



July 13, 2023

The Budget is OVER! Reviewing the Final Bill

Beth Kowalczyk, Ohio Association of Area Agencies on Aging

Kalitha Williams, AARP Ohio

Sarah Kuhns, Ohio Association of Foodbanks

Darold Johnson, Ohio Federation of Teachers

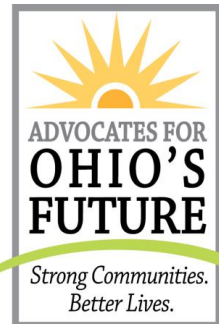
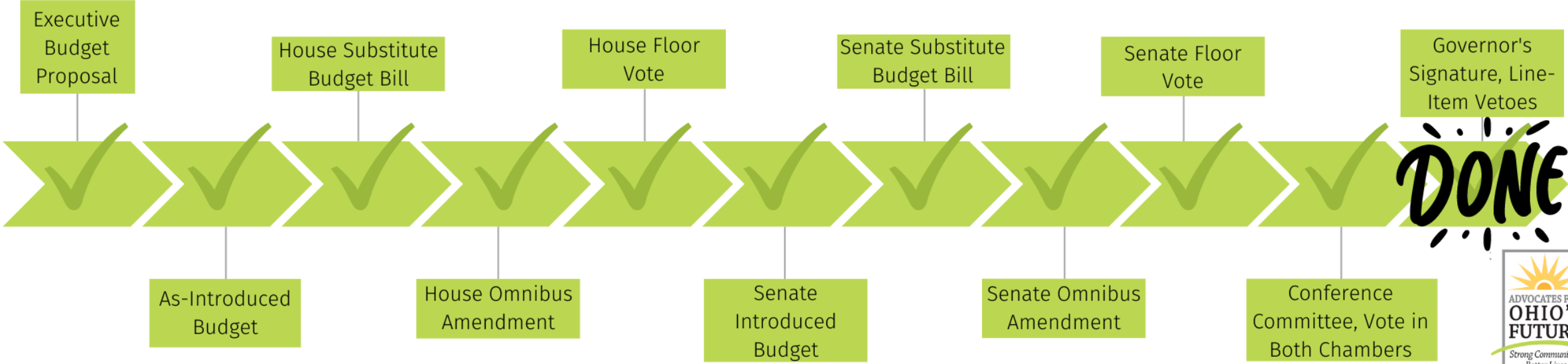
Amy Meade, Groundwork Ohio

Kelsey Bergfeld, Advocates for Ohio's Future

Zach Schiller, Policy Matters Ohio

www.advocatesforohio.org

Budget Timeline Tracker



Amended Substitute House Bill 33

The General Assembly passed an on-time biennial operating budget for the state of Ohio, on June 30th, the last day of fiscal year 2023. The House voted 67-30 in favor of the conference report; the Senate voted 25-6 in favor

- Conference Committee Vote - 4 to 2
- Governor DeWine line-item vetoed 44 provisions before signing the measure into law [Veto Message](#)
- 6,196 pages long, \$95 Billion (all funds) per fiscal year
- [Comparison Document](#) - As Reported by the Conference Committee
- [Full Bill Language](#) - As Enrolled






FY24 & FY25 BUDGET PRIORITIES



All Ohioans deserve the right to live healthy, engaged and secure lives, and to be able to age with dignity and autonomy. We need bold action so that Ohio will be the best place to age in the nation.



#1: Equal Access to Home Care

Eliminate waiting lists, ensure parity across programs, and build capacity to meet growing need for home care for older adults and people with disabilities in Ohio.



#2: Support Older Adults in the Community

Enact policies and support programs that enable us all to continue to be active members of our communities and have options as we age.

- Adult Day Services
- Senior Community Services/Healthy Aging Grants
- Assisted Living Waiver rate increases
- Affordable Housing/Home Modifications
- Adult Protective Services
- Program for All Inclusive Care of the Elderly (PACE)



Healthy Aging Grants: Dept. of Aging

- Healthy Aging grants- one time \$40 million in one time state ARPA in 2024 to counties through county commissioners






Senior Community Services: Dept. of Aging

Flexible state funds to draw down Older Americans Act and OAA ARPA

(previous budget appropriated \$ 9,798,995 in SFY 2022 and \$ 9,737,042 in SFY 2023 including a \$75,000/year earmark to Neighborhood Alliance for Senior Nutrition Program)

2024-2025:

- \$10,250,000 in 2024 (~\$500,000 increase) and \$10,750,000 in 2025 (~\$1 million increase)
 - Earmark to Senior Transportation Pilot Program in Cuyahoga County – House \$300,000 (24) \$150,000 (25)
 - Restored spending authority language
- 



