

Department of Mental Retardation and Developmental Disabilities

- Funding increase to allow for 500 additional Individual Options Medicaid waiver slots each year
- Subsidy payments in FY 2002 increase by 5.7% over FY 2001 estimated expenditures

OVERVIEW

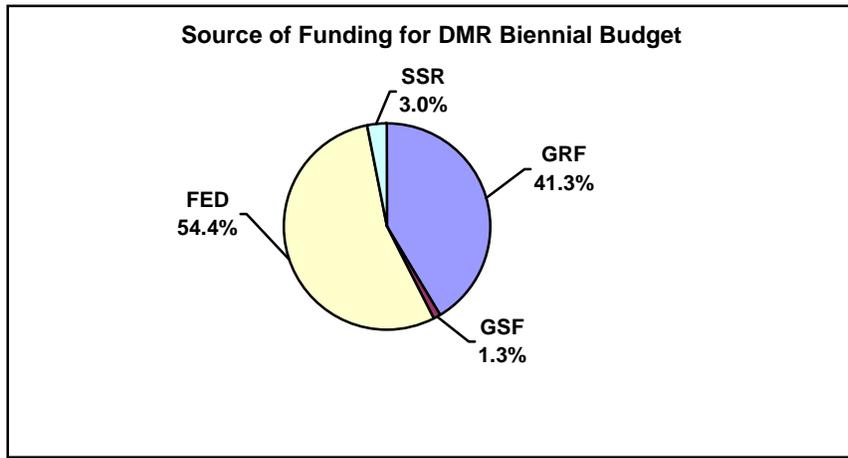
The Department of Mental Retardation and Developmental Disabilities (DMR) is the primary service agency for persons with mental retardation and other developmental disabilities and their families. The Department provides services to just under 2,000 individuals at 12 Developmental Centers located statewide. Services are also provided to approximately 5,700 people through two Home and Community-based Medicaid waivers: Individual Options (IO) and Residential Facilities (RFW). There are currently about 6,500 Ohioans with mental retardation on county board waiting lists for residential services. Additionally, more than 4,500 individuals over age 40 are still living at home with elderly parents.

The Department also provides funding assistance to the 88 county boards of mental retardation and developmental disabilities (county boards of MR/DD) in Ohio for residential and support services. These services include, but are not limited to, residential supports, early intervention and family supports, adult vocational and employment services, and case management. Approximately 50,000 people receive support services through programs provided by the county boards of MR/DD. Residential supports offered by county boards serve more than 12,000 individuals with mental retardation or developmental disabilities.

Executive Recommendations

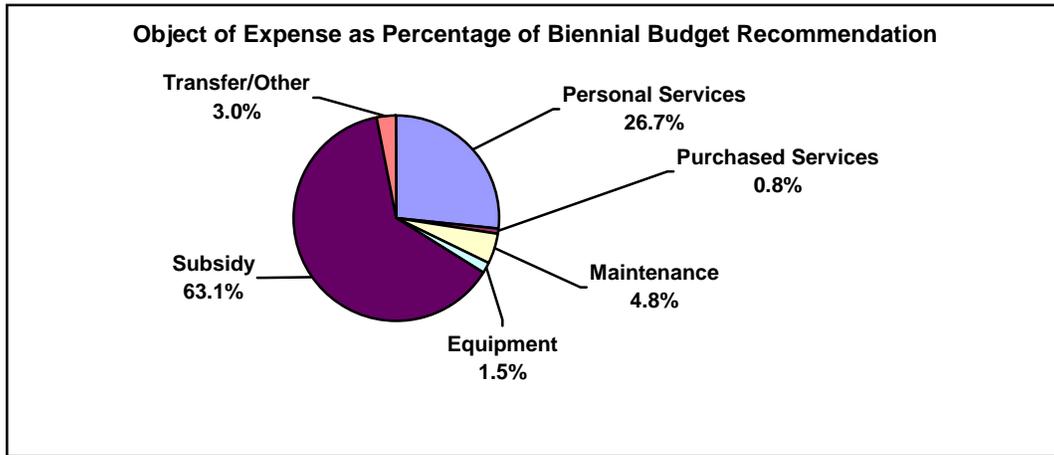
The executive budget proposal increases the Department's budget by 2.7 percent from fiscal year (FY) 2001 estimated expenditure levels and then by 3.3 percent from FY 2002 levels. During the biennium, the agency appropriations equal \$1,760,495,344. In FY 2002, total appropriations for DMR are \$866,058,205. In FY 2003, this figure increases to \$894,437,139. The portion of the agency recommended budget levels that are GRF represent 41.3 percent of the total agency budget. The GRF section of the DMR budget levels increase by 2.2 percent in FY 2002 over FY 2001 estimated spending levels. In FY 2003, this increase is 4.0 percent from FY 2002.

The following chart illustrates the various funding sources of the DMR biennial budget, as recommended by the executive.



Object of Expenses

Over 63 percent of the Department's recommended \$1.76 billion biennial budget are designated for subsidies to local service providers and county boards of MR/DD. Recommended subsidy levels in FY 2002 total \$543,532,060, an increase of 5.9 percent over FY 2001 estimated spending levels. The FY 2003 increase of 4.4 percent will bring this object of expense to \$567,681,330. Expenses associated with personnel account for 26.7 percent of the recommended biennial budget. In FY 2002, \$234,387,961 will be spent in this area, a decrease of 1.9 percent from FY 2001 estimates. This increases by 0.8 percent in FY 2003 to \$236,187,528.



Class Action Lawsuits

There are currently two class action lawsuits ongoing with the Department, *Martin v. Taft* and *Sidles v. Snow*.

Filed in 1975, *Sidles v. Snow* challenged as unconstitutional the conditions at the Apple Creek Developmental Center. The parties negotiated a consent decree that resolved the case and, in 1982, modified the consent decree. Since the order is still in force, Ohio Legal Rights Service, as the representative of the class, continues to receive and review staffing reports and notices of transfers under the order.

The *Martin* suit was scheduled to go to trial in December 2000 but is currently stayed until at least April 2001. In this suit, the Ohio Legal Rights Service is seeking self-determined, non-discriminatory, integrated residential services for people with developmental disabilities. There could be financial consequences to the Department as a result of a settlement of the *Martin* suit. According to the Department, Legal Rights Service claims that there are 8,000 potential class members in this suit. The Department believes that the number of potentially affected individuals is lower than the 8,000 estimate. As of now, the class in this suit has not been defined.

During the FYs 2000-2001 biennium, two long-standing class action suits against the Department were settled. In *Sermak v. Ritchey*, the settlement with Ohio Legal Rights Service set forth specific obligations of DMR and LRS. Additionally, DMR paid a one-time sum of money to LRS to be used toward determining and providing for class member's needs, evaluations for specialized services, adaptive equipment, and relocation.

In *Barbara C. v. Manuel*, the conditions of the former Orient Developmental Center were challenged. Following the closure of the center, the Ohio Legal Rights Service monitored the well being of the class members. The Department and Legal Rights Service have settled the *Barbara C.* case.

Developmental Centers

During the current biennium, the Department, for the first time, began requiring each Developmental Center to produce a budget with Center-specific revenue and expense reports. In previous years, the Developmental Centers were only given an allocation from the Department. As part of the effort to ensure that Center services are being provided in a cost efficient manner, each Developmental Center is in the process of reviewing in detail each job classification and that position's relevance to the daily mission of the Center. As of the pay period ending September 9, 2000, there were 4,318 full-time and part-time filled positions at the state's 12 Developmental Centers. As positions have become vacant, those that were deemed not central to the Center's mission were left vacant. To date, over 135 positions have been dealt with in this manner.

According to the Department, this is not intended to be an effort to close one or more of the Centers and the goal is to reduce staff without hurting quality. For that reason, positions providing direct care are exempted from these potential cuts. The Department estimates that the plan will be implemented this fall and will include layoffs, position abolishments, and reclassifications. There will be no quotas on the number of positions that need to be cut or the total amount to be saved. Additionally, the Department expects that there will be larger cuts at the older facilities that still had certain in-house services like X-ray technicians and microbiologists. Prior to starting this process, the superintendents of the Centers met with all staff, the unions, parent groups, etc. to provide an accurate representation of what the Department planned to do.

CHOICES project / Self-determination

During the current biennium, the Department has begun a pilot project at the Mt. Vernon and Youngstown Developmental Centers. This program will allow individuals currently residing in one of these two Centers to leave for a placement in the community if they desire. The Department plans to move about 4 or 5 people per Center per year and the individual may return to the Center if the community placement does not work out. As a person leaves the Center under the CHOICES project, the money will move with the consumer to the community.

ADDITIONAL FACTS AND FIGURES

Department of Mental Retardation and Developmental Disabilities Staffing Levels						
Program Series/Division	1998	1999	2000	2001	<i>Estimated</i>	
					2002	2003
Central Office	287	255	243	254	267	280
Apple Creek D.C.	467	433	430	408		
Cambridge D.C.	215	210	210	209		
Columbus D.C.	314	307	308	306		
Gallipolis D.C.	519	509	510	503		
Montgomery D.C.	216	215	219	205		
Mt. Vernon D.C.	614	584	573	555		
Northwest Ohio D.C.	353	354	355	350		
Southwest Ohio D.C.	215	220	213	204		
Springview D.C.	191	188	177	178		
Tiffin D.C.	470	458	468	463		
Warrensville D.C.	481	463	463	453		
Youngstown D.C.	255	264	263	263		
Totals (Developmental Centers)	4,310	4,205	4,189	4,097		

Staffing information for the Developmental Centers in FYs 2002 and 2003 are unavailable due to realignment and evaluation process of Center positions.

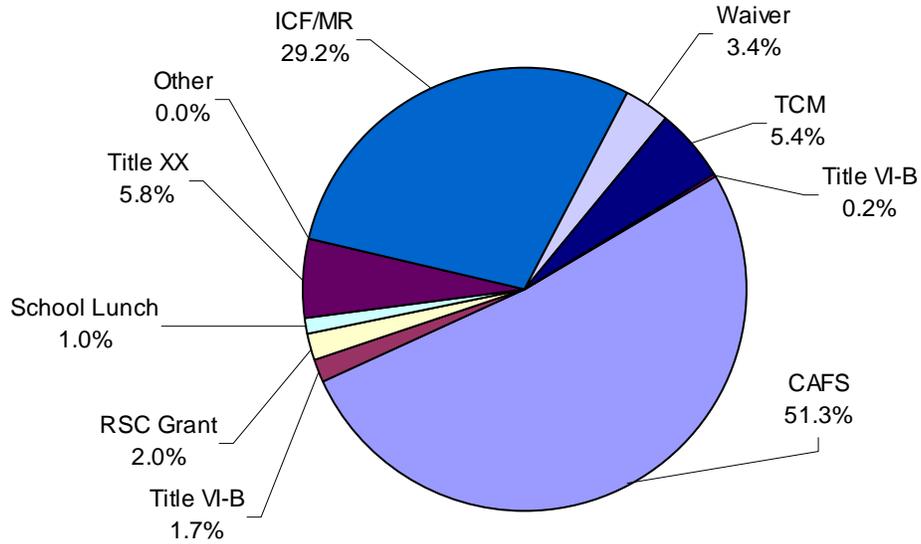
County Boards of MR/DD Demographic Information

The following table illustrates the age breakdown of individuals served by county boards, as well as the growth during the past decade. The figures are taken from information provided by the Department.

