



State Budget Update: Changes and new proposals in the House-passed budget bill

May 16, 2017

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As the budget continues through the legislative process each iteration adds changes to the bill. The provisions below were included in the version of HB 49 passed by the Ohio House the last week of April. The bill is now in the Senate for consideration. The Senate is asking for all amendments to be submitted by Friday, May 26.

Once the Senate passes its version of HB 49, the bills will go to a conference committee for House and Senate members to iron out any differences between the two passed versions of HB 49 before sending a final bill to Governor Kasich.

One of the largest changes between the Executive and House-passed budget bills was an increase in the dollars committed to addressing the opiate crisis. The House budget includes a reported \$170 million over the biennium for prevention, crisis stabilization centers, treatment and more. Immediately below is a summary of the investments made by the House. Further below are summaries of key budget and policy provisions by budget section.

Overview of House Investments

Prevention:

- \$5 mil per year for an app, website, PSAs, and 24 hr staffed hotline
- \$2 million per year for community involvement – build community cooperation by bringing together faith-based, business, and other community groups around prevention efforts

Child Protection

- \$15 million each year – increased
- \$10 million for kinship care (TANF funds)

SUD Treatment

- \$20 million capital funds to build beds/units
- \$9 million for regional withdrawal management
- \$12 million ADAMH Boards for recovery supports
- \$6 million for transitional housing (recordation fees – Housing Trust Fund)

Criminal Justice

- \$3 million increase for ATP courts
- \$2 million for BCII drug lab reports/testing

Employment

- \$2 million for SNAP employment and training
- \$5 million short term certificate programs (community colleges) for in demand jobs

MH Treatment

- \$6 million crisis stabilization centers
- \$1 million RSS
- \$700K for MH services in Courts (Cuyahoga, Franklin, Warren Counties)
- CNPs added to psych exemption when prescribing psych drugs

Additional House Budget Provisions

Department of Administrative Services (DAS)

Creates the Pay for Success contracting program which permits DAS to enter into multi-year contracts with nonprofit “social service intermediaries” to provide social services or otherwise support those activities. The social service intermediaries would be paid for reaching performance targets. The pay for success line item has an appropriation of \$500,000. (HA amendment 2455)

Commerce

Permits the manufacture and sale of alcoholic ice cream with between 0.5% and 6% alcohol by volume. No instruction is given regarding the marketing of the product or availability to minors. (HS 4303.05^[1])

Controlling Board

Prohibits the Controlling Board from authorizing expenditure of unanticipated revenue received by the state in amounts greater than the lesser of either 10% of the amount appropriated for the specific or

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related purpose for that fiscal year or \$10 million. Prohibits the Controlling Board from creating additional funds to receive unanticipated revenue in an appropriation act for the biennium in which new revenues are received if the revenue exceeds \$10 million. (HS 125.051, 131.35)

Permits the Controlling Board to authorize expenditures from a new health and human services fund every six months to pay for Medicaid services for expansion-eligible people *if* the federal government hasn’t reduced the federal payment share for group VIII. Payment is also contingent on whether Ohio has received a waiver to implement the Healthy Ohio Program and enforcement of the new laws in the budget bill requiring health care providers to give cost estimates to patients before rendering services. (HA, Amendment 2870.4)

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Department of Developmental Disabilities

Reduces GRF for DD by \$2.1 million in FY18 and \$22.1 million in FY19. Federal Medicaid Reimbursement was reduced as a result by \$34.6M in FY19. The non-GRF ICF bed tax line was also reduced by \$9.5M in FY18 and the resultant federal Medicaid reimbursement was reduced \$15.5M in the same year. See the budget sections referenced for the full list of rate changes. (HA 261.1 and 261.165)

Education

Requires the Chancellor of Higher Education to adopt rules that require instruction in opioid and other substance abuse prevention be included in teacher preparation programs for educators and other school personnel for all content areas and grade levels. (EB 3333.0414)

Establishes a workgroup to examine service needs of students with disabilities. “The Superintendent of Public Instruction shall establish a workgroup on related services personnel. The purpose of the workgroup shall be to improve the coordination of state, school, and provider efforts to address the related services needs of students with disabilities.” (HA amendment 2418)

Health (ODH)

Establishes under the Department of Health (ODH) county or regional drug overdose fatality review committees to review drug over dose and opioid-involved deaths occurring within the county or region. Data should be submitted annually to ODH. All other data outside the annual report are confidential. (EB 307.631, 121.22, 4731.22)

Requires ODH and ODD to enter into an interagency agreement to appropriate funds and implement the Help Me Grow Program, including home visiting (ODH) and early intervention services (ODODD). (HS 3701.61)

