

CANNABIS FOR CURES

42 NORTH FOUNTAIN AVENUE SPRINGFIELD OHIO 45503

I would like to take this opportunity to introduce myself I am Renea Murnahan-Turner Ohio Medical Marijuana Research and Development Advocate and CEO of CANNABIS CAMPUS CANNABIS FOR CURES, Murnahan-Turner Medical Marijuana Research and Development Campus, The Cannabis Educational / Training Facility, Cannabis for Veteran's Clinic, Cannabis for Cures Referral Card, Cannabis Growing and Processing Facility and Cannabis Dispensaries

5 years ago decided to purchase this building this building is the oldest Hotel in Springfield Ohio she has six levels . For the sole purpose of it being a Growing, Processing, Bakery for edibles and dispensary for Legalized Medical Marijuana. Reason I knew it was coming Springfield was once the State Capitol and the largest manufacturing town in the nation and were ranked the saddest town in the nation Marijuana was do to come to this town I just waited. While I have been waiting for the law to get passed I have been operating the first level as a sports Club. Now it lends itself to be a Turn key business. Turn Key means that one day I will turn the key the bar will be gone the next day I turn the key the dispensary will be there with zero downtime.

My building is in Downtown Springfield Ohio in the Revitalization District and I plan on Revitalizing as many buildings as I can in downtown Springfield a town I was born and raised in. It is currently 70% vacant buildings in Downtown Springfield. The Medical Marijuana industry can support a minimum of 5000 new skilled level jobs in the state of Ohio and 1000 of those possibly in Springfield. The Veterans and Patients that will benefit from this industry it's going to be a vast number in Ohio.

I went to the State House as a Medical Marijuana Business Advocate. I was there for 4 months helping right this new H.B.523 LEGALIZATION OF MEDICAL MARIJUANA that got approved by Governor Kasich.

I got involved in this process for several personal reasons. My oldest sister Debbie has seizures due to brain trauma she sustained after a car had ran a stop sign and T-Bone her car on the driver's side. Child Advocate had given a 4 month old little baby boy named Landon to my cousin Cindy to take care of he is now 18 months old he has been diagnosed with Muscular Dystrophy and Epilepsy due to brain trauma forced upon him by his mother's boyfriend at the time that try to actually kill the child. My cousin Cindy is seeking full custody of Landon. The man that abused him is now been sentenced to prison. There are still many more personal reason for my involvement in my passion for what I am doing for the patients that will benefit from this new law for Medical Marijuana being passed.

I currently have 18 years of experience of being compliant with D5 liquor licenses in Ohio which follow the same guidelines that currently being implemented for the medical marijuana industry. As with a D5 liquor license to maintain compliance There are rules and regulations that we go by that should be consistent with medical marijuana industry as well. there should be a structure of penalties are fines in advance before any licenses can be revoked or suspended from the premises. So that issues can be fixed in advance instead of after the fact. This will allow non interruption in the care for the patients. Once inspections are done if there are any Fines to be dealt with the company should have 30 days from the date of the hearing to pay that fine or their license will be suspended and this will take the place of the 1.5 million dollar escrow account. This will allow the two million dollars to be realistically put into building the industry whether it be a growing processing or dispensary. Based on the numbers in the second Proposal with 1.5 million dollars in escrow, \$500,000 liquid assets, \$180,000 license fee, \$20,000 application fee and an estimated \$6 million for building, build out, overhead expenses, product, product licensing, advertising, employee licensing fees, payroll staff and license renewal fees. It would take an estimated 6 years to break even due to this being a new industry with an unknown patient

base. number two for the processing license fees \$250,000 liquidable assets and \$750,000 bond for processing license. should be no more than are so absorbent. The dispensary license fees you can buy a pharmaceutical to open up a pharmacy for \$750 but the Board of Pharmacy wants to charge \$100,000 and a \$750,000 bond for a medical marijuana license. at the end of the day and all of those fees and all of that process the patients will not be able to afford their medical marijuana for their health issues. So they will with using the black market and Taking Chances on overdosing on what they are getting. So realistically this structure is set for failure in its current form. I know we all want Ohio to be very successful Research, Development and Innovative state. After all we are the heart of the Country so let's set a successful standard for the rest of our country in the future to go by. This is the last industry that will be able to rebuild our State and our County so let's work together to do it right. Qualified Medical Patience our Children, our Grandchildren and our Great-grandchildren are counting on us to do this right.