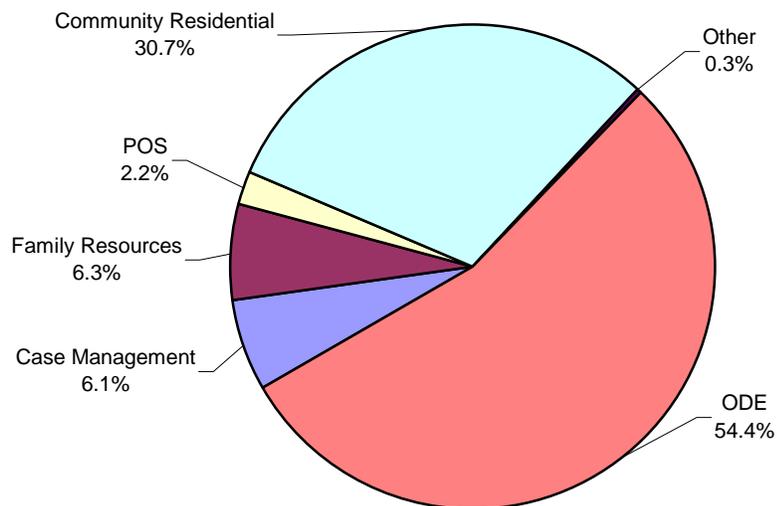
Ages	October 1991		Fall 2000	
	Count	Percentage	Count	Percentage
0-2	2,903	7.3%	5,756	11.4%
3-5	3,343	8.4%	4,718	9.3%
6-21	8,021	20.2%	10,007	19.8%
22-30	7,722	19.4%	7,188	14.2%
31-40	8,218	20.7%	9,120	18.0%
41-50	4,711	11.9%	7,158	14.2%
51-64	3,213	8.1%	4,420	8.7%
65+	1,580	4.0%	2,192	4.3%
TOTAL	39,714	100.0%	50,559	100.0%

County Boards Revenues and Expenditures

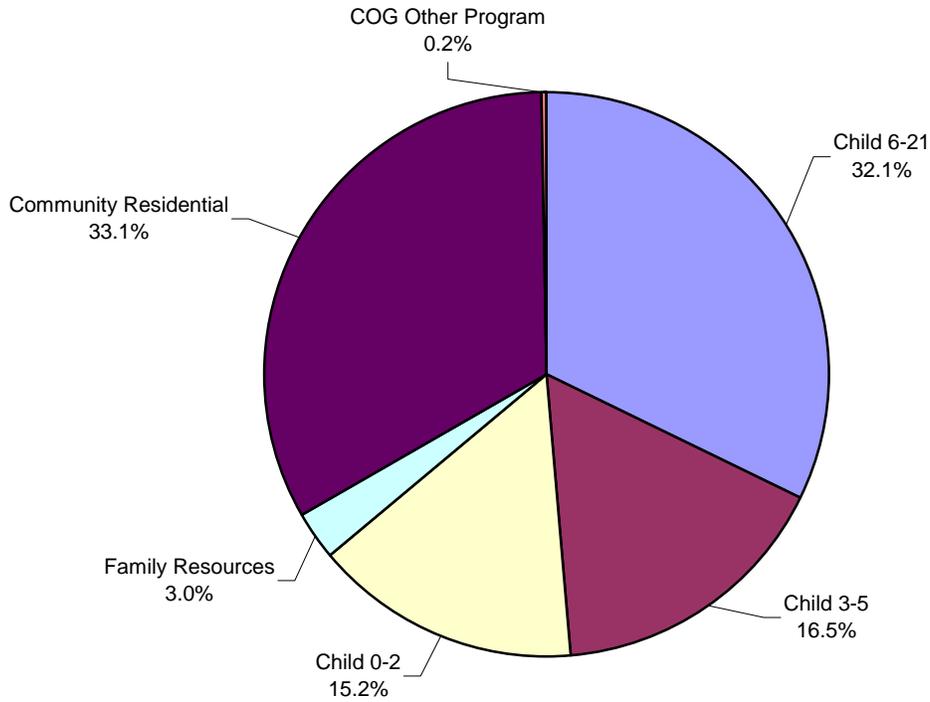
County Board Federal Revenue - Total Federal Revenue of \$185,703,236



County Board State Revenue - Total State Revenue of \$213,742,788



Total Expenditures of \$948,480,332



Developmental Centers Population Census

Developmental Center (County)	Census (as of 3/15/1999)	Census (as of 1/29/2001)
Apple Creek (Wayne)	193	189
Cambridge (Guernsey)	111	110
Columbus (Franklin)	150	149
Gallipolis (Gallia)	246	238
Montgomery (Montgomery)	104	104
Mt. Vernon (Knox)	255	241
Northwest Ohio (Lucas)	170	170
Southwest Ohio (Clermont)	117	111
Springview (Clark)	89	89
Tiffin (Seneca)	212	198
Warrensville (Cuyahoga)	244	252
Youngstown (Mahoning)	120	123
TOTAL	2,011	1,974

Cost of Services at Developmental Centers

The Department provided a list of items that are included when determining the total cost of services for an individual at a Developmental Center. These costs include medical and pharmaceutical expenses, as well as the following:

- Capital Cost – Depreciation
- Capital Cost – Interest
- Capital Cost – Lease
- Administration and General
- Maintenance and Repairs
- Operation of Plant
- Housekeeping
- Laundry and Linen
- Dietary
- Nursing Administration
- Medical Records Library
- Social Service
- Psychology
- Habilitation
- Other Reimbursable
- General Routing Care
- Pharmacy
- Radiology
- Laboratory
- Clinic
- Physician Services
- Commissary
- Educational Training
- Vocational Training
- Other Non-reimbursable
- Unidentified

According to the Department, the reimbursement methodology for private facilities differs from state-run facilities. For example, the cost of services such as vocational education, ancillary costs, physical medicine, laboratory work, pharmacy services, speech and hearing, are all rolled into the facility payment. For individuals in private ICF/MRs, these same services are paid separately.

ANALYSIS OF EXECUTIVE PROPOSAL

County MR/DD Board Services

Program Series 1

Purpose The 88 county boards of MR/DD provide a wide array of services designed to support families and allow individuals to develop significant valued roles in their community. Activities include residential supports, early intervention and family support to education, ancillary services and adult vocational and employment services, all tailored to individual need. Funds are allocated to county boards and may be matched with local tax levy dollars to provide the individual supports. Some services may overlap among programs due to the fact that these services have different funding sources.

The following table shows the line items that are used to fund this program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	322-413	Residential and Support Services	\$155,168,317	\$165,289,811
GRF	322-451	Family Support Services	\$7,975,870	\$7,975,870
GRF	322-452	Case Management	\$9,755,812	\$10,374,628
GRF	322-501	County Boards Subsidies	\$45,366,297	\$46,817,644
GRF Subtotal			\$218,266,296	\$230,457,953
488	322-603	Residential Services Refunds	\$2,499,188	\$2,499,188
325	322-608	Federal Grants – Operating Expenses	\$1,360,000	\$1,360,000
325	322-612	Social Service Block Grant	\$11,500,000	\$11,500,000
3G6	322-639	Medicaid Waiver	\$148,304,949	\$151,754,169
3M7	322-650	CAFS Medicaid	\$163,747,903	\$172,568,939
4K8	322-604	Waiver-Match	\$13,783,463	\$14,039,133
5H0	322-619	Medicaid Repayment	\$562,080	\$576,132
Total funding: County MR/DD Board Services			\$560,023,879	\$584,755,514

Specific programs within the County MR/DD Board Services program series that this analysis will focus on include:

- **Residential Facility Waiver (RFW) and Individual Options Waiver (IO)**
- **Supported Living**
- **Subsidies to County Boards of MR/DD**
- **Case Management Services**
- **Family Support Services**
- **Early Intervention**
- **Community Alternative Funding System Services (CAFS)**

Residential Facility (RFW) and Individual Options (IO) Waivers *Program Description:* The RFW is a Home and Community-Based (HCBS) Medicaid waiver regulated by the Department. This waiver provides services to eligible individuals as an alternative to a congregate care environment (ICF/MR). Individuals on the waiver are able to live in one of over 1,200 smaller homes licensed by the Department. This program, administered locally by county boards of MR/DD who contract directly with providers of services, replaces the Purchase

of Service (POS) program that was in place since 1972. Services covered include adaptive/assistive equipment, supported employment, and homemaker/personal care. The POS primarily used state GRF dollars, whereas RFW uses state funds to match federal dollars.

This program was established in 1997 in accordance with the following law: CFR 435.1009, ORC 5123.19, and OAC 5123:1-2-12, 5123:1-2-14, 5123:2-3-02 through 5123:2-3-21.

The Individual Options (IO) waiver is a Home and Community Based (HCBS) Medicaid waiver. The IO waiver provides federal financial reimbursement for certain Medicaid services for eligible persons residing in non-institutional settings. This waiver can provide services to a maximum of 2,821 individuals. On February 26, 2001, the Health Care Financing Administration (HCFA) approved an additional 500 slots in the IO waiver. These slots are funded through the \$4.3 million appropriation contained in Sub. H.B. 403 of the 123rd General Assembly. All 88 county boards of MR/DD have individuals enrolled on the IO waiver. Services include supported employment, adaptive/assistive equipment, environmental modifications, home-delivered meals, personal care, and transportation, among others. Room and board costs are provided using state funds since they are not a reimbursable service under the waiver. This program is established in 42 CFR 440.130(D), ORC 5111.02, 5111.041, 5123.041, and OAC 5123:2-14-04.

Sermak: Under the consent decree in *Sermak v. Ritchey*, c-2-80,220, United States District Court for the Southern District of Ohio, Eastern Division, Sermak class members are provided with residential options for those individuals who have been relocated from a nursing facility. Programming is provided for individuals choosing to remain in a nursing facility, and accessible housing is provided for all individuals who were class members in the case who require said services. The Department provides these services, funded with GRF dollars only, under the IO waiver program activity. There are 21 Sermak individuals who remain the responsibility of the Department. The recent court settlement with Ohio Legal Rights Service (LRS) transferred responsibility for the other 55 Sermak individuals to LRS.

Funding Source: GRF, FED, ICF/MR bed tax assessment revenues transferred from the Department of Job and Family Services

Line Items: 322-413, 322-639, 322-604

Implication of Recommendation:

HCFA Waiver Audit Compliance Issues: In July 2000, the Health Care Financing Administration conducted an audit of the Department's Residential Facilities Waiver (RFW). As a result of the finding of this audit, a large component of the agency's budget request was to deal with HCFA audit compliance issues and redesign the MR/DD Medicaid system to ensure future compliance with HCFA regulations. The IO waiver will be audited by HCFA in calendar year 2001.

The executive recommendations include about \$12 million per fiscal year in GRF line item 322-413 to deal with HCFA audit compliance issues. These issues include delegated nursing and day-to-day program management. GRF funding in other program series also cover HCFA Audit Compliance activities. This includes administrative service coordination funding in line item 322-452 and protective services in line item 320-412.

IO Waiver Expansion: As noted above, Sub. H.B. 403 of the 123rd General Assembly included funding to expand the IO waiver by 500 slots. On February 26, 2001, HCFA approved the expansion of this waiver program. With this expansion, the total number of IO slots is 3,321. The executive recommendations also include funding in 322-413 to expand IO by an additional 500 slots per year. GRF funding for the state match for the Medicaid waiver expansion is \$5.1 million in FY 2002 and \$15.3 million in FY 2003. The IO waiver expansions funded in Sub. H.B. 403 and in the executive recommendations will help the Department deal with potential Olmstead issues arising from the desire for community-based care.

Federal Medical Assistance Percentage (FMAP): State dollars for the RFW and IO waivers are matched with federal funds at the FMAP rate. In federal fiscal year (FFY) 2001, Ohio's FMAP was 59.03 percent. In FFY 2002, the matching rate for Ohio will drop to 58.78 percent. Estimates for FFY 2003 show another FMAP drop to 58.76 percent.

The Health Care Financing Administration (HCFA) sets the federal match rate annually based upon the economic factors for each state as it relates to the nation as a whole. For the past few years, this rate has been just below 60 percent.

Each county board is allocated a level of state funding, which in turn is used to match federal dollars. Each county board prepares an Individual Service Plan (ISP) for each waiver recipient. The ISP is sent to DMR to ensure that providers do not bill for more than previously approved limits.

Average Cost Per Waiver Recipient: The following table lists the average cost per recipient for waiver services by calendar year (CY). The numbers in the table include both federal and state funding. According to the Department, the average cost for services in an Intermediate Care Facility for the Mentally Retarded (ICF/MR) is about \$65,000 per year.