Requires ambulatory surgical facility hospital, or outpatient medical facility, on the request of a patient or the patient’s representative to provide a cost estimate for any service or procedure scheduled at least seven days in advance. Exempts facilities from civil liability when they provide a good faith cost estimate. (HS 3708.01)

Creates the price transparency pilot program for hospitals where six hospitals will provide cost estimates for all scheduled services to patients and submit certain data to ODH monthly. (HS 291.50)

Removes a requirement that the FQHC Primary Care Workforce Initiative assist FQHCs with developing recruitment and retention practices for certain health professional designations and reduces that line item by \$1 million each year. (HA amendment 2669)

Higher Education

Increases funding for the Ohio College Opportunity Grant to \$98 and \$99 million over the biennium while reducing the funding for OCOG grants to public and private nonprofit institutions of higher education. This amendment may also be a component of the HOPES program. (HA amendment 2919)

Permits technical and community colleges to apply for authorization to offer bachelor’s degree programs in in-demand fields with long-term sustainability. (HS 3333.051)

Insurance

Requires the Superintendent of Insurance, with ODMHAS, to develop consumer education on mental health and addiction services insurance parity, including establishing a consumer hotline to collect information and help consumers understand their insurance benefits. (HS 3901.90, 5119.89)

Job and Family Services (JFS)

Earmarks \$10 million in each fiscal year from TANF to support the kinship caregiver child care program introduced in the Executive budget bill. (HS 307.25)

Supports the Executive budget provision providing \$3.2 million in state dollars to match ESSA funds for public children services agencies. The House also added \$150,000 in each fiscal year for children's crisis care facilities. (HS 307.110)

Earmarks \$8.8 million each fiscal year--\$100,000 each fiscal year for each of the 88 CDJFS—for Child Family and Community protection services, with the remainder of the \$28.5 million line item distributed according to the Title XX formula. \$2.89 million is allocated each fiscal year for adult protective services. (HS 307.130)

Fully funds the Bridges program for foster youth up to age 21.

Requires the \$2 million line item for Job and Family Services Program Support be used as match money for the Supplemental Nutrition Assistance Program Employment and Training Program (SNAP ENT). (HS 307.220)

Creates a registry for suspected elder abuse within JFS and establishes the Ohio Elder Abuse Commission. (HA amendment 2439)

Joint Medicaid Oversight Committee (JMOC)

Instructs JMOC to contract with an outside entity to study high-risk pools to provide health coverage to uninsured state residents and a health care plan similar to the Healthy Indiana Plan. (HA amendment 2619)

Medicaid (ODM)

Requires ODM to collect information from other government agencies regarding fraud, waste and abuse in the Medicaid program. (EB, HS 5162.16, 5167.18)

Prohibits ODM from increasing Medicaid payment rates if ODM does not first submit the proposal to JMOC, if JMOC votes to prohibit the increase, or if the general assembly votes to prohibit the increase. (HS 5162.69)

Abolishes ODM's patient-centered medical home program (also called Comprehensive Primary Care program). (HS 333.220)

Moves Medicaid Group VIII (expansion population) funding into a line item called the health and human services fund. For FY 2018, \$57,885,768 would be moved from GRF into the fund. Permits the Controlling Board to authorize expenditures from this fund ever six months to pay for Medicaid services for expansion-eligible people IF the federal government hasn't reduced the federal payment share for group VIII. Payment is also contingent on whether Ohio has received a waiver to implement the Healthy Ohio Program and enforcement of the law requiring health care providers to give cost estimates to patients before rendering services. (HA, Amendment 2870.4)

Requires group VIII Medicaid recipients to satisfy at least one of the following criteria:

- (A) Be at least fifty-five years of age;
- (B) Be employed;
- (C) Be enrolled in school or an occupational training program;
- (D) Be participating in an alcohol and drug addiction treatment program;

(E) Have intensive health care needs. (HS 5166.37)

Requires ODM to administer a Medicaid waiver to provide services to eligible individuals at least twenty-one years of age but less than sixty-five years of age who need care at an institution for mental diseases. (HS 5166.38) *No additional detail*

Long-term services and supports (LTSS) was added to Medicaid managed care in the Executive budget but integration of LTSS into managed care is prohibited by the House bill before Jan. 1, 2021. The House also called for a study committee to review the proposed move to managed care. (HS 5167.03)

Declares the intention of the Ohio General Assembly to pursue the Healthy Ohio waiver if Medicaid is block granted by the Federal government. "It is the intent of the General Assembly to use the Healthy Ohio Program, as defined in section 5166.40 of the Revised Code, as a model for making medical assistance available to the state's qualifying residents if the United States Congress transforms the Medicaid program into a federal block grant." (HS 333.280)

