

# SFY 2014-15 Budget

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## Focus on Adult Care Facilities

**Problem:** Housing stock for individuals with mental illness or addiction disorders is very limited. As a result, many individuals are living in adult care facilities (ACFs) across the state. Without ACFs as an alternative, individuals run a risk of institutional placement in a nursing facility or finding themselves in danger of homelessness. Currently, there are more than 5,200 licensed ACF beds in Ohio.

**Solution:** ACFs are a critical part of the housing stock for behavioral health consumers and state level support to maintain and improve these living environments is vital.

**Background:** In FY 2012 regulatory responsibility for Adult Care Facilities was transferred from the Department of Aging to the Department of Mental Health. At this same time, the administrative responsibility for the Residential State Supplement (RSS), which provides financial assistance to adults with low incomes who have a disability and/or are over age 60, but who do not require care at a skilled nursing facility, was also transferred to ODMH. Individuals who receive the RSS are age 18 or older, qualified or enrolled in Medicaid, receive SS, SSI, and/or SSDI, and be planning for discharge from a nursing home. Many individuals with severe and persistent mental illness fall into this pool of eligible individuals and would benefit greatly from increased alignment with community services and better coordinated medical care. The current rate paid for ACF services has not been altered for many years. Ohio currently licenses approximately 714 ACFs in 61 counties.

Since taking over the licensure of adult care facilities, the Ohio Department of Mental Health has launched the following initiatives to support the program:

- \$1 million Adult Care Facility Critical Repair Grant - In January 2012, the OHFA Board approved ODMH to administer an award of \$1 million from the Ohio Housing Trust Fund to provide funding for critical repairs at licensed Adult Care Facilities (ACFs) throughout the state. The intent of the funds was to assist ACFs in making critical repairs needed to maintain the structural integrity of the facility to ensure habitability. ODMH received 184 pre-applications from eligible ACFs, and 115 met all the requirements and will receive funding for one or more of their identified priorities. ODMH identified four categories for funding requests for projects to preserve the longevity of the facility: structural defects, heating and plumbing defects, electrical hazards, and safety features. Many of the projects have already been approved to start repair work.
- Elimination of fees - ODMH put forward a rule change in October 2011 which eliminated the \$20 per bed fee for ACFs that was collected upon the issuance or renewal of a license, upon the unannounced inspection of the facility during each licensure period, and upon any additional inspections when an ACF is found to be in violation of state rules.
- Training and Support - Through federal block grant funding, the state has been able to make training opportunities available to ACFs on a statewide basis to educate and promote operators on core competencies and skill development.

**Executive Budget Proposal and Impact:** The Executive Budget will propose that a moderate bonus be paid to ACF operators based on the number of their clients who are enrolled in care management services, including SPMI health homes. The funds would come from savings generated by mental health consumers who move from more expensive nursing home care into less expensive care. This initiative is part of the overall policy change called "Recovery Requires a Community." The Executive Budget also proposes a time limited collaborative look at the rules and statutes governing the RSS program. Governance of the program historically has crossed several state agencies and must also be aligned with federal guidance. A review has not been conducted in many years and recommendations from this study will be used to improve program management. Finally, the executive budget holds harmless from cuts the Residential State Supplement program. Level funding will allow MHAS to maintain funding for the current 1,240 people currently enrolled and to continue to accept new enrollments for individuals moving out of nursing facilities to least restrictive settings in the community.