CY	IO Waiver	RFW
1995	\$36,440	N/A
1996	\$33,145	N/A
1997	\$32,948	N/A
1998	\$34,666	N/A
1999	\$36,247	\$27,763

RFW-eligible Residential Facilities: The Department currently licenses 1,293 facilities throughout the state. Under the waiver programs, the individual cost of care may not exceed the cost of ICF/MR services. To ensure the quality and safety of the residential facilities under the RFW, the Department conducted 2,748 on-site inspections in FY 2000. Out of these inspections, 5,706 citations were issued.

Number of Beds: According to information provided by the Department, as of September 30, 2000, there were 5,075 non-Developmental Center ICF/MR beds, 2,066 Developmental Center ICF/MR beds, and 3,370 non-ICF/MR licensed beds. Individuals in private ICF/MR beds are Medicaid eligible and may not receive services under one of the existing waiver programs administered by the Department.

Earmarking: The executive recommendations earmark the appropriation in 322-413, Residential and Support Services, for the following five activities: (1) home and community-based waiver services; (2) services contracted by county boards of mental retardation and developmental disabilities; (3) supported living services contracted by county boards of mental retardation and developmental disabilities; (4) Sermak Class Services used to implement the requirements of the consent decree in *Sermak v. Manuel*; and (5) other Medicaid-reimbursed programs, in an amount not to exceed \$1.0 million per fiscal year, that enable persons with mental retardation and developmental disabilities to live in the community.

In line item 322-604, Waiver-Match, the appropriations are to be used as state matching funds for the home and community-based waivers.

Although not earmarked in the budget, funding is provided in 322-413 for education and prevention activities. In FY 2002, \$392,400 is allocated on activities to prevent mental retardation by educating the community about fetal alcohol syndrome. In FY 2003, \$504,123 will be allocated for this purpose..

Supported Living *Program Description:* The Supported Living program provides individualized funding for persons to live in the community, in a residence of their choice, with support provided as necessary according to their choice and needs. These dollars pay for housing costs, utilities, food, clothing, transportation, personal care, habilitation training, and therapy services. The program was established in 1989 by ORC 5123.182, 5126.42, 5126.44 and OAC 5123:2-12-02, 5123:2-12-05.

Funding Source: GRF

Line Items: 322-413

Implication of Recommendation: During FYs 1999 and 2000, 4,878 and 5,618 individuals, respectively, received services from the county boards of MR/DD under the Supported Living program. The executive recommendations will allow for an increase in the number of individuals receiving services. There is no cap on

the number of enrollees. There is no federal match for the Supported Living program.

As of February 1, 2001, there are a total of 5,661 licensed Supported Living providers in Ohio. Of that total, 4,130 are active providers. The Department annually allocates to each county board an amount determined in accordance with the rules governing supported living. County boards are required to adopt a separate budget for the support living moneys. Up to 10 percent of these funds may be used for administrative costs.

The 88 county boards of MR/DD use state dollars for a variety of activities, including the Supported Living program. A reduction in state GRF funding in 322-413 activities could lead to county boards using state dollars for the Supported Living program at the expense of another program that would receive federal matching dollars.

Earmarking: Please see the narrative in the RFW section for earmarks to 322-413.

**Subsidies to
County Boards
of MR/DD**

Program Description: This program distributes GRF state subsidies to the 88 county boards of MR/DD according to the formula established in ORC 5126.12. Under the Revised Code, the state subsidy is \$950 for children under age three and between \$1,000 and \$1,500 for persons who are at least 16 years of age or older. The variance is based on whether or not the county board is eligible to bill for Medicaid reimbursement for the individual. ORC 5126.12 mandates the county boards to report to the Department the average daily membership (ADM) figures for individuals receiving early childhood services, special education for children with handicaps, adult services for persons over age 16, and other programs in the county approved by the Department. Early intervention services provide early diagnosis of developmental delays. Adult program services target community employment opportunities and work-training employment in sheltered work settings. Transportation is provided for children and adults to attend programs.

The bill includes uncodified law stating that the Department shall only use the formula to determine the percentage of total subsidy that each county board shall receive. However, the uncodified law states that the subsidy shall not simply equal the respective dollar amount times the ADM as stated in section 5126.12 (D) of the Revised Code. Instead, once the ratios are determined, the total amount of subsidies shall total at least \$44,266,039, the FY 2000 spending amount in line item 322-501. If, after subtracting the \$1.5 million for tax equity, the appropriation total in line item 322-501 is less than \$44,266,039, the Department must use the total amount of remaining appropriation in line item 322-501 plus funding from other sources to provide subsidies totaling \$44,266,039. If the total appropriation in 322-501, after subtracting the \$1.5 million for tax equity, is greater than or equal to \$44,266,039, that amount is to be the total amount that the Department must provide in subsidy to the county boards.

In addition to state funding, the county boards receive federal Title XX, or Social Service Block Grant, funding from the Department. Although U.S. Public Law 97-

35 removed all federally mandated Title XX eligibility requirements in 1983, the General Assembly established specific eligibility requirements for individual Ohioans to receive Title XX services.

This program is governed by the following laws and rules: U.S. Public Law 97-35, ORC 5126.04, 5126.12, 5119., 5101.46, 3323.01, and OAC 5119:3-01-03.

Funding Source: GRF, federal social service block grant

Line Items: 322-501, 322-612

Implication of Recommendation: In recent years, the average daily membership (ADM) of the county boards has been steadily increasing. One potential cause of this increase is tied to the aging MR/DD population. As parents of children with mental retardation and developmental disabilities age, they are no longer able to care for their children without help from county board services.

In 1992, the ADM for children (age 0-3) equaled 2,629. By 2000, this total increased to 6,049, an increase of 130.1 percent. For adults, the 1992 ADM was 22,019. By 2000, this figure increased by 25.8 percent to 27,699. The executive budget recommendations provide funding to partially meet the expected increase in demand for county board services. The following table shows the ADM for children and adults for FYs 1998 through 2003. The FYs 2001, 2002 and 2003 figures represent estimated ADMs.

Fiscal Year	Children ADM	Adults ADM
1998	5,074	26,286
1999	5,501	27,064
2000	6,049	27,699
2001	6,723	28,475
2002	7,406	29,190
2003	8,123	29,879

The non-federal funding for this program is located in line item 322-501, County Boards Subsidies. Under the executive recommendations, appropriations in this line item total \$45,366,297 and \$46,817,644 in FYs 2002 and 2003, respectively. Without the uncodified language changing the subsidy formula, the Department would not have enough appropriations in this GRF line item to fully fund the subsidy and would need to use non-GRF funding for the subsidy amounts over the appropriation levels contained in line item 322-501.

Please see the Additional Facts and Figures section of the redbook for information on the demographic make-up of the individuals receiving services by the county boards of MR/DD.

Tax Equity Program: The Department uses a portion of the moneys appropriated in line item 322-501, County Boards Subsidies, to fund the tax equity program. This program is authorized in the Revised Code. The program was established to provide additional funding for county boards whose revenue per enrollee, adjusted for local effort, is below the state's average revenue per enrollee. The allocation is based on the amount raised by local operating levies and the ADM of the county board. One payment is made to the county board per year once the Department receives information from the 88 county auditors on tax levy information. The executive recommendations earmark \$1.5 million in each fiscal year for the tax equity program.

Title XX: The other major source of non-local funding for the county boards is federal Title XX dollars (Social Services Block Grant). The Department of Job and Family Services receives the Title XX funds from the federal government and transfers a portion to the Department. DMR, in turn, distributes these funds to the county boards to support social services.

The federal government has been steadily decreasing the amount of Title XX dollars to the states. In FY 1993, Title XX dollars for the Department totaled just under \$17.7 million. The allocation gradually decreased until FY 1996 when Title XX was cut by \$2.7 million to \$14.8 million. By FY 1998, Title XX for DMR revenue stood at \$14.1 million, a 20.1 percent decrease since FY 1993. In FYs 2002 and 2003, Title XX funding decreases by 18.4 percent from FY 2001 spending estimates to \$11.5 million in each fiscal year.

Earmarking: The executive budget recommendations earmark \$1.5 million in each fiscal year in line item 322-501, County Boards Subsidies, to fund the tax equity program in accordance with sections 5126.16 to 5126.18 of the Revised Code.

**Case
Management
Services**

Program Description: Case management, provided by each county board, coordinates resources across agency and professional lines to develop and attain needed or desired services and goals for an individual. Case management is not a direct service, but a link between people and the direct services they receive. The goal is to improve the quality and appropriateness of services rendered to individuals. The three major roles of a case manager are monitoring and reporting, advocacy, and service coordination. County boards may provide case management directly or by contracting for these services. This program uses state GRF dollars. Medicaid funding is also available to eligible persons through Targeted Case Management. As of February 6, 2001, there were 353 case managers, 41 supervisors, 28 directors, and 25 assistants in the case management system statewide.

The program was established in 1988 by U.S. Public Law 99-272, Sections 1915(g)(1) and (2), ORC 5123.02, 5123.06, 5123.08, 5126.05, 5126.041, 5126.15, and OAC 5123:2-1-272, 5123:2-1-11.

Funding Source: GRF, FED

Line Items: 322-452, 322-639.

Implication of Recommendation: The executive recommendations will allow for the hiring of more case managers across the state of Ohio in the county boards of MR/DD system. A mixture of state, federal, and local dollars funds case management services. In 2000, total case management funding equaled \$49.3 million. Of this total, \$12.1 million was federal funds, \$6.2 million was state dollars, and county boards contributed the remaining \$30.9 million.

Under the executive recommendations for the FY 2002-2003 biennium, the GRF line item for case management, 322-452, totals \$9,755,812 in FY 2002 and \$10,374,628 in FY 2003. This funding level represents a 52.8 percent increase over estimated FY 2001 spending and a 6.3 percent increase over FY 2002 appropriations.

The significant increase in funding for case management services is a direct result of the HCFA Medicaid audit. The HCFA audit found that Ohio “did not provide quality case management/service coordination.” Part of these changes involve realigning the functions of case management. The administrative function of case management will continue to be provided by the county board of MR/DD. Day to day program management activities will be provided by an actual residential care provider. Finally, a personal service provider who provides no other services to individuals with MR/DD and is independent of both the county board and the residential care provider will provide some case management services. The activities include advising, advocating, and assisting the individual to select appropriate and desired service providers. The funding for the personal service providers will come from the Department of Job and Family Services.

Case Management – Sources of Funds: In 1995, total expenditures on case management services totaled \$29.8 million. Of this amount, 42.9 percent was Medicaid reimbursement, 24.1 percent was from the GRF subsidy to county boards, and 32.9 percent originated locally. In 1996, total expenses increased to \$33.1 million. The Medicaid, GRF, and local support mix was 39.6 percent, 17.8 percent, and 42.6 percent, respectively.

By 2000, total service expenses increased to \$49.3 million. Federal funds represented 24.7 percent of total expenses. The GRF subsidy accounted for 12.7 percent and local dollars made up the remaining 62.7 percent. Under the Revised Code, the GRF subsidy to a county board is equal to the greater of \$20,000 or \$200 times the county board’s certified ADM.

Earmarking: The executive recommendation includes language providing that appropriations in line item 322-452, Case Management, are to be allocated to county boards of mental retardation and developmental disabilities for the purpose of providing case management services and to assist in bringing state funding for all department-approved case managers within county boards to the level authorized in the Revised Code.

Permanent and Temporary Law:

Case Management (Section 73.02)

County boards of mental retardation and developmental disabilities currently use funds in line item 322-452, Case Management, to provide case management services and to assist in bringing state funding for all department-approved case managers to the level authorized in the Revised Code. Under the proposed section of temporary law, the Department may request from the Controlling Board approval to transfer any unobligated appropriation authority from other GRF line items within the Department's budget to line item 322-452 in order to meet the statutory funding level. Additionally, this language ensures that, subject to the appropriation amount in line item 322-452, no county may receive less than its allocation of case management funds in FY1995. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Family Support Services

Program Description: Established in 1984, the Family Support Services program ensures the availability of supports necessary to assist individuals in living the life that they choose, promoting their health, safety, and welfare, and assisting and supporting the families of these individuals in achieving these goals. The program supports families in their efforts to care for family members with MR/DD in their homes. Over 9,500 families received services in FY 1997. The program is governed by ORC 5126.08, 5126.11, 5126.12 and OAC 5123:2-1-09.