Includes a number of rate and policy changes which move further away from fee for service model and toward capitation rates and per-member per-month rates. (EB, HS 333)

Commits up to \$45,100,000 from GRF for Medicaid Program Support—Local Transportation. (EB 333.150)

The House sub-bill proposed a managed care pilot for alcohol, drug and mental health services in Lucas and Wood counties. The House amended budget bill removed the pilot program and introduced a nursing facility demonstration project in Lucas, Brown and Seneca Counties. (HA amendment 2839, amendment 2275)

Exempts from prior authorization requirements certified nurse practitioners certified in psychiatric mental health and clinical nurse specialists certified in psychiatric mental health. (HS 5167.12)

Requires health benefit plans to cover services provided by telemedicine to the same extent as the plan covers in-person services. Prohibits health benefit plans from excluding services because they are delivered via telemedicine (HS 3901.90)

Introduces a pilot program during fiscal years 2018 and 2019 under which the owners of nursing facilities located in Cuyahoga County may voluntarily cease to use one or more of the nursing facilities' beds for nursing facility services and instead begin to use those beds for substance use disorder treatment services. (HS 333.230)

State Medical Board

Requires the medical and nursing boards to adopt matching rules on MAT. Requires prescribers to provide information to MAT-eligible patients information on all drugs approved for MAT. (HS 4730.40-.56)

Removes house-added requirements that require prescribers to make patient medical records open to inspection by the boards, as well as the Department of Mental Health and Addiction Services, to determine compliance with the MAT provisions. (HA amendment 2823)

Department of Mental Health and Addiction Services (MHAS)

Creates the County Hub Program to Combat Opioid Addiction. County commissioners must designate a hub coordinating agency in each county. \$2.2 million was appropriated for the program in FY 2018. (HS 337.135)

Delays the implementation of behavioral health redesign until at least January 1, 2018. (HS 333.260)

Permits boards to contract with addiction services providers 30 miles outside of board districts. "To the extent authorized by a time-limited waiver issued under section 5119.221 of the Revised Code, ambulatory detoxification and medication-assisted treatment may be made available through a contract with one or more community addiction services providers located not more than thirty miles beyond the borders of the board's service district." (EB, HS 5119.221)

Allocates \$12 million in each fiscal year to ADAMH boards in counties with the greatest opiate deaths per population. (HS 337.5)

Allocates \$9 million in each fiscal year to ADAMH boards to establish nine acute substance use disorder stabilization centers.

Allocates \$6 million in each fiscal year to OMHAS to establish six mental health crisis stabilization centers. (HS 337.5)

Removes language in sections 340.02, 340.08, and 5119.01 which define and enumerate the obligations of ADAMH boards to identify and plan for the continuum of care in their region. (HA 2806)

Requires MHAS to conduct a program to provide addiction treatment, including MAT and recovery supports, to participants in drug court programs. Requires the program to partner with community addiction services providers. (EB, HS 337.70)

In total, the budget for MHAS was increased by \$47 million total over the biennium. Below are highlights of the MHAS line item changes.

- Central administration was reduced by \$200,000 to \$14.8 million each year.
- Resident trainees was reduced by \$1 million to \$450,000 each year.
- Continuum of Care services was increased by \$25 million to \$99.1 million each year.
- Criminal Justice Services was increased by \$3.5 million to \$14.1 million in FY 18 and \$15.6 million in FY 19.

Department of Rehabilitation and Corrections (DRC)

Increases the Community Assistance Projects line item by \$20 million (\$32 million total) for the expansion of recovery housing (as defined in 340.01). (HS 610.32)

Prohibits people convicted of a 5th degree felony (excluding those convicted for offenses of violence or offenses of sex) from serving 12 months or less in a DRC prison, instead requiring community control (EB 2929.34).

Requires counties to submit MOU to DRC outlining the plan for county use of grant money under Targeted Community Alternatives to Prison (T-CAP). (HS 2929.34)

Local Government Provisions

Provides money from the Housing Trust Fund to MHAS to fund recovery housing, but only for people exiting residential opiate addiction treatment and only in years when the amount in the trust fund exceeds \$6 million dollars. "In any fiscal year from 2018 to 2021 in which the amount in the fund exceeds sixty million dollars, six million dollars shall be provided to the department of mental health and addiction services to expand the housing component of the community transition program for the purpose of advancing housing opportunities for individuals exiting residential opiate addiction treatment who lack affordable, suitable housing." (HS 172.04)

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