the looker Bureau has been doing it right for decades you can get a D5 liquor license which allows you to sell beer liquor and wine that liquor license is \$2,400 a year it does not matter what size your business is. if you get a violation against your liquor license you go to a hearing and then they assess you with a fine that you have to pay. the health department watches over the dispensaries in all of the other states and they are all doing extremely well there's no sense in adding another entity such as the Board of Pharmacy to step in and literally make everything absolutely set up for failure as well period we all know the pharmacy all the way up until the end wanted to own all of the dispensaries that is why the level for marijuana is now a schedule 2 drug instead of a schedule 1 they put that they're hoping that they would own all of the dispensaries. Well since that did not happen they are trying to govern the dispensaries and they are making it absolutely going to fail do to they want a \$750,000 bond no insurance company or bank will give you a bond for this industry therefore there's absolutely no way any dispensary licenses are going to be distributed this in turn means the licenses for the cultivators and processors cannot move their product because there's no dispensaries to send them to. with that being said we just need to get rid of

the Board of Pharmacy and let the health department take care of the dispensaries like they do in all the other states.

Very reasonable suggestions to help Ohio be successful the medical marijuana cannabis industry. eliminate the escrows and the bonds and the high application fees that are non-refundable. for the level 1 cultivating licenses should absolutely be no more than \$20,000 and the maximum 100,000 square feet with allowance for growth due to product and demand square footage allowed . The level two cultivator license should not be any more than \$5,000 with a 20,000 square foot Max. These realistic fees for licenses would allow patients and Veterans to be able to afford their medications from the dispensaries and know exactly what medication they are getting and it's not from a black market. This will also help us keep the pricing low so they don't need to buy from the black market.

The lower fees will help businesses be able to grow as they grow they will hire more people they will be paying more taxes there are so many great things to this industry that we need to embrace and utilize to help rebuild Ohio. We will be helping so many patients that are in need of the medical marijuana in whatever form they are able to tolerate. We also need to take a minute out of every day to think of our veterans because at least one Veteran commit suicide from PTSD and not getting his meds and not being treated by the VA hospitals we want to help save our veterans.

Cannabis for cures wants to be the innovators of research and development for the state of Ohio. This will allow us to help the rest of the United States.

"Qualifying medical condition" means any of the following:(a) Acquired immune deficiency syndrome; (b) Alzheimer's dis (c) Amyotrophic lateral sclerosis; (d) Cancer; (e) Chronic traumatic encephalopathy; (f) Crohn's disease; (g) Epilepsy or another seizure disorder; (h) Fibromyalgia; (i) Glaucoma; (j) Hepatitis C; (k) Inflammatory bowel disease; (l) Multiple sclerosis; (m) Pain that is either of the following: (i) Chronic and severe; (ii) Intractable. (n) Parkinson's disease; (o) Positive status for HIV; (p) Post-traumatic stress disorder; (q) Sickle cell anemia; (r) Spinal cord

disease or injury; (s) Tourette's syndrome; (t) Traumatic brain injury; (u) Ulcerative colitis. there are other accepted medical conditions in other states that we should add such as NY: Severe nausea and vomiting, severe or persistent muscle spasms. New Mexico: Lou Gehrig's Disease, Anorexia/Coehexia, Wasting syndrome. New Hampshire: Chronic pancreatitis, Lupus. California: Migraines. Washington: appetite loss, cramping, Chronic renal failure. New Jersey: PMS, Endometriosis. Ohio should add Autism, sleep apnea, ADHD, ADD, Depression, Huntington's disease. Addiction.

The applicant demonstrates that it will not be located within 500 feet of a school Church Public Library Public playground or public park public park should be removed School, Church, public library and public playground all demonstrate where people and children wood be. A public park is as defined not wear children play butt in definition a green space or a stone or monument is placed in the public park to be viewed and not played upon. As for a Pre existing structure such as Growing, Processing, Liquor, Laboratory or Dispensary are in a location prior to any of the school, Church, Public Library, Public playground should be Grandfathered in so that it will remain in its location.