Funding Source: GRF

Line Items: 322-451

Implication of Recommendation: The executive recommendations include flat funding for Family Support Services. The appropriations contained in H.B. 95 total \$7,975,870 in each fiscal year. According to the Department, there are about 4,500 individuals with MR/DD above age 40 still living at home with family members.

In FY 1999, family support services were provided to 7,698 individuals. With flat funding recommended by the executive, the number of individuals served under this program may decrease. Funds in line item 322-451 are distributed to county boards based on a formula that considers the population of the county and the number of individuals with MR/DD served by the county board. Some counties supplement state funds with local funds, but are not required to do so. When the funds allocated to a county are depleted, families requesting services are placed on a waiting list.

Permanent and Temporary Law:

Family Support Services (Section 73.02)

The Department may implement programs funded by line item 322-451, Family Support Services, to provide assistance to persons with mental retardation or developmental disabilities and their families who are living in the community. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Early Intervention *Program Description:* The Early Intervention program is a collaborative initiative among the Department, the Ohio Department of Education, and the Ohio Department of Health, the lead agency in Ohio. The collaborative efforts of these state agencies assist in the provision of services across the state by targeting consultation and training in the areas of team functioning, effective communication, and the Individual Family Service Plan (IFSP) process. Infants, birth through age two, who have or are at risk for developmental delays receive such services as language stimulation and communication skills training, physical development, social-emotional development, cognitive development, and sensory development. In 1998, county boards served approximately 5,700 children age birth through two. The Early Intervention program was established in 1987 by U.S. Public Law 102-119 and OAC 5123:2-1-04.

Funding Source: FED

Line Items: 322-608

Implication of Recommendation: The funds for this initiative are provided through an interagency agreement with the Ohio Department of Health. The Department of Health is designated as the lead agency in Ohio for providing and setting policy for services to children, birth to age two. The funding provides no direct service, but is directed to the support of personnel, training, consultation, and educational development that is needed to assure a statewide understanding of the benefits of early intervention. Funds are also directed to subsidize parents in gaining skills that are of benefit to their child with disabilities.

Community Alternative Funds System Services (CAFS) *Program Description:* The CAFS program provides federal reimbursement to all 88 county boards of MR/DD, 255 public schools, and certified non-profit organizations for medical and support services provided to persons with mental retardation and developmental disabilities. This is an optional state Medicaid plan service and serves as a mechanism for the reimbursement of costs associated with the provision of Medicaid-approved services delivered by habilitation centers. Reimbursement is also made to schools for the same services provided to Medicaid-eligible children. Reimbursable services include physician, speech/language, pathology/audiology, physician and occupational therapies, skills development and supports, active treatment, and transportation, among others.

The CAFS program was established in 1989 for county boards of MR/DD under 42 CFR 440.130(d), ORC 5123.041, and OAC 5123:2-15. In 1992, schools became eligible for reimbursement. The Department has certified 380 entities as habilitation centers within the CAFS program.

Funding Source: FED, CFDA 93.778 (federal Medicaid reimbursement)

Line Items: 322-650

Implication of Recommendation: The executive recommendations provide funding to allow for the expansion of the CAFS program. As mentioned above, the ADM at county boards has been steadily increasing and this growth is expected to continue into the upcoming biennium for both adults and children. Executive recommended funding levels for this program provide appropriations in 322-650, CAFS Medicaid, of \$163,747,903 in FY 2002 and \$172,568,939 in FY 2003. Compared to FY 2001 estimated spending, this represents an increase of 15.4 percent for FY 2002. Federal funds are reimbursed directly to providers with matching funds supplied by local public entities.

Title XX: The increase in CAFS funding will also allow the county boards to offset the reduction in federal Title XX dollars (Social Services Block Grant). The Department of Job and Family Services receives the Title XX funds from the federal government and transfers a portion to the Department. DMR, in turn, distributes these funds to the county boards to support social services.

The federal government has been steadily decreasing the amount of Title XX dollars to the states. In FY 1993, Title XX dollars for the Department totaled just under \$17.7 million. The allocation gradually decreased until FY 1996 when Title XX was cut by \$2.7 million to \$14.8 million. By FY 1998, Title XX for DMR revenue stood at \$14.1 million, a 20.1 percent decrease since FY 1993. In FYs 2002 and 2003, Title XX funding decreases by 18.4 percent from FY 2001 spending estimates to \$11.5 million in each fiscal year.

Developmental Centers

Program Series 2

Purpose The Developmental Centers program series operates 12 centers throughout the state, serving approximately 2,000 citizens with mental retardation. Each center, as an ICF/MR facility, is Medicaid certified. The mission is to serve individuals who require comprehensive program, medical, and residential services with a continuum of choice-driven opportunities so that each person may experience a life of increasing capabilities and independence.

The following table shows the line items that are used to fund this program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	323-321	Residential Facilities Operations	\$99,765,232	\$99,917,289
152	323-609	Residential Facilities Support	\$889,929	\$912,177
325	323-617	Education Grants – Residential Facilities	\$411,000	\$411,000
3A4	323-605	Residential Facilities Reimbursement	\$120,985,419	\$120,985,419
489	323-632	Operating Expense	\$11,506,603	\$12,125,625
Total funding: Developmental Centers			\$233,558,183	\$234,351,513

Specific programs within the Developmental Centers program series that this analysis will focus on include:

- **Program Support**
- **Operations**

Program Support *Program Description:* This program addresses the problems of providing an appropriate quality of life to the residents of the 12 Developmental Centers and specifically addresses the problems of health care, client protection, and providing for the maintenance of each individual resident's skills and/or the acquisition of new skills. Of the eight Conditions of Participation and standards of the ICF/MR program, the following five are goals of the Program Support area: Provide Client Protection; Provide Facility Staffing; Provide Active Treatment Service; Provide Facility Practices for Client Behaviors; Provide Health Care Services; and Provide Dietetic Services.

The first state-supported facility serving individuals in Ohio with mental retardation and developmental disabilities was established in 1857. Chapter 5123. of the Revised Code governs the practice of the Centers. Certification as an Intermediate Care Facility for the Mentally Retarded (ICF/MR) began in the late 1970s.

Funding Source: GRF, federal Medicaid reimbursement for state dollars spent on the care of individuals with mental retardation at the state Developmental Centers, other federal awards (CFDA 94.011 and 84.009), offset charges assessed against the resources of clients residing in the state developmental centers

Line Items: 323-321, 323-609, 323-605, 323-608, 323-617, 323-632

Implication of Recommendation: The executive recommendations provide for continued service levels in this program series. Line item 323-321, Residential Facilities Operations, is the only GRF line item funding this program series. All appropriations in this line item cover expenses associated with personnel. The executive recommendations include a 4.1 percent decrease from FY 2001 estimated spending levels in line item 323-321. There are two main reasons for this decrease. First, as mentioned above, the Department is currently in the process of reevaluating all personnel at the Developmental Centers. One result of this evaluation will be the elimination of some staff. Another cause of this decrease is the result of Controlling Board action of November 20, 2000. In this request, \$5.0 million was transferred from federal line item 323-605 (Fund 3A4) to line item 320-605 (Fund 3A4). This transfer in FY 2001 reflected the fact that 44 employees that were categorized as Developmental Center staff were shifted to Central Office payroll. This shifting means that there will be "less" employees in the Developmental Centers that would have been funded by line item 323-321 in FYs 2002 and 2003.

The other main source of personnel expenses occurs in Federal Special Revenue line item 323-605 (Fund 3A4), Residential Facilities Reimbursement. In this line

item in FY 2002, \$91,755,190 of the recommended appropriation of \$120,985,419 covers personnel expenditures. For this object class, the decrease is 0.2 percent from FY 2001 estimated spending levels. In FY 2003, the personnel portion of this line item is recommended to remain at \$91,755,190.

Total payroll-related expenditures for the Developmental Centers program series equal \$201,180,422 in FY 2002 and \$201,885,839 in FY 2003.

Maintenance funding for the program series totals \$23,603,074 in FY 2002 and \$23,622,396 in FY 2003.

For more information on the current census at the 12 Developmental Centers and the costs of service at the Centers, please see the Additional Facts and Figures section of this Redbook.

Operations *Program Description:* The Operations program addresses the problems of providing an appropriate quality of life for the residents of the 12 Developmental Centers. This program specifically addresses the problems of providing an appropriate physical living environment, affording resident mobility within and without the facility, guaranteeing each individual resident's privacy and physical protection and ensuring that appropriate staff, supplies, and equipment are obtained, trained, and/or monitored through appropriate government management. Of the eight ICF/MR Conditions of Participation, the following three guide the Operations program: Provide Facility Staffing; Provide Physical Environment; and Provide Governing Body and Management.

The first state-supported facility serving individuals in Ohio with mental retardation and developmental disabilities was established in 1857. Chapter 5123. of the Revised Code governs the practice of the Centers. Certification as an Intermediate Care Facility for the Mentally Retarded (ICF/MR) began in the late 1970s.

Funding Source: GRF, FED, SSR, Medicaid reimbursement for state dollars spent on the care of individuals with mental retardation at the state Developmental Centers, other federal awards (CFDA 94.011 and 84.009), offset charges assessed against the resources of clients residing in the state Developmental Centers

Line Items: 323-321, 323-609, 323-605, 323-608, 323-617, 323-632

Implication of Recommendation: Please see the narrative for Program Support for implications of the executive recommendations on the Developmental Centers program series.

Permanent and Temporary Law:

Model Billing for Services Rendered in Developmental Centers (Section 73.02)

The executive recommendations include a temporary law provision allowing the

Department to develop a methodology for recovery of all costs associated with the provision of services by the Developmental Centers to persons with mental retardation or developmental disabilities living in the community or to providers of services to these persons. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Program Supports

Program Series 3

Purpose Program Supports are designed to assist Ohio’s MR/DD system statewide through a variety of support functions from the provision of guardianships and job development to the coordination of intersystem collaboration in providing services to children. In addition, this program series also provides funds to support Special Olympic programs in Ohio for persons with mental retardation.

The following table shows the line items that are used to fund this program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	320-411	Special Olympics	\$190,000	\$185,000
GRF	320-412	Protective Services	\$1,402,498	\$1,502,150
GRF	322-405	State Use Program	\$264,685	\$264,685
GRF Subtotal			\$1,857,183	\$1,951,835
4J6	322-645	Intersystem Services for Children	\$5,000,000	\$5,000,000
4U4	322-606	Community MR and DD Trust	\$125,000	\$131,250
4V1	322-611	Program Support	\$2,000,000	\$2,000,000
325	322-617	Education Grants – Operating	\$115,000	\$115,000
325	323-608	Federal Grants – Subsidies	\$532,000	\$536,000
3A4	322-605	Community Program Support	\$3,024,047	\$3,326,452
3A5	320-613	DD Council Operating Expenses	\$992,486	\$992,486
3A5	322-613	DD Council Grants	\$3,358,290	\$3,358,290
Total funding: Program Supports			\$17,004,006	\$17,411,313

Specific programs within the Program Supports program series that this analysis will focus on include:

- **Protective Services**
- **Intersystem Services for Children**
- **Employment and Training for Persons with Severe Disabilities (State Use)**
- **Ohio Developmental Disabilities Planning Council**
- **Self-Determination Demonstration Project**
- **Foster Grandparent Services**

Protective Program Description: Established in 1972, under this program, the Department contracts with Advocacy and Protective Service, Inc. (APSI), a non-profit agency,

Services to create a statewide system of protective services, including guardianship, for persons with mental retardation and developmental disabilities who need such services. Ohio Revised Code sections 5123.012 and 5123.55 through 5123.59 govern the activities of this program.

Funding Source: GRF, FED

Line Items: 320-412, 320-634

Implication of Recommendation: General Revenue Funds are specifically appropriated for the provision of protective services. Federal reimbursement is claimed through Targeted Case Management for services provided to each specific individual. The GRF dollars are used as state match for the federal reimbursement. These funds are separate from, and in addition to, state, local, and federal funds for local case management services. Total GRF funding in line item 320-412, Protective Services, as recommended by the executive equals \$1,402,498 in FY 2002 and \$1,502,150 in FY 2003. The funding levels are increases of 4.5 percent in FY 2002 and 7.1 percent in FY 2003.

