



**Department of
Job and Family Services**

John R. Kasich, Governor

Cynthia C. Dungey, Director

**Ohio House Finance Subcommittee on Health and Human Services
Ohio Department of Job and Family Services
Executive Budget Recommendations for SFY 2018-2019
Cynthia C. Dungey, Director
March 9, 2017**

Good morning, Chairman Romanchuk, Ranking Member Sykes and members of the subcommittee. I am Cynthia Dungey, director of the Ohio Department of Job and Family Services. Thank you for the opportunity to be here today, to discuss the ODJFS budget for state fiscal years 2018 and 2019.

As you know, ODJFS is responsible for managing a number of vital programs that directly impact the lives of Ohioans. These include TANF and Ohio Works First, SNAP and other food programs, job training and employment services, child care, unemployment insurance, child protective services and adoption, adult protective services, and child support programs. Our mission is to improve the well-being of Ohio's workforce and families by ensuring the safety of Ohio's most vulnerable citizens, and promoting long-term self-sufficiency.

Most of our funding comes from the federal government: we're responsible for distributing it to more than 150 partner agencies throughout the state, including county departments of job and family services, public children service agencies, child support enforcement agencies, and local workforce development boards. When appropriate, we also partner with local and statewide not-for-profit, faith-based and business organizations to further our mission and better serve our customers. We are extremely grateful for the hard work and commitment of these agencies to improve the lives of Ohioans.

Over the last two years, thanks to the support of the General Assembly and the efforts of our local partners, we have achieved many significant accomplishments. For example, we:

- Launched an innovative new strategy to combat poverty that we call the Comprehensive Case Management and Employment Program. It began its focus on low-income 16- to 24-year-olds, where early intervention can have the greatest impact in stopping the cycle of poverty;
- Expanded eligibility limits for publicly funded child care to minimize the "benefit cliff," or the abrupt loss of child care benefits when families' incomes suddenly improve;

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- One of our budget submissions takes the next step in exploring options to encourage increased earnings in Ohio families. This provides rule writing authority to modify the income disregard amount for Ohio Works First eligibility. With this change, working families will be able to earn a bit more before cash benefits phase out.
- Incentivized child care providers to improve the quality of their care;
- Prepared to implement Substitute House Bill 50, of the 131st General Assembly which will allow young people formerly in foster care to request additional supportive services up until age 21; we're now calling this program "Bridges";
- Began requiring unemployment claimants to register accounts on **OhioMeansJobs.com** to help them find work more quickly;
- Partnered with the Ohio Department of Education to encourage more students to create **OhioMeansJobs.com** accounts; as of December, more than 300,000 had; and
- Collected child support payments at a rate not seen since before the recession.

As you can see, we are doing our part to be good stewards of the public trust by efficiently and effectively managing their tax dollars.

This budget provides necessary funding for our core programs and will allow us to continue these program improvements. It maintains the federal maintenance-of-effort requirement for the TANF grant and the Child Care Development Block Grant.

Employment and Training

ODJFS recognizes the importance of job training and work experience programs for able-bodied adults receiving public assistance. Employment and training programs help Ohioans develop the skills and knowledge to secure employment and become self-sufficient. It is crucial that ODJFS provide both immediate assistance to Ohioans in crisis, long-term job training, and work supports so adults can find and keep jobs.

Over the last six years, Ohio's improving economy and reforms to the state's workforce development and Medicaid programs have laid the groundwork for a new approach to human services and public assistance, one that provides a hand up and out of poverty for low-income Ohioans. The Comprehensive Case Management and Employment Program, or CCMEP, which ODJFS launched in July 2016, provides case management and wrap-around supportive services to low-income 16- to 24-year-olds to help them build career paths, find employment and break the cycle of poverty. We are working closely with our county partners to strengthen and operationalize this program. We strongly believe a more comprehensive perspective -- rather than a siloed, less efficient strategy -- is essential when working to help individuals become self-sufficient.

Our budget this year allows us to expand the served population to 14- and 15-year-old in-school youth, allowing them the same comprehensive support they need to learn the skills to succeed as they prepare for post-high school life, as well as providing additional flexibility to allow for ODJFS to work with our local partners to successfully operationalize this important program.

Child Care

High-quality child care continues to be a priority for the agency. This budget continues to support Step Up To Quality, the rating system that recognizes and rewards high-quality child care providers. Providers that achieve high ratings receive enhanced payments; the higher the rating, the higher the payment. All provider types, including small in-home child care providers and preschools licensed by the Ohio Department of Education, are now eligible to participate in Step Up To Quality. Per state law, all publicly funded child care providers must participate by 2020, and centers & large in-home providers must achieve high ratings by 2025.