Department of Aging

- Additional \$2 million/yr GRF for Alzheimers and Dementia (\$4.3 million per year)
- Aging Economy Report
- Investments in Technology – System Modernization - \$6 million
- Benjamin Rose Institute: \$250,000 per year in “Community Projects” for mental health services for older adults





Direct Care Workforce: Aging and Medicaid


- Personal Care Rate Increases: Funding for rate increases to support \$17/\$18 remains, but not specific wage amounts
- *The Ohio Department of Medicaid (ODM), the Ohio Department of Developmental Disabilities (DODD), and the Ohio Department of Aging (AGE) are supportive of and will work to implement the proposed legislative rate increases.*
- Executive budget had funding for rate increases for Adult Day Services, Home Delivered Meals and Assisted Living increases (48% plus memory care)
- Policy changes

<https://medicaid.ohio.gov/static/About+Us/Budget/FINAL+Home+and+Community+Based+Services+White+Paper.pdf>





Direct Care Workforce: Aging and Medicaid

- Requires Dept. of Medicaid, in collaboration with Dept. of Aging and Dept. of Developmental Disabilities, to use provider rate increase funding included in the bill to ensure workforce stabilities and greater access to care for Medicaid recipients through increased wages and workforce supports.
 - During the fiscal biennium, requires Depts. of Medicaid, Aging, and Developmental Disabilities to jointly submit an annual report outlining the wages paid to direct care staff providing services to enrollees under the Medicaid home and community-based services waivers.
- 



MyCare Ohio Expansion: Dept. of Medicaid

MyCare Ohio: Medicare-Medicaid dual demonstration program in 29 counties in Ohio

Requires Medicaid Director to seek CMS approval by July 1, 2024, for the MyCare program (or its successor) to go statewide and requires plans to use the Area Agencies on Aging for waiver service coordination for 60+ unless otherwise requested by the individual; allows for full delegation of care coordination to the Area Agencies on Aging.

MyCare Ohio ends December 2025.





Adult Protective Services: Dept. of Job and Family Services

- Additional \$4 million per year (from \$5,720,000 to \$9,720,000 per year)





AARP is a nonprofit, nonpartisan organization that empowers people to choose how they live as they age

AARP Ohio Member Advocacy Matters!



Prohibited “Right to List” Agreements

- Long-term agreements between real estate brokerage firms and homeowners
- Focus on the future listing of the property
- Agreements filed in the local county recorders office
- Coalition of Ohio Land Title Association, Ohio Prosecutors Association and Ohio Recordors’ Association



Maintained Department of Insurance's Authority to Regulate Medicare Supplemental Insurance Plan Solicitations

- Companies engaged in aggressive marketing tactics
- Targeting Nursing Homes and Assisted Living facilities were targeted
- Superintendent of Insurance has been regulating the industry since 2012



Nursing Home Reform Measures

Allow Ohio Department of Aging and Ohio Department of Health to access funding to:

- Expand state ombudsman long-term care program
- Hiring additional nursing home surveyors
- Provide consumer informational resources



Nursing Home Reform Measures

- Providing a financial incentive for private rooms
- Disclose nursing home ownership and management
- Governor DeWine veto upheld a requirement that all Assisted Living Waiver participants have a private bathroom.



NEEDED Nursing Home Reform Measures

- Direct Care Payment Ratio of 90%
- Fully audited, financial statements
- Requirements for all Ohio Nursing Homes



QUESTIONS? COMMENTS. DECLARATIONS!

Kalitha Williams, AARP
Ohio Outreach & Advocacy Manager

kwilliams@aarpp.org

(614) 222-1508

100 East Broad Street
Suite 501
Columbus, OH 43215

T 614-221-4336
F 614-221-4338
ohiofoodbanks.org

Nutrition Programs Recap

Sarah Kuhns

Advocacy & Engagement Manager

skuhns@ohiofoodbanks.org



Greater Cleveland
Food Bank



mid-ohio food
collective
foodbank | farm | farmacy | kitchen | market



Second
Harvest
Food Bank
Cincinnati Area



Ohio's largest charitable response to hunger, representing
Ohio's 12 Feeding America foodbanks
and 3,600 member
agencies

Context for a Food Secure State Budget

- In March: the loss of \$126 million per MONTH in extra SNAP benefits due to COVID, affecting approximately 1.46 million Ohioans
- Ohio foodbanks' representative and anonymous [statewide survey](#) of clients (2,087 validated responses from residents of 32.6% of all Ohio zip codes):
 - 37.5% said they will rely on us more often in the next 2 months
 - 2 in 3 households served by foodbanks have adults in the households that cut the size of meals or skipped meals in the past 12 months
 - Households were making difficult tradeoffs between food and other basic needs