I am looking forward to doing great things with everyone in the network.

Sincerely,

Renea Murnahan - Turner. Ohio Medical Marijuana Research and Development Advocate and CEO of CANNABIS FOR CURES and all affiliated companies listed above.

Contact me 937) 215 - 0651

Renea Murnahan-Turner

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I am sure that you guys are getting a lot of complaints with out getting any suggestions for resolution.

1. Myself as an eligible Economically Disadvantaged Minorities would not be able to participate in the Cannabis industry based on the escrow amount that the commission is asking for. The high liquidable assets amounts, the licensing fees, the application fees and all of the other countless fees that are being requested.

2. The application fee should not be more than \$100 and the Dispensary license is not realistic. The license fee should be no more than \$2400/ year. In the state of Ohio you can get a D5 Liquor License for \$2400/year and a \$100 license fee. Based on a large amount of applications you will be receiving and the limited amount licenses that you will be issuing the application fees should be refundable.

3. HB523 adopted a lot of the rules and guidelines from the Liquor Board of commission. These rules and regulations have been in place for many many years and have been abided by and those who do not abide by them there are rules and regulations on how to handle those issues. The medical marijuana Commission and the Board of Pharmacy Commission should make things easier on them so everyone who wants to be involved and do great things in this industry from the Ohio State Liquor Control Board Commission they have been doing it for a very long time and they regulate it well if it isn't broke why try to fix it. The board of commissions and the Board of Pharmacy presenting themselves more as a Bank or Financial institution by implementing all of these rules regulations and information such as having an escrow account having liquidable assets, application fees, licensing fees, employee fees, product fees advertisement for product fees and being able to pay the overhead for the business for at least a year Banks and financial institutes ask for those things including a business plan which in that business plan has your partners investors. The worst case scenario if the business gives up their license. You get the license back and can charge another Application fee and another license fee to the next eligible license holder.

4. No Pharmaceutical Companies, Pharmacists, Investors, share holders or partners in the pharmaceutical industry same as is a physician with a certificate to recommend medical marijuana or such a physician has an ownership or investment interest in or a compensation arrangement with the applicant;

5. While working on HB523 team I had done research about the other states who governs different divisions of the licensing Ohio is the only state that allows the Board of Pharmacy to oversee the dispensaries all of the other states allowed Health Department. The team did not want the Board of Pharmacy to be involved at any level at all. I gave you the benefit of the doubt do to me wanting Ohio to be a Research and Development state and I thought that having a Board of Pharmacy would help strengthen that with us. So working together is extremely important and agreeing on things to help them move along better would be best for all of us and our patients our communities our doctors are States. If Ohio can be successful by having the Board of Pharmacy involved in the dispensaries maybe other states will follow and do the same and allow the Board of Pharmacy to oversee their dispensaries. We need to have medical marijuana Commission the board of Pharmacy and business people so we can all help each other and set better standards and structure for the rest of the country. The State of Florida had medical marijuana bill the same time that Ohio did they both passed but Florida already has dispensaries open for business and Ohio is still can't even get off the starting block we need to fix this.

6. Doctors that are going to do Referrals should not have to do any more than what they have to do when Pharmaceutical companies come out with a new drug. Especially if we have to have a pharmacist or doctor reachable during business hours. What criteria do the pharmacist have to know?

Level 1 licensing square footage should top out realistically around 300,000 square feet. This will allow for potential re-seeding and growing area in case of contamination and other unforeseen issues that can come up along with keeping pricing down for potential patients to be able to afford

the product being that they have to pay out-of-pocket. This will also allow Non interrupted patients care in case other facilities fail to comply and loses their licensing or facility due to contamination, non-compliance or financially unable to continue operating OR ADD A SPECIFIED LEVEL 1 RDD (Research, Development and Distribution) licensing with no Top out Licensing. RDD licensing will also cover for all of the above issues including not having to rely on Growers from other states if needed to keep up with supply and demand.. You did not parallel the raised square footage in the level 1 square footage growing license as to the level 2 growing square footage license and you double the number of level 2 licenses.