Under the contract with APSI, there are about 3,230 individuals receiving services. The waiting list is about 150 people. The current case load ratio is 60:1.

Intersystem Services for Children **Program Description:** Established by ORC 121.37 in 1984, the Intersystem Services for Children coordinates services needed from a variety of local agencies. In July 1993, the role of local intersystem collaborative groups was fused into the Family and Children First Council. The Council provides leadership for local agency councils and clusters in the development of programs and community supports for children with multiple needs and their families. It supports a collaborative interagency system to prevent children who have the need for services of more than one public agency from falling into the bureaucratic cracks created between various agency mandates.

Funding Source: GSF, these funds are GRF dollars transferred from the Department of Education

Line Items: 322-645

Implication of Recommendation: The executive budget recommendation includes funding to expand the services in this program. In line item 322-645, total funding, as recommended by the executive, will be \$3,999,490 in FY 2002 and \$4,103,179 in FY 2003. This represents a 2.4 percent increase over FY 2001 estimated spending in FY 2002 and a 2.6 percent increase in FY 2003. In FY 2000, 823 children were served through this program. Of that amount, 62 percent were between the ages of 12 and 17.

**Employment and
Training for
Persons with
Severe
Disabilities
(State Use)**

Program Description: The State Use Program was created in 1976 by ORC 4115.31 through 4115.35 and OAC 4115-1-01 through 4115-7-11. The program provides a vehicle for government agencies to purchase products and services through one of 114 qualified nonprofit agencies that employ persons with severe disabilities. The State Use Committee is responsible for determining the suitability of products and services for the State Use Program procurement list. Once placed on the procurement list, the purchase of these products and services is exempt from the competitive bidding process required by state, county, and local government. In FY 2000, there were over 3,800 persons with a severe disability employed under this program.

In FY 2000, 113 nonprofit agencies met the certification requirements to participate in the State Use Program. In the service industry, the average hourly wage is \$5.98. For product related activities, the average wage is \$3.11 per hour. Individuals with severe disabilities participating in the State Use Program work an average of 35-40 hours per week. The provision of benefits depends upon the contract with the employer.

Funding Source: GRF

Line Items: 322-405

Implication of Recommendation: The funding for the State Use Program covers personnel costs of the State Use Committee. Under the Revised Code, the Department is required to fund the Committee. The State Use Committee meets monthly and determines the suitability of products and services for the procurement list. The level recommended by the executive will allow for continued service levels. The dollar amounts authorized by the executive in line item 322-405, State Use Program, are \$264,685 per fiscal year.

**Ohio
Developmental
Disabilities
Planning
Council**

Program Description: The Ohio Developmental Disabilities Planning Council (DD Council), appointed by the governor, serves as an advocate for all persons with developmental disabilities. The DD Council is required to receive, account for, and disburse federal funds pursuant to a three-year state plan that the Council develops. U.S. Public Law 104-183, section 5123.35 of the Revised Code, and Executive Order 92-251 established and governs the activities of the program.

Funding Source: FED

Line Items: 320-605, 320-613, 322-613

Implication of Recommendation: The funding for the DD Council comes from federal sources. State matching funds pay the rent for the Council's offices, expenses associated with meetings, in-state travel expenses, and an amount

roughly equivalent to one FTE. Federal funds are used to pay for the salaries of ten staff, as well as maintenance and equipment. Federal funds are also used for grant awards (line item 322-613, DD Council Grants). The largest portion of the DD Council operating expenditures is located in line item 320-613, DD Council Operating Expenses. The executive recommendations provide funding equal to FY 2001 estimated spending levels in both line items 320-613 and 322-613. In line item 320-613, the appropriation level is \$992,486 per fiscal year. Ninety-one percent of this appropriation item is for personnel expenses. In line item 322-613, the executive recommendations include total subsidy amounts of \$3,358,290 in each fiscal year of the biennium.

Foster Grandparent Services *Program Description:* The Foster Grandparent program provides volunteer opportunities for lower-income senior citizens to assist children with mental retardation or developmental delays. At the same time, the program provides one-to-one supportive services for children who have special needs or who are disadvantaged. This program is provided in Ohio under the authority established in 1967 by U.S. Public Law 93-113, Title II, Part B, Section 211 (a) and 45 CFR 1208. According to information provided by the Department, approximately 480 children with mental retardation or other developmental disabilities or delays are served by more than 150 volunteer senior citizens.

Funding Source: FED, CFDA 94.011 (Foster Grandparent Program and the Adult Basic Education Program), CFDA 84.181 (Grants for Infants and Families with Disabilities), federal Medicaid reimbursement funds

Line Items: 323-608, 322-608, 320-605

Implication of Recommendation: The funds in this initiative are federal moneys that are matched with state GRF dollars. According to the Department, a reduction in funding would jeopardize access to federal moneys for Ohioans. The executive recommendations provide for a continued service level in this program.

CENTRAL SUPPORT

Program Series 4

Purpose Central Support provides administrative support services to the various program areas.

The following table shows the line items that are used to fund this program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	320-321	Central Administration	\$12,001,218	\$12,361,253
4B5	320-640	Conference/Training	\$826,463	\$864,496
3A4	320-605	Administrative Support	\$11,964,698	\$12,492,892
3A4	322-610	Community Residential Support	\$5,924,858	\$5,924,858

Total funding: Central Support	\$30,717,237	\$26,275,300
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Specific programs within the Central Support program series that this analysis will focus on include:

■ **Central Support**

Central Support *Program Description:* This program provides central administrative support to the non-institutional portions of the Department.

Funding Source: GRF, federal Medicaid reimbursement funds

Line Items: 320-321, 320-605

Implication of Recommendation: The executive recommendations provide for continued service levels in this program. As a result of Controlling Board action on November 20, 2000, \$5.0 million was transferred from federal line item 323-605 (Fund 3A4) to line item 320-605 (Fund 3A4). This transfer in FY 2001 reflected the fact that 44 employees that were categorized as Developmental Center staff were shifted to Central Office payroll. This appropriation authority transfer led to the large increase in line item 320-605 in FY 2001.

DEBT SERVICE

Program Series 5

Purpose This program covers debt service payments on bonds issued for long-term capital construction projects.

The following table shows the line items that are used to fund this program series, as well as the Governor’s recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
GRF	320-415	Lease-Rental Payments	\$24,754,900	\$26,275,300
Total funding: Debt Service			\$24,754,900	\$26,275,300

Specific programs within the Debt Service program series that this analysis will focus on include:

■ **Debt Service**

Debt Service *Program Description:* This program covers debt service payments on bonds issued for long-term capital construction projects.

Funding Source: GRF

Line Items: 320-415

Implication of Recommendation: The executive recommendations provide for

continued service levels in this program.

Permanent and Temporary Law:

Rental Payments to the Ohio Public Facilities Commission (Section 73.01)

Pursuant to leases and agreements made under section 154.20 of the Revised Code, the Department shall use appropriations in line item 320-415, Lease-Rental Payments, to meet all payments during the FY 2002-2003 biennium to the Ohio Public Facilities Commissions. These payments are limited to \$51,030,200, the aggregate amount of the appropriations in line item 320-415 during the biennium.

PERMANENT AND TEMPORARY LAW

This section describes permanent and temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

Permanent Law Provisions

There are no permanent law provisions affecting this agency.

Temporary Law Provisions

Rental Payments to the Ohio Public Facilities Commission (Section 73.01)

Pursuant to leases and agreements made under section 154.20 of the Revised Code, the Department shall use appropriations in line item 320-415, Lease-Rental Payments, to meet all payments during the FY 2002-2003 biennium to the Ohio Public Facilities Commissions. These payments are limited to \$51,030,200, the aggregate amount of the appropriations in line item 320-415 during the biennium.

Family Support Services (Section 73.02)

The Department may implement programs funded by line item 322-451, Family Support Services, to provide assistance to persons with mental retardation or developmental disabilities and their families who are living in the community. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Case Management (Section 73.02)

County boards of mental retardation and developmental disabilities currently use funds in line item 322-452, Case Management, to provide case management services and to assist in bringing state funding for all department-approved case managers to the level authorized in the Revised Code. Under the proposed section of temporary law, the Department may request from the Controlling Board approval to transfer any unobligated appropriation authority from other GRF line items within the Department's budget to line item 322-452 in order to meet the statutory funding level. Additionally, this language ensures that, subject to the appropriation amount in line item 322-452, no county may receive less than its allocation of case management funds in FY1995. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Waiver - Match (Section 73.02)

The Department, under this section of temporary language, may use the appropriations in line item 322-604, Waiver-Match (Fund 4K8), as state matching funds for the Home and Community-Based Medicaid waivers. This language also states that the Department and the Department of Job and Family Services may enter into an interagency agreement providing for DMR to operate the waiver program. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Model Billing for Services Rendered in Developmental Centers (Section 73.02)

The executive recommendations include a temporary law provision allowing the Department to develop a methodology for recovery of all costs associated with the provision of services by the developmental centers to persons with mental retardation or developmental disabilities living in the community or to providers of services to these persons. This section was also contained in Am. Sub. H.B. 283 of the 123rd General Assembly.

Residential and Support Services (Section 73.02)

The executive recommendations earmark the appropriation in line item 322-413, Residential and Support Services for the following five activities: (1) home and community-based waiver services; (2) services contracted by county boards of mental retardation and developmental disabilities; (3) supported living services contracted by county boards of mental retardation and developmental disabilities; (4) Sermak Class Services used to implement the requirements of the consent decree in *Sermak v. Manuel*; and (5) other Medicaid-reimbursed programs, in an amount not to exceed \$1.0 million per fiscal year, that enable persons with mental retardation and developmental disabilities to live in the community.

State Subsidies to County Boards of MR/DD (Section 73.02)

The budget includes an earmark of \$1.5 million per year in GRF line item 322-501, County Boards Subsidies, to fund a tax equity program pursuant to sections 5126.16 to 5126.18 of the Revised Code. The executive recommendations also modify the formula used by the Department to determine the amount of subsidy each county board will receive from the Department. The Revised Code states that the total subsidy shall equal \$950 times the average daily membership (ADM) of children age birth to zero receiving county board services plus \$1,000 - \$1,500 times the ADM of adults receiving services.

The bill includes language stating that the Department shall use the formula in the Revised Code to determine the percentage of total subsidy that each county board shall receive. However, the uncodified law states that the subsidy shall not simply equal the respective dollar amount times the ADM as stated in section 5126.12 (D) of the Revised Code. Instead, once the ratios are determined, the total amount of subsidies shall total at least \$44,266,039, the FY 2000 spending amount in line item 322-501. If, after subtracting the \$1.5 million for tax equity, the appropriation total in line item 322-501 is less than \$44,266,039, the Department must use the total amount of remaining appropriation in line item 322-501 plus funding from other sources to provide subsidies totaling \$44,266,039. If the total appropriation in line item 322-501, after subtracting the \$1.5 million for tax equity, is greater than or equal to \$44,266,039, that amount shall be the total amount that the Department must provide in subsidy to the county boards.

Moratorium for New MR/DD Residential Facility Beds (Sections 140 and 141)

The bill amends the section of Am. Sub. H.B. 283 of the 123rd General Assembly outlining the moratorium for new MR/DD residential facility beds. Under the new language, the moratorium will cover the period from July 1, 2001 to October 15, 2003. The moratorium will help prevent an excess in capacity of these beds, which could drive up health costs as facilities amortize the cost of nonrevenue producing unused beds against revenue producing occupied beds.

REQUESTS NOT FUNDED

The information provided below reflects supplemental requests made by the Department and what the executive recommended for that supplemental request.