Food in State Budget

- **Foodbank funding:**
 - As-introduced/Executive Budget: \$24.55 million in SFY 2024 and 2025
 - **Final appropriation: \$32.05 million in SFY 2024 and 2025**
- **Reduced priced meals**
 - Hunger Free Schools Ohio campaign pushed for free school meals for all Ohio students
 - **Final policy: all reduced-priced student meals will be free beginning this school year. Equates to approx. 80,000 more Ohio school children receiving free school meals!**
- **Children's hunger alliance funding**
 - As-introduced/Executive Budget: \$1.175 million in SFY 2024 and 2025
 - **Final appropriation: \$3.75 million in SFY 2024 and 2025**
- **Healthy aging grants**
 - As-introduced/Executive Budget: \$40 million in SFY 2024
 - **Final appropriation: \$40 million in SFY 2024**

Upcoming Opportunities for Impact

- **Hunger Free Schools Ohio**
 - Upcoming focuses include addressing school meal debt and shaming as well as universal school meals
- **Farm bill**
 - Protect Thrifty Food Plan increase for benefit adequacy
 - SNAP access for college students
 - End SNAP's 3/month time limit
 - End of drug felon ban (not applicable in Ohio)
 - Improve access to SNAP online purchasing
 - Security enhancements on EBT cards
 - Hot and prepared meals
- **State priorities**
 - Hunger Free College Campuses and \$50 minimum SNAP benefit for older adults

Resources

- **Don't forget about WIC!**
 - **185% of the FPL. If you don't qualify for SNAP you may STILL qualify for WIC!**
 - **Available to children under 5 and pregnant people**
- **Ohiofoodbanks.org to find your foodbank!**
- **FreshTrak**
 - **Freshtrak.com is very simple and intuitive to use! Helps find timely and localized food resources**
- **WICShoppers App, Providers App to check balances, authorized foods**
- **ProducePERKS program**
 - **<https://produceperks.org/>**
 - **Provides a \$25, \$1-for-\$1 match on SNAP/EBT and P-EBT purchases for produce at participating farmer's market or grocery stores!**
- **Ohio Legal Help**
 - **Provides interactive self-helps tools and connections to local legal and community resources**
 - **<https://www.ohiolegalhelp.org/>**

One last thing.... Skimming help!

Have your SNAP (food stamps/EBT) benefits been stolen/skimmed?
You may qualify for replacement benefits.



To request replacement benefits,
go to: <https://bit.ly/437Detr>



Questions?

Sarah Kuhns

*Advocacy & Engagement
Manager*

skuhns@ohiofoodbanks.org





Darold Johnson
Legislative and Political Director
Ohio Federation of Teachers

Groundwork
OHIO



AOF Webinar: Run Down of Final Budget

Groundwork Ohio's Mission

Groundwork Ohio is a committed, nonpartisan public-policy research and advocacy organization formed in 2004 that champions high-quality early learning and healthy development strategies from the prenatal period to age five, that lay a strong foundation for Ohio kids, families and communities.



What We Do

We advance quality early childhood systems in Ohio by engaging, educating, and mobilizing diverse stakeholders and strategic partners to promote data-driven and evidence-based early childhood policies.



Key provisions in the early learning space

- (1) A restoration of \$47 million in Senate cuts to the investments proposed by the Governor and Ohio House of Representatives, ending state budget deliberations with \$154 million in new investment.
 - o \$30 million for child care.
 - o \$124 million for preschool.
 - o This preschool investment is a strong commitment led by the Governor and bolstered by the House that will benefit more than 11,525 children.

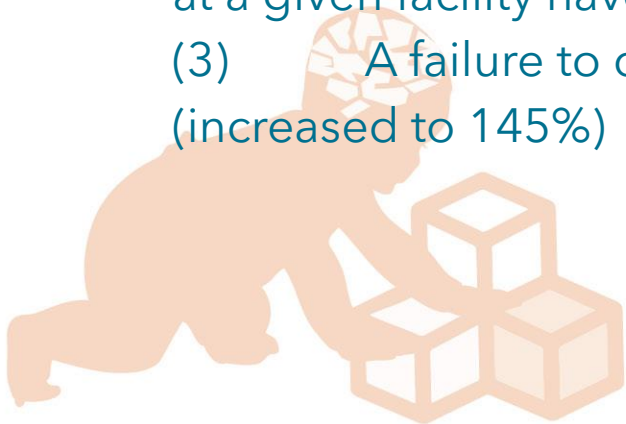
- (2) A line-item veto from Governor DeWine that improves the state operating budget by striking a provision that would have exempted more licensed child care programs from meeting Step Up to Quality rating requirements.