These high fees, Escrow, and start up cost would eliminate the ability for the Economically Challenged Minority status group to be able to participate in the Medical Marijuana Industry which not less than 15% of the licenses will be issued to. So realistically this structure is set for failure in its current form. I know we all want Ohio to be very successful Research, Development and Innovative state. After all we are the heart of the Country so let's set a successful standard for the rest of our country in the future to go by. This is the last industry that will be able to rebuild our State and our County so let's work together to do it right.

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ADD "Qualifying medical condition" There are other accepted medical conditions in other states that we should add such as NY: Severe nausea and vomiting, severe or persistent muscle spasms. New Mexico: Lou Gehrig's Disease, Anorexia/Coehexia, Wasting syndrome. New Hampshire: Chronic pancreatitis, Lupus. California: Migraines. Washington: appetite loss, cramping, Chronic renal failure. New Jersey: PMS, Endometriosis. Ohio should add Autism, sleep apnea, ADHD, ADD, Depression, Huntington's disease and Addiction.

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Insurance issues in your second draft you talked about insurance and bonding there are no existing Insurance companies that will insure or Bond the Medical Marijuana Industry in any stage. It was not put in your first draft so this should be eliminated completely.

As specified in HB 523 License applicant compliance in Ohio is minimum 5 year tax paying resident of Ohio.

There are more things that I would like to see changed in the Second draft proposal but with the limited days to respond and the research that I have done thus far this has not allowed me to respond to other changes that would make this industry more secure safe and productive. I hope to be able to have the chance to do more very soon. I am more than willing to consult at no fee any time any Commission Member have any questions. if I don't have the answer I will get the answer.

Whitney Paterson

From: rob@robryan.org
Sent: Sunday, April 16, 2017 6:40 PM
To: Whitney Paterson
Cc: MMCPRules@com.state.oh.us; JCARR1; secretary@ohiopatientsnetwork.org; Jacalyn Borchardt; Larry Wolpert
Subject: A PRONG in a Commerce Department Draft discretionary Rule on the Medical Marijuana Control Program

I am unable to testify at the April 17th JCARR meeting concerning the rules proposed by the Commerce Board. But request that this information be provided to the legislators to aid in their deliberation and decision regarding the draft rules.

Specifically, that the Commerce Department's rule number 3796:1-1-01(b) is a PRONG and exceeds the rule-making agency's statutory authority. I am fully aware that the legislature gave the administration flexibility to generate rules and that the JCARR attorney may disagree.

Below I support and detail the basis of my assertion that the rule in question is a PRONG, I also quote the relevant law as passed by HB523 and finally make a suggested rule change based upon HB523 and the intentions of the legislature to include minority groups in the economic landscape opportunity.

A PRONG - Rule Number 3796:1-1-01 item 15 (B)

The rule 3796:1-1-01 allows for **discretion or judgement** when deciding to grant a license in the emerging medical marijuana industry. HB523 as promulgated in Ohio Revised code 3796.03(B)(2) does not authorize discretion, it says to **Specify all** and continues and says to say **which** criminal offenses will disqualify and will not disqualify an applicant. No such discretion is defined nor can be inferred from the code or the legislative history. The exact Ohio Revised Code is below for reference.

>>>>>--Ohio Revised Code --Ohio Revised Code --<<<<<<

3796.03 Adoption of rules and standards. <http://codes.ohio.gov/orc/3796.03v1>

(B) The rules shall do all of the following:

(1) Establish application procedures and fees for licenses it issues under this chapter;

(2) **Specify all of the following:**

(a) The conditions that must be met to be eligible for licensure;

(b) Subject to division (B)(2)(c) of this section, **the criminal offenses for which an applicant will be disqualified from licensure;**

(c) Which of the **criminal offenses specified** pursuant to division (B)(2)(b) of this section **will not disqualify an applicant from licensure** if the applicant was convicted of or pleaded guilty to the offense more than five years before the date the application for licensure is filed.

