

HB 110 Update

Senate Finance Sub-Bill

Friday 5 Member Call



Where We Are

- On Tuesday, the Senate Finance Committee released their substitute version of HB 110
- The Senate Finance Committee hosted in-person testimony yesterday and verbal testimony today
- The Senate will begin finalizing their version of the budget next week. This version will be voted on by the full Senate and sent to Conference Committee for final negotiations.

DDDCD23 Payment rates for waiver services

No provision.

Section: 261.170

Requires ODODD to use \$5,000,000 in each fiscal year to increase the payment rates during FY 2022 and FY 2023 for home and community-based services waiver adult day care services provided by Medicaid-funded and state-funded providers.

Section: 261.170

Replaces the House provision with a provision that increases the payment rate for adult day and residential services provided under a ODODD-administered waiver in FY 2022 by 2% over the rates in effect on June 30, 2021 and in FY 2023 by 2% over the rates in effect on June 30, 2022.

No provision.

Requires ODODD to establish a methodology for calculating the rate increase.

No provision.

Fiscal effect: The bill appropriates a total of \$5.0 million in each fiscal year for this purpose. Of this amount, about \$1.7 million in FY 2022 and \$1.8 million in FY 2023 is appropriated in GRF line item 653407, Medicaid Services. The remaining approximate \$3.3 million in FY 2022 and \$3.2 million in FY 2023 is appropriated in FED Fund 3A40 line item 654654, Medicaid Services.

Fiscal effect: The bill increases appropriations by \$42,100,000 in FY 2022 and \$85,042,000 in FY 2023. Of these amounts, \$14,481,767 in FY 2022 and \$30,586,333 in FY 2023 is appropriated in GRF line item 653407, Medicaid Services. The remaining amounts of \$27,618,233 in FY 2022 and \$54,455,667 in FY 2023 are appropriated in FED Fund 3A40 line item 654654, Medicaid Services.

What We Know: Waiver Services

- Funding for two 2% rate increases for HPC, OSOC, Transportation, ADS, NMT, Shared Living, and the three respite services.
- Increases funding for waiver services by \$42,100,000 in FY 2022 and \$85,042,000 in FY 2023.
 - **GRF:** \$14,481,767 in FY 2022 and \$30,586,333
 - **Federal Funds:** \$27,618,233 in FY 2022 and \$54,455,667 in FY 2023
- Enough funding to start increases on 7/1/21 and 7/1/22
- **HOWEVER:** DODD will not be ready to implement an increase until 1/1/22. Implementation of the second increase is TBA.



Department of Developmental Disabilities **Main Operating Appropriations Bill**
H.B. 110

| Executive | As Passed By House | In Senate Finance |
|--|--|--|
| Provides that the mean FY 2022 and FY 2023 Medicaid rates for ICFs/IID in peer group 1, peer group 2, peer group 3, peer group 4, and peer group 5 cannot exceed \$350.87. | Same as the Executive. | Replaces the Executive provision with a provision that prohibits the mean fiscal year Medicaid rate from exceeding \$357.89 in FY 2022 and \$365.05 in FY 2023. |
| Requires that if the indirect guarantee percentage changes during a fiscal year, the franchise permit fee rate must be adjusted so as not to exceed the indirect guarantee percentage. | Same as the Executive. | Same as the Executive. |
| Fiscal effect: The provision holds the statewide average ICF rate at the FY 2021 level. As ICF/IID rates are done prospectively, it is difficult to determine the total impact. | Fiscal effect: Same as the Executive. | Fiscal effect: The bill increases appropriations by \$11,384,549 in FY 2022 and \$22,911,149 in FY 2023. Of these amounts, \$3,916,114 in FY 2022 and \$8,240,258 in FY 2023 is appropriated in GRF line item 653407, Medicaid Services. The remaining amounts of \$7,468,435 in FY 2022 and \$14,670,891 in FY 2023 are appropriated in FED Fund 3A40 line item 654654, Medicaid Services. |



What We Know: ICFs

- ▣ Increases funding for ICFs by \$11,384,549 in FY 2022 and \$22,911,149 in FY 2023.
 - ▣ **GRF:** \$3,916,114 in FY 2022 and \$8,240,258 in FY 2023
 - ▣ **Federal Funds:** \$7,468,435 in FY 2022 and \$14,670,891 in FY 2023
- ▣ Does NOT include language that would temporarily change the reimbursement formula calculation for the first year of the biennium
 - ▣ Instead keeps some language from the Governor's budget but increases the cap for peer groups 1-5 from \$350.87 to \$357.89 in FY 2022 and \$365.05 in FY 2023
- ▣ We are working on an additional amendment that would tweak the formula for the to help ease the transition to post-COVID times

HB 179

- This was a bill we had been watching that got swept into the House's version of the HB 110
- Original bill language created a law that would require in-home care providers to be certified by ODH
 - This would have included most residential services under DODD
- Would have been a “structure” to share information between DODD and ODH to make it less burdensome for providers certified by entities like DODD, ODA, and/or Medicare to get ODH approval
- We were able to get DODD providers excluded from this process through advocacy with some of our system partners

