduce service utilization and increase independence as a result.
- Invite creative thinking related to cost effectiveness.



Pilot Language in Budget – Why?



Regulatory Reform

Phase 1 (Current practice as a result of Futures Recommendations)

Standardized Review Process

- Increased efficiency
- Narrowed focus
- Emphasis on Self-review/Self-correction
- Increased notice to providers
- Less preparation/No pre-survey documents required
- Focus on outcomes/Individual satisfaction



Phase 2 (Proposed)

- Alternative Compliance Review when agency has private accreditation
 - Abbreviated review by DODD
 - Scope narrowed
 - Focus on areas not accredited by national entity



Alternative Compliance Requirements

Providers will submit:

- Accreditation by a national entity (approved by DODD)
- Completed Self-Review Tool
- Provider responsible for maintaining existing requirements in and DODD will survey:
 - MUI
 - Service planning (including behavior support)
 - Medication Administration
 - Waiver Administration (county boards)



Alternative Compliance Review not available when:

- Agency/provider has not received initial DODD compliance review
- Agency/provider has had multiple/significant substantiated MUIs of abuse, neglect or misappropriation since last DODD review
- Agency leadership has changed since last DODD review (or accrediting entity)



County Board Reviews

- Adult Services will be removed from CB Accreditation process
 - Will be reviewed separately as waiver providers
- Sample size limited to 10% of total waiver numbers (Results of provider compliance/licensure. Reviews included in this)
- CB Review focus:
 - ~MUI
 - ~Title XX
 - ~Early Intervention
 - ~Service planning (including BSP)
 - ~Medication Administration
 - ~Waiver Administration
- Self-Review submitted to DODD



30-Hour Training Seminars for Adult Day Services

- Ohio Superintendents/OPRA proposal:
 - Eliminate 30-hour seminar requirement for direct services staff.
 - Replace with more practical topics plus combination of agency specific, site specific, and individual specific training.
 - Each board/agency will have to develop written plans.
- DODD agrees and has begun reviewing the rules.
- As part of the regulatory reform, DODD has determined that State approval of registration is not necessary because registration may be important for county service, we will ask the Boards to issue registration.

Current Status: ICF/MR

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Current Status: ICF/MR

- Internal meetings: Cooperative meetings with ODJFS continue. These meetings focus on the mechanics of DODD assuming administration of the ICFMR program.
- Knowledge Acquisition: Key DODD staff are actively involved in detailed training meetings; we've scheduled an all-day seminar on rate setting, methodology/IAF and related system issues.
- Staffing Structure: We are in the midst of outlining DODD staffing needs and roles



Current Status: ICF/MR

- Stakeholder Groups: We intend to organize our external work into two separate but related areas:
 - Policy*: long-term vision of the ICF program
 - Reimbursement*: Responsible for recommending permanent changes to the IAF and rate methodology
- IAF Reviews: DODD will be sending staff into the field to examine completed IAF's and inform future decision making
- Expert Panel: We intend to convene an Expert Panel that will provide oversight for the policy and reimbursement work groups



Additional thoughts: ICF/MR

- On July 1, 2011, DODD assumed policy responsibility for the ICFMR program, however, we do not yet have a definitive, joint plan with ODJFS on the transfer of day to day operations
- Agency re-alignment discussions have not yet commenced.
- Stakeholder work is crucial and will take time
- HB 153 is not perfect, but OACB deserves a lot of credit for the agreement.

HB 153 – Impact on ICF/ MR Rates

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HB 153 – Impact on ICF/MR Program

- Removed a 1% funding reduction that had been included in prior versions of the bill
- Requires JFS to contract with DODD for DODD to assume the powers and duties regarding the Medicaid programs coverage of ICF/MR services.
- Requires JFS and DODD to conduct a study regarding Medicaid ICF/MR issues, including the IAF and reimbursement formula
- Modifies the previous methodology used for determining per diem rates