- (3) A line-item veto from Governor DeWine that improves the state operating budget by striking a provision that would have limited Medicaid coverage of doula services to only five years.

Key provisions in the early learning space

Unfortunately, this budget falls short in several ways. Included in this budget were:

- (1) A prohibition on requiring licensed childcare administrators or employees to hold a bachelor's, master's, or doctoral degree.
- (2) A prohibition on Step Up To Quality from looking at whether administrators and teachers at a given facility have college diplomas when determining a rating for that program.
- (3) A failure to dramatically expand publicly funded child care eligibility to 160% FPL. (increased to 145%)



Housing Provisions

Overall, the budget was a win and included the first major new state housing program in many years.

- \$100 million state multifamily housing tax credit program
- \$10 million/year increase for the Ohio Housing Trust Fund
- Continued funding for the Ohio Department of Health's Youth Homelessness program
- Fixed the Senate's lame duck amendment allowing counties to effectively increase taxes on affordable housing properties without regard to rent restrictions
- **DID NOT** include prohibiting cities from using fees or state funds to maintain a rental registry
- **DID NOT** expand the ban on pairing historic preservation tax credits with other housing subsidies.
- **DID NOT** include the Senate's plan to abolish the Ohio Housing Finance Agency



Infant, Child & Maternal Health

- Includes an 81% cut to Healthy Beginnings at Home, which houses pregnant women and families who are homeless or at-risk. COHHIO pledges to work with the governor and the House to ensure that this important program is able to continue and expand to additional communities.
- **Doulas:** Medicaid coverage of birthing doula services is now a permanent program in the Department of Medicaid [ODM]. Gov. DeWine's line-item veto removed the budget's five-year pilot program for doula coverage, making the program permanent.
- **Continuous Coverage:** Medicaid-eligible children will now receive continuous Medicaid coverage from birth through age three (4 total years). We know that when annual renewal is required, children are more likely to lose Medicaid coverage if their parents lose coverage, despite children being covered to a higher income eligibility. This will keep thousands more Ohio children covered.





Run Down of Final Budget

Major tax changes in House Bill 33

- Income tax brackets and rates reduced; two-year suspension of bracket and exemption indexing. Cost: Close to \$1 billion a year
- Commercial Activity Tax (CAT), the main business tax, eliminated on receipts below \$6 million a year. Cost: More than \$500 million a year
- Sales tax holiday: No sales tax on most items costing less than \$500 during a period in August 2024. One-time cost: \$750 million.

Income tax

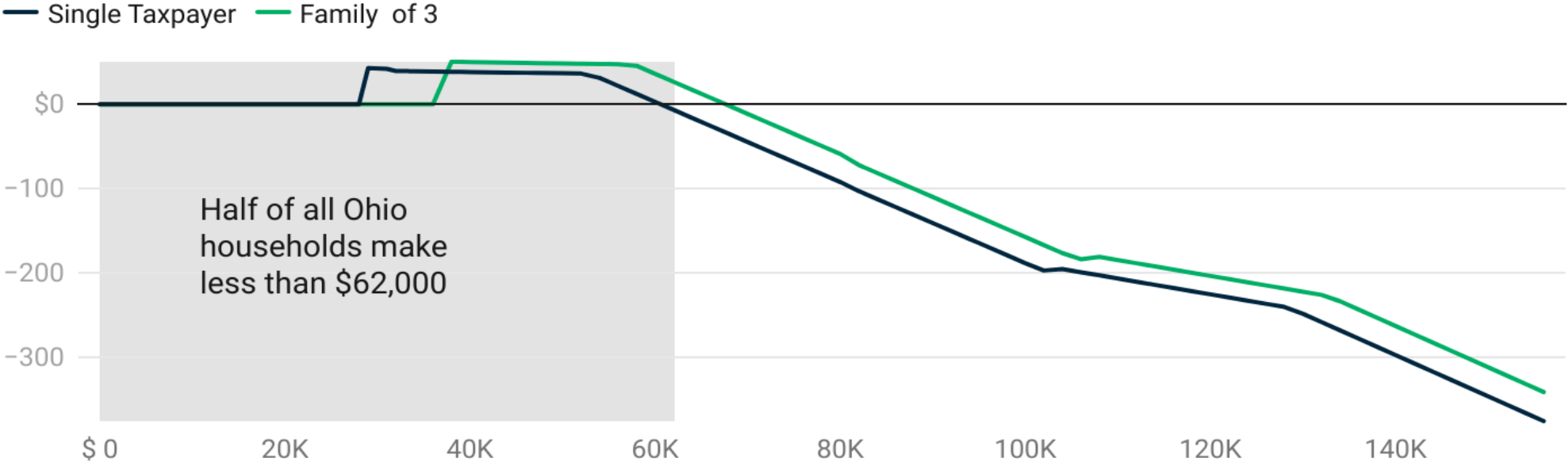
- Eliminates two of five brackets
- Top rate will be 3.5% on income over \$100,000 (compared to 3.99% before and 7.5% on income over \$200,000 under Gov. Voinovich)
- 2.75% rate on income between \$26,050 and \$100,000 (rate had been 2.765% on income between \$26,050 and \$46,100)
- Continued rate of 1.38% on income under \$26,050, for those who make more than that