County MR/DD Board Services						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF 322-413	\$30,945,400	\$22,068,535	(\$8,876,865)	\$45,430,248	\$28,862,533	(\$16,567,715)
GRF 322-451	\$677,949	\$478,552	(\$199,397)	\$694,897	\$291,119	(\$403,778)
GRF 322-452	\$7,080,535	\$3,754,229	(\$3,326,306)	\$7,145,145	\$4,223,005	(\$2,922,140)
GRF 322-501	\$6,669,972	\$1,357,712	(\$5,312,260)	\$8,710,008	\$1,708,844	(\$7,001,164)
4K8 322-604	\$590,000	\$0	(\$590,000)	\$590,000	\$0	(\$590,000)
TOTAL	\$45,963,856	\$27,659,028	(\$18,304,828)	\$62,570,298	\$35,085,501	(\$27,484,797)

In July 2000, the Health Care Financing Administration conducted an audit of the Department's Residential Facilities Waiver (RFW). As a result of the finding of this audit, a large component of the agency's budget request was to deal with HCFA audit compliance issues and redesign the MR/DD Medicaid system to ensure future compliance with HCFA regulations.

The Department sought about \$16 million per fiscal year to deal with HCFA audit compliance issues. These issues included delegated nursing, administrative service coordination, and day-to-day program management. The executive recommendations only included about \$12 million per fiscal year for these activities in line items 322-413 and 322-452.

To help increase the wages of direct care workers, the Department requested \$5.7 million in FY 2002 and \$11.6 million in FY 2003 in line item 322-413. This additional money would have increased the average base wage of \$8.50 per hour by about 4.5 percent. This request was not funded.

Funding to expand the number of waiver slots to provide more community residential placements was partially included in the executive recommendations. The Department requested \$5.1 million in FY 2002 and \$19.1 million in FY 2003 for this waiver expansion of 500 slots in FY 2002 and 750 slots in FY 2003. The executive budget funds a 500-slot expansion in each fiscal year and only provides \$15.3 million in FY 2003.

The Department funds a tax equity program through line item 322-501 to help increase lower tax yield counties to the level of the state average yield per mill per resident. The Department states that this will help ensure compliance with the Medicaid principle of statewide. The Department requested \$3.0 million in FY 2002 and \$4.5 million in FY 2003. The executive recommendations include funding for this at the same levels as the current biennium: \$1.5 million per fiscal year.

The Department also requested appropriations in line item 322-501 to fully fund the subsidy formula mandated in the Revised Code. As noted in the Permanent and Temporary Law section of this Redbook, a change in the formula in temporary law will allow the Board to meet legislative subsidy mandates with the current appropriation level in H.B. 95.

The executive recommendations also did not fund a request to increase family support service allocations, appropriated in line item 322-451, by 2.5 percent to keep pace with inflation.

Developmental Centers						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF 323-321	\$106,575,678	\$99,765,232	(\$6,810,446)	\$109,240,070	\$99,917,289	(\$9,322,781)

The executive recommendations will allow for continued service levels in this program series. The decrease in appropriations will require a decrease in staffing for which the Department is currently in the planning stages.

Program Supports						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF 320-411	\$12,000	\$2,000	(\$10,000)	\$7,300	\$0	(\$7,300)
GRF 320-412	\$534,775	\$69,789	(\$464,986)	\$1,007,322	\$85,480	(\$921,842)
GRF 322-405	\$264,685	\$2,913	(\$261,772)	\$278,085	\$0	(\$278,085)
4U4 322-606	\$1,021,823	\$3,177	(\$1,018,646)	\$1,124,869	\$6,381	(\$1,118,488)
4V1 322-611	\$1,876,422	\$1,876,422	\$0	\$1,868,637	\$1,868,637	\$0
TOTAL	\$3,709,705	\$1,954,301	(\$1,755,404)	\$4,286,213	\$1,960,498	(\$2,325,715)

In order to address the current shortage and turnover of guardians, the Department requested funding for protective services in line item 320-412 totaling \$491,827 in FY 2002 and \$504,123 in FY 2003. This request was only funded at \$60,394 and \$99,652 in FYs 2002 and 2003, respectively. The other funding recommendations will allow for continued service levels without room for expansion in this program series.

Central Support						
Fund Line Item	FY 2002 Requested	FY 2002 Recommended	Difference	FY 2003 Requested	FY 2003 Recommended	Difference
GRF 320-321	\$13,817,352	\$12,001,218	(\$1,816,134)	\$14,146,768	\$12,361,253	(\$1,785,515)

The executive recommendations will allow for continued service levels in this program series.

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

Fund	ALI	ALI Title	2000	Estimated 2001	Executive 2002	% Change 2001 to 2002	Executive 2003	% Change 2002 to 2003
DMR Mental Retardation and Developmental Disabilities, Dept. of								
GRF	320-321	Central Administration	\$ 11,957,993	\$11,889,457	\$ 12,001,218	0.9%	\$ 12,361,253	3.0%
GRF	320-411	Special Olympics	\$ 200,000	\$200,000	\$ 190,000	-5.0%	\$ 185,000	-2.6%
GRF	320-412	Protective Services	\$ 1,256,499	\$1,342,104	\$ 1,402,498	4.5%	\$ 1,502,150	7.1%
GRF	320-415	Lease Rental Payments	\$ 29,399,997	\$28,600,000	\$ 24,754,900	-13.4%	\$ 26,275,300	6.1%
GRF	322-405	State Use Program	\$ 151,387	\$264,685	\$ 264,685	0.0%	\$ 264,685	0.0%
GRF	322-413	Residential & Support Services	\$ 126,127,410	\$141,595,513	\$ 155,168,317	9.6%	\$ 165,289,811	6.5%
GRF	322-414	SERMAK Class Services	\$ 54,750	\$0	\$ 0	N/A	\$ 0	N/A
GRF	322-451	Family Support Services	\$ 7,705,342	\$7,975,870	\$ 7,975,870	0.0%	\$ 7,975,870	0.0%
GRF	322-452	Case Management	\$ 6,235,022	\$6,384,663	\$ 9,755,812	52.8%	\$ 10,374,628	6.3%
GRF	322-501	County Boards Subsidies	\$ 45,766,039	\$46,817,644	\$ 45,366,297	-3.1%	\$ 46,817,644	3.2%
GRF	323-321	Residential Facilities Operations	\$ 104,019,997	\$103,976,271	\$ 99,765,232	-4.1%	\$ 99,917,289	0.2%
General Revenue Fund Total			\$ 332,874,436	\$ 349,046,207	\$ 356,644,829	2.2%	\$ 370,963,630	4.0%
152	323-609	Residential Facilities Support	\$ 26,747	\$870,772	\$ 889,929	2.2%	\$ 912,177	2.5%
488	322-603	Residential Services Refund	\$ 441,510	\$3,650,224	\$ 2,499,188	-31.5%	\$ 2,499,188	0.0%
4B5	320-640	Conference/Training	\$ 79,958	\$780,768	\$ 826,463	5.9%	\$ 864,496	4.6%
4J6	322-607	Intersystems Services - Youth	\$ 0	\$3,000,000	\$ 0	-100.0%	\$ 0	N/A
4J6	322-645	Intersystem Services for Children	\$ 2,727,186	\$3,907,448	\$ 5,000,000	28.0%	\$ 5,000,000	0.0%
4U4	322-606	Community MR and DD Trust	\$ 0	\$119,201	\$ 125,000	4.9%	\$ 131,250	5.0%
4V1	322-611	Program Support	\$ 0	\$1,758,094	\$ 2,000,000	13.8%	\$ 2,000,000	0.0%
4V1	322-615	Ohio's Self-Determination Project	\$ 73,134	\$131,666	\$ 0	-100.0%	\$ 0	N/A
General Services Fund Group Total			\$ 3,348,535	\$ 14,218,173	\$ 11,340,580	-20.2%	\$ 11,407,111	0.6%
325	320-634	Protective Services	\$ 407,740	\$916,969	\$ 0	-100.0%	\$ 0	N/A
325	322-608	Federal Grants - Operating Expenses	\$ 387,737	\$1,225,523	\$ 1,360,000	11.0%	\$ 1,360,000	0.0%
325	322-612	Social Service Block Grant	\$ 10,475,030	\$14,100,000	\$ 11,500,000	-18.4%	\$ 11,500,000	0.0%
325	322-614	Health & Human Services	\$ 0	\$214,245	\$ 0	-100.0%	\$ 0	N/A
325	322-617	Education Grants - Operating	\$ 67,844	\$277,650	\$ 115,000	-58.6%	\$ 115,000	0.0%
325	323-608	Federal Grants - Subsidies	\$ 326,120	\$429,255	\$ 532,000	23.9%	\$ 536,000	0.8%

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

Fund	ALI	ALI Title	2000	Estimated 2001	Executive 2002	% Change 2001 to 2002	Executive 2003	% Change 2002 to 2003
<i>DMR Mental Retardation and Developmental Disabilities, Dept. of</i>								
325	323-617	Education Grants - Residential Facilities	\$ 364,256	\$374,882	\$ 411,000	9.6%	\$ 411,000	0.0%
3A4	320-605	Administrative Support	\$ 3,690,193	\$11,491,300	\$ 11,964,698	4.1%	\$ 12,492,892	4.4%
3A4	322-605	Community Program Support	\$ 975,929	\$2,749,134	\$ 3,024,047	10.0%	\$ 3,326,452	10.0%
3A4	322-610	Community Residential Support	\$ 205,568	\$5,924,858	\$ 5,924,858	0.0%	\$ 5,924,858	0.0%
3A4	323-605	Residential Facilities Reimbursement	\$ 111,342,408	\$120,985,419	\$ 120,985,419	0.0%	\$ 120,985,419	0.0%
3A5	320-613	DD Council Operating Expenses	\$ 784,360	\$992,486	\$ 992,486	0.0%	\$ 992,486	0.0%
3A5	322-613	DD Council Grants	\$ 2,191,189	\$3,358,290	\$ 3,358,290	0.0%	\$ 3,358,290	0.0%
3G6	322-639	Medicaid Waiver	\$ 110,055,768	\$143,062,770	\$ 148,304,949	3.7%	\$ 151,754,169	2.3%
3M7	322-650	CAFS Medicaid	\$ 136,333,534	\$141,890,490	\$ 163,747,903	15.4%	\$ 172,568,939	5.4%
Federal Special Revenue Fund Group Total			\$ 377,607,676	\$ 447,993,271	\$ 472,220,650	5.4%	\$ 485,325,505	2.8%
489	323-632	Operating Expense	\$ 8,002,205	\$10,726,617	\$ 11,506,603	7.3%	\$ 12,125,628	5.4%
4K8	322-604	Waiver-Match	\$ 10,882,620	\$18,297,526	\$ 13,783,463	-24.7%	\$ 14,039,133	1.9%
5H0	322-619	Medicaid Repayment	\$ 0	\$549,980	\$ 562,080	2.2%	\$ 576,132	2.5%
5N8	322-401	Matching Funds - HCBS Waiver	---	\$2,500,000	\$ 0	-100.0%	\$ 0	N/A
State Special Revenue Fund Group Total			\$ 18,884,825	\$ 32,074,123	\$ 25,852,146	-19.4%	\$ 26,740,893	3.4%
<i>Total All Budget Fund Groups</i>			\$ 732,715,472	\$ 843,331,774	\$ 866,058,205	2.7%	\$ 894,437,139	3.3%

General Revenue Fund

GRF 320-321 Central Administration

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$11,246,020	\$11,247,957	\$11,957,993	\$11,889,457	\$12,001,218	\$12,361,253
	0.0%	6.3%	-0.6%	0.9%	3.0%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 215 of the 122nd G.A.

Purpose: This line item supports expenses associated with payroll costs for central office.

GRF 320-411 Special Olympics

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$200,000	\$196,000	\$200,000	\$200,000	\$190,000	\$185,000
	-2.0%	2.0%	0.0%	-5.0%	-2.6%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 291 of the 115th G.A.

Purpose: The funds in this line item support the Ohio Special Olympics, Inc., which conducts Special Olympics programs for persons with mental retardation or other developmental disabilities.

GRF 320-412 Protective Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$1,265,306	\$1,282,226	\$1,256,499	\$1,342,104	\$1,402,498	\$1,502,150
	1.3%	-2.0%	6.8%	4.5%	7.1%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 238 of the 116th G.A.

Purpose: Moneys in this line item are used to pay all costs associated with guardianships, trusteeships, and protectorships for persons with mental retardation or other developmental disabilities, pursuant to ORC 5123.56. The Department contracts with Advocacy and Protective Service, Inc. (APSI), a non-profit agency, for these services. Additional services are funded through the Federal Special Revenue Fund Group (320-634, Protective Services).