Child Safety and Permanency

Child safety is the primary and paramount tenet of child protective services, but establishing a forever family for a child is also essential. ODJFS is committed to innovative programming that achieves better outcomes for children and families. ODJFS continues to partner with the Dave Thomas Foundation for Adoption to use the Wendy's Wonderful Kids recruitment model in counties with a high number of children older than age 7 who have been in foster care for at least two years. The foundation trains and oversees specialized recruiters who work to find adoptive families for these older children. Research shows children served through this model are nearly twice as likely to be adopted.

Also in this year's budget, I am proud that we are fully funding Bridges, formerly known as Foster Care to 21. This program has the potential to provide the necessary support our foster youth need as they transition into adulthood. With support and life skills, we will be better preparing our youth to be self-sufficient and successful. Over the past year, we have been working diligently with a number of stake holders in this space to ensure our ability to fully operationalize this program upon approval of its funding by the legislature.

Additionally, this year's budget allows for additional support of kinship care by giving these custodians additional flexibility with some financial support necessary to care for the child that is now under their supervision.

Child Support

When it is collected, child support helps meet children's basic needs for food, shelter and medical support. It also reduces public assistance costs. In federal fiscal year 2016, Ohio collected more than 69 percent of all current child support owed, which was well above the national average of 64 percent and an improvement over the previous year. Ohio's performance in three other federal measures improved, as well. These federal measures are paternity establishment, support establishment, and collection of past-due support.

Food Programs

ODJFS is responsible for supervising the federally funded Supplemental Nutrition Assistance Program, which most people know of as SNAP or food stamps. SNAP provides an average monthly benefit of about \$124 to about 1.6 million Ohioans. All live in households with gross monthly incomes of up to 130 percent of the federal poverty level. The federal government pays for benefits, and states provide about half the administrative costs. Like the Ohio Works First program, SNAP has work requirements. Able-bodied adults ages 18 to 50 with no dependents are required to participate in employment and training programs or work for 20 hours a week. The goal is to provide not only a nutritional benefit, but job training and

work experience to help recipients build a path out of poverty. More than 40 percent of SNAP recipients are children. About 25 percent work or live in a household where someone works. Approximately 75 percent have some form of income – which could be earned income or things like Social Security Disability – or live in a household where someone has income. SNAP benefits cannot be spent on alcohol, tobacco, restaurant food or other prohibited items, and new anti-fraud protocols are in place.

Operations

Over the last biennium, ODJFS has undertaken several actions to reduce costs. Thanks to Ohio's improving economy, we've been able to reduce the number of unemployment staff as caseloads have declined. We also continued to rely more on shared services and implemented more paperless processes, all while maintaining high-quality, client-focused services.

In addition, we have encouraged our customers to use online, self-service options whenever possible. Our Child Support Customer Service Web Portal gives customers 24/7 access to their case information, often eliminating the need for them to call county caseworkers. More than 300,000 Ohioans use **ODJFSBenefits.ohio.gov** to apply for cash and food assistance, check the balance on their benefit cards, or complete forms or reports. The Employer Resource Information Center, Ohio's Internet-based unemployment tax system, issues contribution rate determinations to more than 220,000 employers, and more than 30,000 employers are registered and actively using the system.

We also understand the realities of Ohio's budget situation. It's a reality being faced by states all across our nation. As a whole, we know every state agency is working together to improve efficiencies that allow for lower spending and better service. In our case, other state agencies have greatly enhanced their processing time for applications for the federal SSI/SSDI program, allowing the state to discontinue the Disability Financial Assistance program. This program allows for eligible disabled Ohioans to get the federal support they are requesting far faster than they had previously, all while saving Ohioans' tax dollars.

Last but not least, more and more Ohioans continue to use **OhioMeansJobs.com**, the state's premier career and employment center. The website offers many of the same services available at local OhioMeansJobs centers, such as a resume builder and reviewer, skill and interest assessments, information about in-demand occupations, and information about local training programs for those in-demand occupations. In fact, a recent study by The Ohio State University highlighted the ability of the site to provide many of the services job seekers use that previously required assistance from caseworkers. By utilizing OhioMeansJobs.com to provide these services, it allows those caseworkers to better use their time supporting individuals in need of one-on-one support. In 2016 alone, nearly 137 million jobs were searched on the website. It lists more than 140,000 job openings at any given time, and about half pay at least \$50,000 a year – an invaluable service for Ohio's families, communities and the state.

In closing, we are keenly aware of our tremendous responsibility to administer federal and state dollars effectively and efficiently. We remain committed to being good stewards of taxpayer dollars, to providing excellent customer service, and to improving the well-being of Ohio's workforce and families by promoting their economic self-sufficiency and improving

their safety. Thank you again for the opportunity to be here today. I'll now be happy to answer any questions you may have.