<<<<<<--Ohio Revised Code --Ohio Revised Code -->>>>>>

The Rule in question

In contrary to the above Ohio Revised Code, Rule Number 3796:1-1-01(b) item 15 adds a discretionary element to license procedure. I highlighted the key words that permit that discretion (**will not automatically disqualify**) and in draft proposed rule below. Again no such discretion is defined nor can be inferred from the code or the legislative history.

>>>>>--==-- DRAFT Rule Number 3796:1-1-01--==--<<<<<

3796:1-1-01 Definitions.

(15) "Disqualifying offense" means:

(a) A conviction or plea of guilty, including conspiracy to commit, attempt to commit, or aiding and abetting another in committing, the following:

(i) Any offense set forth in chapters 2925, 3719, or 4729 of the Revised Code, the violation of which constitutes a felony or misdemeanor of the first degree;

(ii) Any theft offense set forth under division (K) in section 2913.01 of the Revised Code, the violation of which constitutes a felony;

(iii) Any violation for which a penalty was imposed under section 3715.99 of the Revised Code;

(iv) A crime of moral turpitude as defined in section 4776.10 of the Revised Code; or

(v) A violation of any former law of this state, any existing or former law of another state, any existing or former law applicable in a military court or Indian tribal court, or any existing or former law of any nation other than the United States that is or was substantially equivalent to any of the offenses listed in paragraphs (i) through (iv).

(b) Any first degree misdemeanor offense listed in paragraphs (a)(i) through (v) **will not automatically disqualify** an applicant from licensure if the applicant was convicted of or pleaded guilty to the offense more than five years before the date the application for licensure is filed.

(c) Notwithstanding divisions (a) or (b) of this paragraph, no misdemeanor offense, including misdemeanors of the first degree, related to marijuana possession, marijuana trafficking, illegal cultivation of marijuana, illegal use or possession of drug paraphernalia or marijuana drug paraphernalia, or other marijuana related crimes shall be considered a disqualifying offense.

<<<<<--==-- DRAFT Rule Number 3796:1-1-01--==-->>>>>

A Suggestion to the Commerce Department

I strongly suggest that Rule Number 3796:1-1-01(b) item 15 be revised to comply with Ohio Code. In testimony and in code there was the intention that individuals with criminal history have an opportunity to participate in this new economic landscape. Specifically if they had a clean record for the last five years. Elsewhere in HB523 there is an attempt to have minority's participation. Given that an African Americans has approximately 3 times the rate of a felony conviction per capita as compared to Caucasians this draft rule undermines that intent. I respectfully make my suggestion below for the Commerce Department to seriously consider during the revision process.



**RE: Proposed Amendment to OAC 3304-2-52 and Appendix A
April 13, 2017**

**Emily Turner, Executive Director
Ohio Association of Goodwill Industries
(614) 583-0319
EmilyTurner@GoodwillOhio.org**

Chairman Duffey, Vice Chair Uecker and members of JCARR, thank you for the opportunity to speak to you today regarding the proposed amendment to OAC 3304-2-52 and Appendix A.

I am Emily Turner, the Executive Director of the Ohio Association of Goodwill Industries and I would like to present to you some concerns we have about the proposed fee schedule and offer suggestions to ensure negative impacts are identified and mitigated as quickly as possible, if it is enacted.

The Ohio Association of Goodwill Industries (OAGI), consists of 16 independent, nonprofit companies with approximately 6,000 employees in Ohio. Goodwill Industries' mission is to assist Ohioans with disabilities and other barriers achieve independence through the power and dignity of work. Goodwill executes its mission through a mix of government-contracted services, philanthropic programs, and mission-funded programs which are supported with revenue generated by thrift stores and other social enterprises. Obviously, the more mission funds that are available, the more people Goodwill Industries can serve without government or philanthropic funding.

Goodwill Industries and Opportunities for Ohioans with Disabilities (OOD) have virtually the same mission and like OOD, our members are committed to providing quality vocational rehabilitation (VR) services for all Ohioans regardless of their challenges. In 2015, our members assisted over 5,000 consumers for OOD's vocational rehabilitation services. It is because this mission is so important to us and to OOD that I am here today to offer the following comments and concerns about the proposed amendment.