GRF 320-415 Lease Rental Payments

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$40,760,618	\$33,504,313	\$29,399,997	\$28,600,000	\$24,754,900	\$26,275,300
	-17.8%	-12.3%	-2.7%	-13.4%	6.1%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 117 of the 121st G.A.

Purpose: This line item is used to make debt service payments on bonds issued for long-term capital construction projects.

GRF 322-405 State Use Program

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$148,677	\$132,339	\$151,387	\$264,685	\$264,685	\$264,685
	-11.0%	14.4%	74.8%	0.0%	0.0%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 117 of the 121st G.A.

Purpose: Funds in this line item pay for the expenses of the State Use Committee. The Committee, established under ORC 4115.31 to 4115.35, approves suitable products and services which are provided by nonprofit workshops for people in Ohio with severe disabilities and are offered for sale to state and local governments.

GRF 322-413 Residential & Support Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$116,584,532	\$125,505,248	\$126,127,410	\$141,595,513	\$155,168,317	\$165,289,811
	7.7%	0.5%	12.3%	9.6%	6.5%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 117 of the 121st G.A.

Purpose: This line item funds Supported Living and the GRF share of two Home and Community Based Medicaid waivers -- the Individual Options waiver (IO) and the Residential Facilities waiver (RFW). The IO waiver provides Medicaid services to persons in alternative settings to Intermediate Care Facilities for the Mentally Retarded (ICFs/MR) or a nursing facility. The RFW supports individuals who live in smaller home settings as an alternative to larger congregate care facilities.

Other residential payments covered by this line item include supports for former residents of the Broadview Developmental Center who moved to community settings in connection with the closing of the Center; clothing allowances to consumers who reside in ICF/MR facilities; and Pre-Admission Screening and Review (PASARR) evaluations required by federal regulations. The federal law requires psychological evaluation for any individual with MR/DD prior to admission to a nursing care facility. Additionally, a RN is required to perform a face-to-face assessment prior to denying admission to a nursing care facility.

H.B. 95 of the 124th G.A. includes temporary language allowing the Department to use this line item to implement the requirements of the consent decree in Sermak v. Ritchey and for other Medicaid-reimbursed programs, in an amount not to exceed \$1.0 million per fiscal year, that enable persons with MR/DD to live in the community.

GRF 322-414 SERMAK Class Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$1,914,874	\$1,403,390	\$54,750	\$0	\$0	\$0
	-26.7%	-96.1%	-100.0%	N/A	N/A

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 117 of the 121st G.A.

Purpose: This line item was used to implement the requirements of the consent decree in the case of Sermak vs. Manuel. These funds are used to pay for residential placement of the individuals who were part of the Sermak class action suit. Am. Sub. H.B. 283 of the 123rd G.A. reallocates funding for these activities to line item 322-413, Residential and Support Services.

GRF 322-451 Family Support Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$6,914,478	\$6,945,593	\$7,705,342	\$7,975,870	\$7,975,870	\$7,975,870
	0.4%	10.9%	3.5%	0.0%	0.0%

Source: GRF

Legal Basis: ORC 5123.171 (originally established by Am. Sub. H.B. 291 of the 115th G.A.; ORC 5123.171 authorizes respite care projects; ORC 5126.11 authorizes the Department of distribute funds in this line item to county boards of mental retardation and developmental disabilities for family resource services)

Purpose: This line item funds a family resource services program intended to enable families to meet the special needs of a person with mental retardation or another developmental disability. It also funds respite care and the administrative costs of implementing a statewide system of respite care services. The program supports families in their efforts to care for family members with MR/DD in their homes.

GRF 322-452 Case Management

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$6,057,538	\$6,094,841	\$6,235,022	\$6,384,663	\$9,755,812	\$10,374,628
	0.6%	2.3%	2.4%	52.8%	6.3%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 238 of the 116th G.A.

Purpose: Case monitoring/management activities throughout Ohio are funded by the appropriations in this line item. Previously, case management services had been provided by DMR. However, county boards of MR/DD have taken over this responsibility. The Department now oversees services provided by the county boards. Subject to funding in this line item, no county may receive less than its allocation in FY 1995 for case management services.

The appropriations in FYs 2002 and 2003 will allow for the hiring of more case managers across the state. A restructuring of case management services will add individuals at the county board level (up to 38 additional FTEs for Administrative Service Coordination) and at the provider level (up to 202 FTEs for Day to Day Program Management).

GRF 322-501 County Boards Subsidies

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$44,031,728	\$44,646,547	\$45,766,039	\$46,817,644	\$45,366,297	\$46,817,644
	1.4%	2.5%	2.3%	-3.1%	3.2%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 117 of the 121st G.A.

Purpose: Funds appropriated in this line item are used to subsidize the basic operating expenses of the state's 88 county boards of mental retardation (county MR/DD boards). The operating subsidy is paid to a county board based upon the number of individuals enrolled in board programs, excluding children enrolled in approved special education units.

County MR/DD Boards use the subsidy to fund early childhood and adult services programs. In addition, the director of MR/DD use \$1.5 million in each year of the biennium to implement a tax equalization program to provide additional state funds to those county boards of MR/DD with a below average revenue-generating tax base.

Uncodified language in H.B. 95 modifies the subsidy formula by stating that the most DMR needs to provide in subsidies is either the FY 2001 appropriation level in 322-501 or the total appropriation in this line item if that amount is greater than the FY 2001 appropriation after subtracting the \$1.5 million for tax equity.

GRF 323-200 Maintenance

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$170,389	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

Source: GRF

Legal Basis: ORC Chapter 5123.

Purpose: This line item was used to pay maintenance costs at developmental centers. Am. Sub. H.B. 215 of the 122nd General Assembly combined this line item with line items 323-100, Personal Services, and 323-300, Equipment, into line item 323-321, Developmental Center Operations.

GRF 323-321 Residential Facilities Operations

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$101,940,830	\$100,570,302	\$104,019,997	\$103,976,271	\$99,765,232	\$99,917,289
	-1.3%	3.4%	0.0%	-4.1%	0.2%

Source: GRF

Legal Basis: originally established by Am. Sub. H.B. 215 of the 122nd G.A.

Purpose: This line item covers personnel expenditures at the 12 Developmental Centers. Additional funding for Developmental Centers payroll is located in line items 323-605, Residential Facilities Reimbursement, 323-608, Federal Grants - Subsidies, 323-617, Education Grants - Residential Facilities, and 323-632, Operating Expense. This line item was previously known as Developmental Centers Operations.

GRF 323-409 Volunteer Recruitment

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$10,026	\$0	\$0	\$0	\$0	\$0
	-100.0%	N/A	N/A	N/A	N/A

Source: GRF

Legal Basis: ORC Chapter 5123.

Purpose: This line item supported the administration of volunteer programs at various developmental centers. Funds were used to recruit, retain, and recognize volunteers at the state institutions. It has been consolidated into 323-321, Residential Facilities Operations.

General Services Fund Group

152 323-609 Residential Facilities Support

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$271,780	\$81,352	\$26,747	\$870,772	\$889,929	\$912,177
	-70.1%	-67.1%	3155.6%	2.2%	2.5%

Source: GSF: revenues from the sale of goods and services by developmental centers and special education subsidy moneys from the Ohio Department of Education

Legal Basis: originally established by Controlling Board in June 1980

Purpose: These funds are used for maintenance and equipment expenses. This line item was previously known as Miscellaneous Revenue.

488 322-603 Residential Services Refund

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$390,821	\$364,150	\$441,510	\$3,650,224	\$2,499,188	\$2,499,188
	-6.8%	21.2%	726.8%	-31.5%	0.0%

Source: GSF: reimbursement moneys collected from Purchase of Service providers whose per diem rates, when audited, are found to be too high

Legal Basis: originally established by Am. Sub. H.B. 298 of the 119th G.A.

Purpose: The Department uses this line item to pay staff that audit service providers. Providers include individuals providing services under the old Purchase of Service program and the Home and Community Based Medicaid waivers.

4B5 320-640 Conference/Training

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$214,867	\$62,121	\$79,958	\$780,768	\$826,463	\$864,496
	-71.1%	28.7%	876.5%	5.9%	4.6%

Source: GSF: fees assessed to participants of various conference and training activities sponsored by DMR

Legal Basis: originally established by Controlling Board on November 20, 1989

Purpose: The funds in this line item cover expenses associated with training.

4J6 322-607 Intersystems Services - Youth

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$0	\$0	\$3,000,000	\$0	\$0
	N/A	N/A	N/A	-100.0%	N/A

Source: GSF: additional youth cluster funds from the Department of Job and Family Services for multi-need youth

Legal Basis: established by Controlling Board on April 24, 2000

Purpose: These funds were used to supplement local wrap-around programs for multi-need youth who were eligible for services from at least two Family and Children First Council agencies.

4J6 322-645 Intersystem Services for Children

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$4,404,577	\$2,959,535	\$2,727,186	\$3,907,448	\$5,000,000	\$5,000,000
	-32.8%	-7.9%	43.3%	28.0%	0.0%

Source: GSF: transferred from the Department of Education (GRF funding)

Legal Basis: originally established by Am. Sub. H.B. 117 of the 121st G.A.

Purpose: The State Cluster provides leadership for local clusters in the development of programs and community supports for children with multiple needs and their families. The State Cluster provides funding for local cluster coordinators throughout the state, monitors the currently funded system of care grants and cluster coordinator grants, and maintains a database on all referrals made to the State Cluster.

4U4 322-606 Community MR and DD Trust

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$0	\$0	\$119,201	\$125,000	\$131,250
	N/A	N/A	N/A	4.9%	5.0%

Source: GSF: moneys not spent, with the exception of debt service, at the end of the fiscal year in the Department's budget. If this amount exceeds \$20 million, the Controlling Board must approve the transfer.

Legal Basis: ORC 5123.352

Purpose: The Department uses this line item foster and financially support unique community training programs. Under the Revised Code, the Department is allowed to transfer all unspent GRF appropriations, other than those in 320-415, into the Community MR and DD Trust Fund (Fund 4U4).

4V1 322-611 Program Support

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$100,000	\$0	\$0	\$1,758,094	\$2,000,000	\$2,000,000
	-100.0%	N/A	N/A	13.8%	0.0%

Source: GSF: small federal grants for Respite Care - anticipated but not yet received

Legal Basis: established by the Controlling Board

Purpose: This subsidy line item is used to implement small federal grants.

4V1 322-615 Ohio's Self-Determination Project

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$124,149	\$116,419	\$73,134	\$131,666	\$0	\$0
	-6.2%	-37.2%	80.0%	-100.0%	N/A

Source: GSF: grant dollars from the Robert Wood Johnson Foundation for a Self-Determination pilot project.

Legal Basis: originally established by Controlling Board on September 8, 1997

Purpose: The funds in this line item covered the costs associated with the Self-Determination Project. This three-year demonstration program in 4 counties (Delaware, Knox, Lucas, and Marion) attempted to demonstrate that long-term care to persons with MR/DD can be both more efficient, and achieve greater consumer satisfaction if the person is provided the opportunity to identify the services and supports most needed, and is then given control of the use of funds authorized for the purposes of providing such services and supports. The three-year Robert Wood Johnson Foundation grant expired on January 31, 2000.

Federal Special Revenue Fund Group

325 320-618 Client Assistance Program

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$300,743	\$81,311	\$0	\$0	\$0	\$0
	-73.0%	-100.0%	N/A	N/A	N/A

Source: FED: CFDA 84.161, Client Assistance Program (federal funds through the Rehabilitation Act of 1973, as amended)

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: Funds a client assistance program operated by the Governor's Office of Advocacy for Disabled Persons. The purpose of the programs is to establish a system to insure the rights of individuals seeking or receiving services from programs, projects, or facilities funded under the Rehabilitation Act of 1973, as amended. Under Controlling Board action on September 28, 1998, the Client Assistance Program was shifted to the Ohio Legal Rights Service.