What do the income-tax changes mean?

- For those below \$26,050, no change
- For a family of three with income of \$50,000, about a \$48 increase. Some income will be taxed at a higher rate than it would be otherwise because brackets and exemptions are not indexed for inflation.
- For a family of three with income of \$500,000, a cut of more than \$2,000
- *A large number of Ohio families will see a small tax increase in 2024 under this plan, while the most affluent see thousands of dollars in tax cuts. Eighty-five percent of the cut goes to those making more than \$124,000 a year.*

Impact of Gov. DeWine's budget bill income tax changes in tax year 2024

Tax liability shift by annual income and family size



Includes exemptions and Earned Income Tax Credit (EITC), no other tax credits. Uses a 7% GDP deflator from the Bureau of Economic Analysis for tax year 2023 and the Congressional Budget Office's estimated annualized GDP Price Index change for tax year 2024, which is 2.5%. Note: some unmarried childless households might see a larger tax increase as a result of being not being eligible for the EITC.

Chart: Policy Matters Ohio • Created with Datawrapper

Gov. DeWine to increase taxes on the middle class and give cuts to the wealthy

ITEP estimates of the impact of Budget's income tax changes by household income for tax year 2024

	Bottom 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Richest 1%
Income range	< \$23,000	\$23,000 - \$47,000	\$47,000 - \$75,000	\$75,000 - \$124,000	\$124,000 - \$250,000	\$250,000 - \$621,000	> \$621,000
Avg income in group	\$ 12,000	\$ 34,000	\$ 61,000	\$ 97,000	\$ 160,000	\$ 351,000	\$ 1,597,000
Average Tax Change	\$0	\$40	\$15	-\$88	-\$275	-\$793	-\$4,411
Share of Tax Cut	0.0%	0.0%	0.8%	13.7%	30.0%	23.3%	32.1%

All state residents, 2023 incomes.

Table: Policy Matters Ohio • Source: Institute on Taxation and Economic Policy • Created with Datawrapper

Who gets the CAT cut?

- Currently, the vast majority of Ohio businesses pay little or no CAT. Those with receipts below \$150,000 pay nothing, while those up to \$1 million pay a flat \$150.
- The budget bill raises that exclusion to \$6 million in 2024. The majority of the savings goes to that 10% of companies with Ohio sales over \$6 million, the state's biggest businesses. See <https://www.policymattersohio.org/press-room/2023/06/20/most-of-cat-cut-in-senate-bill-would-go-to-larger-businesses>
- Business taxes in Ohio are well under the national average already.
- Rep. Edwards has raised concern whether this is sustainable.

The sales tax holiday

- Tax experts on both the right and the left pan this as an unproductive gimmick. See <https://www.policymattersohio.org/blog/2023/06/22/dont-believe-the-holiday-hype>
- Upper-income residents are more able to take advantage than those living paycheck to paycheck
- Retailers may raise prices and pocket some of the savings
- There's a better alternative: A sales-tax credit that is targeted to low- and moderate-income households

Governor DeWine's vetoes

- Some initial confusion, but he didn't significantly change the CAT or sales tax holiday provisions
- He did eliminate one feature of the income tax cuts, which would have continued the suspension of bracket indexing and used the extra revenue to reduce the tax rate on income below \$26,050. This would have reduced taxes by the same amount for all those already paying tax, but it also would have cut revenue long-term and moved us closer to income-tax repeal.

Summary of the tax changes

- \$3 billion-plus in revenue over the next two years unavailable for education and public services
- Most of the cuts go to the wealthiest
- They weaken Ohio's finances in future downturns



<http://www.advocatesforohio.org>

Follow us on social media: @Advocates4OH

Sign up for our weekly newsletter [HERE](#)

Kelsey Bergfeld, kbergfeld@communitysolutions.com

Sarah Hudacek, shudacek@communitysolutions.com