OOD has invested a considerable amount of time and resources over the past year and a half to develop this proposed fee schedule. Throughout that time, the Ohio Association of Goodwill Industries (OAGI) took advantage of the many opportunities to provide feedback, concerns and recommendations. OOD made significant changes to the rates initially proposed by the consultant. Yet, OAGI remains concerned that an unintended consequence may be that

individuals with significant disabilities and individuals in rural areas will not have access to the VR services they need to secure employment. These concerns are based on three issues:

First, the information used to development the fee schedule was not robust enough to result in a fee schedule that accurately reflects the cost of services. The information that was used to develop this fee schedule was supplied by 12% of the providers in Ohio and it collected only quantitative information with no qualitative evaluation of those expenses. Thus, these reimbursement rates may reflect the least expensive way of providing services but it does not include an analysis of what it costs to produce quality outcomes. Additionally, this least cost rate structure does not take into consideration of the wide spectrum of services needed to achieve successful outcomes by consumers with varying challenges.

Secondly, the transition to performance based reimbursement for job development may result in individuals with significant disabilities dropping out of the program or not getting served at all. While incentivizing successful outcomes is something we support, we believe that the way this performance-based fee system is structured providers may not be able to serve individuals with the most significant disabilities because of the risk that an individual will not achieve the performance milestones within the timeframe of the funding scheme. Additionally, we estimate that the incentives OOD has included in the fee schedule which are intended to incentivize specific goals such as rapid placement, will not be attainable due to factors outside the control of the provider. This reimbursement system may result in providers not being able to serve individuals with significant challenges.

Thirdly, we have concerns about transportation. The fee schedule does not fully reimburse providers for driving to or from an appointment with a consumer or for transporting a consumer. Transportation and meeting a consumer at a location other than the provider's office are regular parts of VR services which are often provided in the community. As it is presented today, the proposed fee schedule may result in fewer services provided in the community, especially in rural areas because providers will have to subsidize the transportation expenses. The "service area modifier" added by OOD in response to this concern does not resolve the problem. The service area modifier will only apply if the provider is asked by OOD to serve an individual outside their service territory, which is rare. For example, the Wooster Goodwill has a small rural territory consisting of Wayne and Holmes Counties but they may still have to drive 30 miles each way to meet with a VR Client. The Dayton Goodwill covers about 17 counties and could drive over 50 miles each way to a client. Both are working within their service territory and neither would qualify for the mileage modifier.



Our association has made OOD aware of these three concerns and others and we have offered recommendations to address them. However, we understand that OOD would like to move forward with implementing the rule as proposed.

Therefore, we respectfully request that if this rule is implemented, stakeholders are engaged in a formal and systematic evaluation of the fee schedule, as recommended by the Common Sense Initiative. This will help to identify any negative impact of the fee schedule and ensure high quality services remain available for all Ohioans. This evaluation would augment the statistics that OOD previously reported to the OOD Commission and would include detailed information to clarify who is getting served (D, SD, MSD), where they are getting served (rural vs urban; in community or facility-based) and the outcomes of those services.

Additionally, we respectfully request that the OOD Commission be reconstituted or that the state expeditiously move ahead with the creation of a State Rehabilitation Council to review, analyze, and advise OOD regarding the performance and effectiveness of the vocational rehabilitation program as the Federal Regulations require. The VR Program has been operating without a federally required oversight body for approximately 6 months. There will be no benefit of generating reports and information regarding the impact of the fee schedule if there is not a commission or council to review and evaluate them.

In conclusion, we would like to acknowledge Director Miller and the staff at OOD for being accessible and open to input. We had ample opportunity to discuss our concerns. Going forward, we hope that we can continue this partnership and include the participation of an independent commission or council to provide the oversight and guidance required by federal law and ensure that unintended negative consequences of this fee schedule are identified and mitigated as quickly as possible.