325 320-634 Protective Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$537,419	\$456,486	\$407,740	\$916,969	\$0	\$0
	-15.1%	-10.7%	124.9%	-100.0%	N/A

Source: FED: part of the federal Title XX funds the DMR receives from the Ohio Department of Job and Family Services

Legal Basis: originally established by Am. Sub. H.B. 238 of the 116th G.A.

Purpose: This line item paid for costs associated with initiating and maintaining guardianships, trusteeships, and protectorships for mentally retarded and developmentally disabled clients, pursuant to ORC 5123.56. The Department contracts with Advocacy and Protective Services, Inc. (APSI), a non-profit agency, for these services. Additional protective services funding is contained in GRF line item 320-412, Protective Services.

325 322-608 Federal Grants - Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$388,599	\$228,197	\$387,737	\$1,225,523	\$1,360,000	\$1,360,000
	-41.3%	69.9%	216.1%	11.0%	0.0%

Source: FED: CFDA 84.181, Grants for Infants and Families with Disabilities

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: Grants and contract moneys for programs for the mentally retarded living in the community. Specifically, Jobs Training Partnership Act (JTPA), Health Care Match grant, and AmeriCorps.

325 322-612 Social Service Block Grant

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$13,849,323	\$11,701,189	\$10,475,030	\$14,100,000	\$11,500,000	\$11,500,000
	-15.5%	-10.5%	34.6%	-18.4%	0.0%

Source: FED: CFDA 93.667, Social Services Grants (Title XX moneys are originally received by the Ohio Department of Job and Family Services (JFS), the state's designated recipient of these federal moneys; HUM then passes these funds along to DMR, which in turn distributes them to communities through this line item)

Legal Basis: originally established by Controlling Board on April 25, 1980

Purpose: Title XX funds are used by public and private community organizations, such as county mental retardation boards, to implement and maintain community-based social service programs for the mentally retarded.

325 322-614 Health & Human Services

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$185,383	\$47,195	\$0	\$214,245	\$0	\$0
	-74.5%	-100.0%	N/A	-100.0%	N/A

Source: FED: CFDA 93.656, Temporary Child Care and Crisis Nurseries (Project Help - Respite Care, no matching funds are required)

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: The funds in this line item provided families of children with MR/DD with new and extended respite care.

325 322-617 Education Grants - Operating

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$57,718	\$90,478	\$67,844	\$277,650	\$115,000	\$115,000
	56.8%	-25.0%	309.2%	-58.6%	0.0%

Source: FED: CFDA 84.009, Education of Children with Disabilities in State Operated or State Supported Schools (Chapter I of the Elementary and Secondary Education Act, the Adult Basic Education program, and the Integrated Community Employment Options program. The funding level in the line item is based on the number of school-age persons in average daily attendance in county board school programs on November 1st of each year.)

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: Moneys are subgranted to DMR by the Ohio Department of Education. Funds in this line item are used for community-based educational programs operated by the county boards of mental retardation. Specifically, the funds are used to hire teachers, purchase education materials, and expand the educational opportunities of school-age persons (through age 20) enrolled in county board special education programs. This line item was previously known as Elementary and Secondary Education.

325 323-608 Federal Grants - Subsidies

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$335,489	\$304,321	\$326,120	\$429,255	\$532,000	\$536,000
	-9.3%	7.2%	31.6%	23.9%	0.8%

Source: FED: CFDA 94.011, Foster Grandparent Program and the Adult Basic Education Program

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: The funds are used to serve mentally retarded individuals residing in state developmental centers.

325 323-617 Education Grants - Residential Facilities

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$274,267	\$373,752	\$364,256	\$374,882	\$411,000	\$411,000
	36.3%	-2.5%	2.9%	9.6%	0.0%

Source: FED: CFDA 84.009, Education of Children with Disabilities in State Operated or Supported Schools (receives moneys under Chapter I of the Elementary and Secondary Education Act and the Adult Basic Education program)

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: Moneys are subgranted to the department by the Ohio Department of Education. They are used to fund special education programs in the developmental centers, including the costs of hiring teachers, purchasing educational materials and expanding the educational opportunities of school-age persons (through age 22) residing in the department's developmental centers. The funding level in the line item is based on the number of school-age persons in average daily attendance at the developmental centers on November 1st of each year.

3A4 320-605 Administrative Support

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$2,920,819	\$3,213,589	\$3,690,193	\$11,491,300	\$11,964,698	\$12,492,892
	10.0%	14.8%	211.4%	4.1%	4.4%

Source: FED: CFDA 93.778, Medical Assistance Program (federal Medicaid reimbursement funds)

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: Used for new computer projects. This line item was previously called Data Processing Projects and was used specifically for a computer pilot project at the Tiffin Developmental Center.

3A4 322-605 Community Program Support

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$1,434,116	\$975,929	\$2,749,134	\$3,024,047	\$3,326,452
	N/A	-31.9%	181.7%	10.0%	10.0%

Source: FED: CFDA 93.778, Medical Assistance Program (receives transfers from 323-605, Medical Reimbursement, which are then reallocated for other purposes, usually for emergency situations)

Legal Basis: originally established by H.B. 204 of the 113th G.A.

Purpose: In the past, it has been used for emergencies. For example, it was used to pay Purchase of Service providers for the care of persons with MR/DD when there was a shortfall in funding. During FY 1995, the Controlling Board increased the appropriation authority to \$3.0 million to cover shortfalls in the county MR/DD boards subsidy. The line item has been split into 322-605, Community Program Support and 322-610, Community Residential Support.

3A4 322-610 Community Residential Support

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$136,775	\$205,568	\$5,924,858	\$5,924,858	\$5,924,858
	N/A	50.3%	2782.2%	0.0%	0.0%

Source: FED: CFDA 93.778, Medical Assistance Program (receives transfers from 323-605, Medicaid Reimbursement, which are then reallocated for other purposes, usually for emergency situations)

Legal Basis: originally established by Am. Sub. H.B. 215 of the 122nd G.A.

Purpose: In the past, it has been used for emergencies. For example, it was used to pay Purchase of Service providers for the care of persons with MR/DD when there was a shortfall in funding. During FY 1995, the Controlling Board increased the appropriation authority to \$3.0 million to cover shortfalls in the county MR/DD board subsidy. The line item has been split into 322-605, Community Program Support and 322-610, Community Residential Support.

3A4 323-605 Residential Facilities Reimbursement

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$101,907,258	\$102,058,734	\$111,342,408	\$120,985,419	\$120,985,419	\$120,985,419
	0.1%	9.1%	8.7%	0.0%	0.0%

Source: FED: CFDA 93.778, Medical Assistance Program (receives Medicaid reimbursement for state dollars spent on the care of mentally retarded individuals at the state developmental centers. The federal government reimburses the state for approximately 59 percent of the costs of all Medicaid-eligible services paid for with state funds)

Legal Basis: originally established by Am. Sub. H.B. 291 of the 115th G.A.

Purpose: The funds are used to pay operating expenses, primarily personal services, at the 12 Developmental Centers.

3A5 320-613 DD Council Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$886,200	\$765,001	\$784,360	\$992,486	\$992,486	\$992,486
	-13.7%	2.5%	26.5%	0.0%	0.0%

Source: FED: The fund receives various case management and community subgrants under the Developmental Disabilities Assistance Act.

Legal Basis: originally established by the Controlling Board on April 25, 1980

Purpose: This line item is used to pay operating expenses for the Developmental Disabilities (DD) Council.

3A5 322-613 DD Council Grants

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$2,138,486	\$2,241,235	\$2,191,189	\$3,358,290	\$3,358,290	\$3,358,290
	4.8%	-2.2%	53.3%	0.0%	0.0%

Source: FED: CFDA 93.630, Developmental Disabilities Basic Support and Advocacy Grants (various case management and community subgrants under the Developmental Disabilities Assistance Act)

Legal Basis: originally established by Controlling Board on April 25, 1980

Purpose: This line item funds grants issued by the DD Council to serve individuals with mental retardation or other developmental disabilities living in the community, based on parameters outlined in the Developmental Disabilities Assistance Act.

3G6 322-639 Medicaid Waiver

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$68,702,230	\$101,060,010	\$110,055,768	\$143,062,770	\$148,304,949	\$151,754,169
	47.1%	8.9%	30.0%	3.7%	2.3%

Source: FED: CFDA 93.778, Medical Assistance Program (federal Medicaid matching funds - the grant ID number from the Catalog of Federal Domestic Assistance is 13.714 (Title XIX, Medical Assistance) - this account also receives federal reimbursement for the Individual Options Medicaid Waiver program)

Legal Basis: originally established by Controlling Board on January 26, 1990

Purpose: To implement the Home and Community Based Medicaid waiver programs as well as services required by the federally mandated Nursing Home Reform Act contained in the Omnibus Budget Reconciliation Act of 1987, P.L. 100-203 (OBRA). The activities that are funded are Pre-Admission Screening and Annual Review (PASARR) and Alternative Disposition Plan (ADP).

3M7 322-650 CAFS Medicaid

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$127,732,164	\$131,156,566	\$136,333,534	\$141,890,490	\$163,747,903	\$172,568,939
	2.7%	3.9%	4.1%	15.4%	5.4%

Source: FED: CFDA 93.778, Medical Assistance Program (federal Medicaid reimbursement)

Legal Basis: originally established by Controlling Board on April 19, 1993

Purpose: The Department bills Medicaid for services provided at certified habilitation centers (county MR/DD boards, school districts, and Head Start programs which participate in the CAFS program) through the Community Alternative Funding System Medicaid Waiver program (CAFS). The Department of MR/DD then distributes the federal Medicaid reimbursement to the county MR/DD boards, school districts, and Head Start programs which participate in the CAFS program.

State Special Revenue Fund Group

489 323-632 Operating Expense

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$7,762,629	\$7,498,886	\$8,002,205	\$10,726,617	\$11,506,603	\$12,125,628
	-3.4%	6.7%	34.0%	7.3%	5.4%

Source: SSR: an offset charge assessed against the resources of clients residing in the department's developmental centers, and payments from the client's liable relatives and insurers.

Legal Basis: ORC 5121.03 (governs the method by which the rate of support for client services is determined; permits these funds to be sued for the general purposes of the Department)

Purpose: These moneys contribute to the cost of care of these clients. In practice, the funds are used for payroll expenses at the developmental centers.

4K8 322-604 Waiver-Match

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$17,279,187	\$11,244,460	\$10,882,620	\$18,297,526	\$13,783,463	\$14,039,133
	-34.9%	-3.2%	68.1%	-24.7%	1.9%

Source: SSR: ICF/MR bed tax assessment revenues transferred from the Department of Job and Family Services

Legal Basis: originally established by Am. Sub. H.B. 152 of the 120th G.A.

Purpose: Funds in this line item support the Home and Community Based Medicaid waiver programs.

5H0 322-619 Medicaid Repayment

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$0	\$0	\$549,980	\$562,080	\$576,132
	N/A	N/A	N/A	2.2%	2.5%

Source: SSR: ISTV's from the Department of Job and Family Services related to Medicaid audit reimbursements.

Legal Basis: originally established by Controlling Board on November 17, 1997

Purpose: For individuals receiving services under a Home and Community Based Medicaid waiver (I.e.: IO and RFW), the county board of MR/DD works with the individual to determine a plan of services. The service provider is supposed to follow the plan of action outlined by the county board. To ensure compliance, the Department audits the Medicaid service providers to ensure that the Department is not billed for unauthorized services. If, for example, the audit determined that seven days of homemaker assistance was provided instead of five days as outlined in the service plan, the provider must repay the excess reimbursement. These funds are initially sent to the Department of Human Services, which then transfers the funds back to DMR via an ISTV and these funds are placed into Fund 5H0.

5N8 322-401 Matching Funds - HCBS Waiver

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
\$0	\$0	\$0	\$2,500,000	\$0	\$0
	N/A	N/A	N/A	-100.0%	N/A

Source: SSR: funds from county boards of mental retardation and developmental disabilities that have IO waiver slots

Legal Basis: established by Controlling Board on December 18, 2000

Purpose: This line item will allow the Department to accept local county board funds to use as the state match to expand the number of IO waiver slots by 224. As of March 1, 2001, HCFA had not yet approved the waiver expansion.