ICF/MR Rate Proposal - OPRA

- Run current rate system using CY10 cost reports
 - Reduce Direct Care ceilings
 - Large - \$106.09
 - Small - \$100.21
 - Reduce Indirect ceilings
 - Large - \$68.98
 - Small - \$59.60
 - Reduce the Indirect Efficiency Incentive
 - Large - \$3.69
 - Small - \$3.19
 - Reduce the Capital Efficiency Incentive by 50%
 - Change inflation factors to Consumer Price Index (CPI) for all cost centers except for capital
- For FY12, run both the current rate formula and modified formula and then average the two rates
 - Based on FY11 rate information, there was an expected rollback of approximately 3%
- For FY13, use modified formula only, which was projected to eliminate the rollback



ICF/MR Rate Proposal - Administration

- Run current rate system using CY₁₀ cost reports
 - Freeze Direct Ceilings at FY₀₉ levels
 - Large - \$114.45
 - Small - \$107.32
 - Freeze Indirect Ceilings at FY₁₁ levels
 - Large - \$76.25
 - Small - \$60.09
 - Change inflation factors to ½ of CPI (.82% for CY₁₀) for all cost centers except for capital
 - Reduce the Capital Efficiency Incentive by 75%
 - Eliminate Return on Net Equity
- Based on FY₁₁ rate information, projected rollback would be around 3%

ICF/MR Rate Proposal - Agreement

- Run current rate system using CY10 cost reports
 - Reduce Direct Care ceilings
 - Large - \$108.21
 - Small - \$102.21
 - Reduce Indirect ceilings
 - Large - \$68.98
 - Small - \$59.60
 - Reduce the Indirect Efficiency Incentive
 - Large - \$3.69
 - Small - 3.19
 - Reduce the Capital Efficiency Incentive by 50%
 - Change inflation factors to Consumer Price Index (CPI) for all cost centers except for capital
- Run both the current rate formula and modified formula and then average the two rates
 - Based on FY11 rate information, there was an expected rollback of approximately 3%

Inflation Factors	Current System	OPRA Year 1 and 2 <i>(1/2 Current, 1/2 OPRA)</i>		Administration	Counter <i>(1/2 Current, 1/2 Modified)</i>	
		Current*	OPRA*		Current*	Modified OPRA*
Protected Cost Center	3.56%	3.56%	1.64%	0.82%	3.56%	1.23%
Direct Care Cost center	2.98%	2.98%	1.64%	0.82%	2.98%	1.23%
Indirect Care Cost Center	2.29%	2.29%	1.64%	0.82%	2.29%	1.23%
Capital Cost Center	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Indirect Care Ceiling						
ICF/MR (L)	\$79.44	\$79.44	\$68.98	\$76.25	\$79.44	\$68.98
ICF/MR (S)	\$64.27	\$64.27	\$59.60	\$60.09	\$64.27	\$59.60
Indirect Care Efficiency						
ICF/MR (L)	\$5.56	\$5.56	\$3.69	\$5.10	\$5.56	\$3.69
ICF/MR (S)	\$4.50	\$4.50	\$3.19	\$3.96	\$4.50	\$3.19
Capital Efficiency						
ICF/Combined	\$5.4 mil paid out	\$5.4 mil paid out	\$2.7 mil paid out	\$1.35 paid out	\$5.4 mil paid out	\$2.7 mil paid out
Direct Care Ceiling						
ICF/MR (L)	\$116.84	\$116.84	\$106.09	\$114.45	\$116.84	\$108.21
ICF/MR (S)	\$108.55	\$108.55	\$100.21	\$107.32	\$108.55	\$102.21
Rollback						
	6.02%	6.02%	0.00%	2.90%	6.02%	0.00%

Impact – Large Facility Scenario

- To give an example of the impact of the different proposals, we can look at the projected rates for a large facility with about 36,000 bed days and about \$16M in costs

	FY12	FY13
Prior Methodology	\$351.35	\$351.35
OPRA Proposal	\$341.34	\$334.31
Administrative Counter	\$347.28	\$347.28
HB 153	\$344.70	\$344.70

*FY13 rate calculations assume costs remain unchanged in both years

Impact – Small Facility Scenario

- Small Facility with about 2900 bed days and about \$1M in costs

	FY12	FY13
Prior Methodology	\$320.99	\$320.99
OPRA Proposal	\$314.76	\$311.29
Administrative Counter	\$316.15	\$316.15
HB 153	\$318.08	\$318.08

* FY13 rate calculations assume costs remain unchanged in both years



Thank you

- QUESTIONS?