PROACTIVE VOCATIONAL PLACEMENT CONSULTANTS

On Opportunities for Ohioans with Disabilities: Testimony related to Rule Number 3304-2-52

A) Concerns related to the Cost Reporting Tools requested and utilized by PCG (Public Consulting Group) to generate Fee Schedule recommendations:

1) The cost information requested was for past year performance data requiring additional staff time to research and develop
Recommendation: the same information would have been less complicated and much easier to organize if the Consulting Firm requested the information be collected for the current year's activity (on an on-going basis)

Violation: Has the rule-making agency prepared a complete and accurate rule summary and fiscal analysis of the proposed rule, amendment, or rescission (ORC 127.18);

2) The Cost Report Tool was submitted to Provider *after* PCG conducted the survey to inquire about detailed service data related to service utilization and staffing.

Result: After the Report Tool was submitted it was at that time all Provider's realized the amount of time and staffing that would be required to provide the requested data, thus resulting in only 41 vocational rehabilitation providers out of a potential 250 (according to BIA) completing the requested data. The sample size is too small to ensure the accuracy of the Cost Data collected.

Recommendation: The Consulting Group needs to outline the information required in a much simpler format that will allow more participation. Again, this information is easier to collect in a "present" time- frame versus researching "past years" data.

Violation: Has the rule-making agency prepared a complete and accurate rule summary and fiscal analysis of the proposed rule, amendment, or rescission (ORC 127.18);

B) Concerns related to OOD's response to CSI recommendations:

1) It was recommended that OOD "conduct a thoughtful review of the fee schedule's implementation after the rule is in effective to ensure that access to high quality services for disabled Ohioans is maintained".

Transportation issues in particular is a concern: due to the challenges related to public transportation issues and the individual's disability, there is a high probability that vendors will not be able to financially support the travel expenses.

Recommendation: While OOD stated agreement with this CSI recommendation, it has not to this date formally developed a "format" or "procedure" for ensuring or monitoring the effects of the levels of service. A documented plan would be helpful.

Violation: If the rule has an adverse impact on business (ORC 107.52), that the rule-making agency has demonstrated through the business impact analysis (BIA), the Common Sense Initiative Office (CSI) recommendations and the agency's memorandum of response to the CSI recommendations, that the rule's regulatory intent justifies its adverse impact on business.

C) Concerns with CSI—Business Impact Analysis

1) Development of Regulations: List of the stakeholders confirms the small sample of providers used to determine the Fee Schedule. Of particular concern is the effect of eliminating mileage reimbursement. *Recommendation:* Devise a Cost Tool that is simpler to understand and complete as previously stated.

Violation: Has the rule-making agency prepared a complete and accurate rule summary and fiscal analysis of the proposed rule, amendment, or rescission (ORC 127.18);

2) Did the Agency specifically consider performance based regulation: It is stated the "hourly based Job Development Services had a median of 167 days" (thus 35 days longer than performance based)

This statement while true if measuring the days "authorized" for services, it does not take into account the number of "units" authorized during those "days". Typically, a provider is only authorized about eight hours a month (80 units), which is basically equivalent to one day per month of billable time. If 167 days is accurate this equates to approximately 5.5 days of billable units.

Recommendation: Utilize the "units" used to calculate the median time. Stating the number of "days" within an authorization is inaccurate related to how the actual services are provided.

Violation: Has the rule-making agency prepared a complete and accurate rule summary and fiscal analysis of the proposed rule, amendment, or rescission (ORC 127.18);

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D) Concerns with Employer Cost Index tracking:

1) OOD did agree that the CPI was not an appropriate measurement and agreed to use the Employer Cost Index and increased rates by approximately 2.5%. However, since 2016, according to the latest ECI report, compensation costs rose an additional 2.2% and health benefit costs rose 3.7% in the year ending in 2016.

Recommendation: A study and a plan to monitor these increasing costs needs to be developed.

Violation: Has the rule-making agency prepared a complete and accurate rule summary and fiscal analysis of the proposed rule, amendment, or rescission (ORC 127.18);

Thanks for your consideration and I am looking forward to continuing my engagement with OOD in developing a rate structure that allows Proactive Vocational Placement Consultants to continue to provide services required to Ohioans with disabilities.

Submitted by:

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Director
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