



# Ohio Job and Family Services Directors' Association

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*Joel Potts, Executive Director*

## **Ohio House Finance Committee**

### **Substitute House Bill 166**

**May 6, 2019**

Chairman Oelslager, Vice-Chair Scherer, Ranking Member Cera, and members of the House Finance Committee, thank you for the opportunity to testify before you today regarding Substitute House Bill 166. My name is Joel Potts and I am the Executive Director of the Ohio Job and Family Services Directors' Association.

County department of job and family service (CDJFS) agencies administer one of the largest health, human service and workforce systems in the nation, with one in four Ohioans receiving assistance from the local office at any point in time. The CDJFS is responsible for administering programs to the state's most economically vulnerable citizens. Systems operated through the local agencies include cash assistance, food assistance, childcare, Medicaid (including long-term care, children's health insurance and services to aged, blind and disabled), adult protective services, and refugee services. Seventy-three of the state's OhioMeansJobs centers which deliver federal workforce programs at the local level are under the CDJFS, as well as sixty-five of the county public children services agencies and sixty-eight of the county child support enforcement agencies. It is the county's primary duty to ensure clients receive the services they need and are entitled to, as well as ensure program integrity.

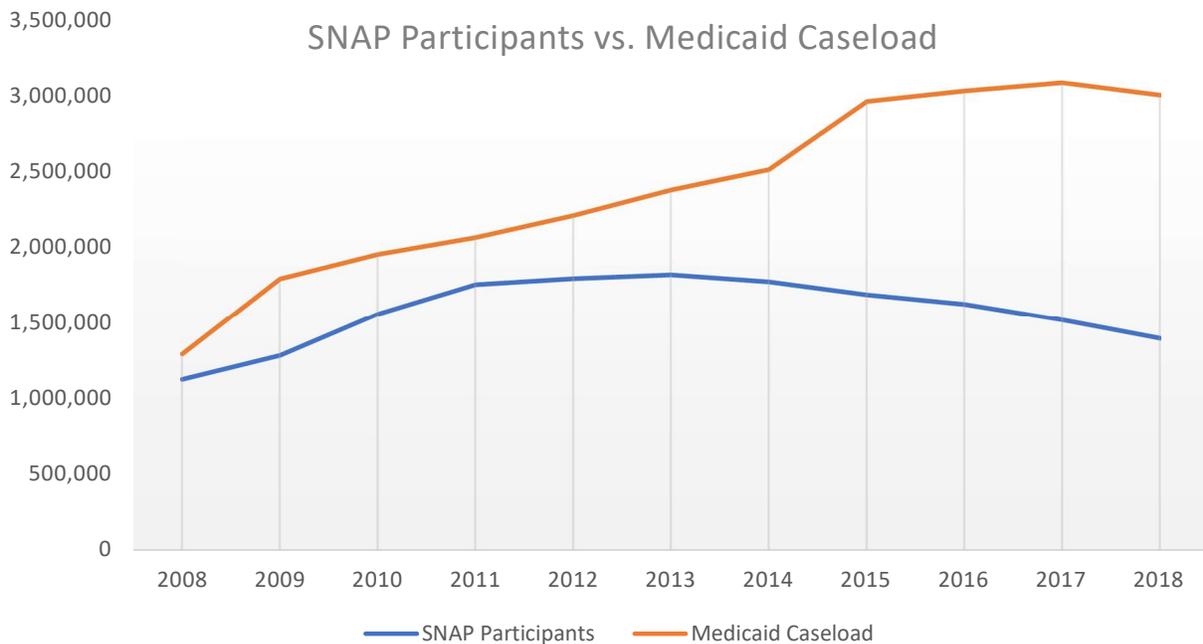
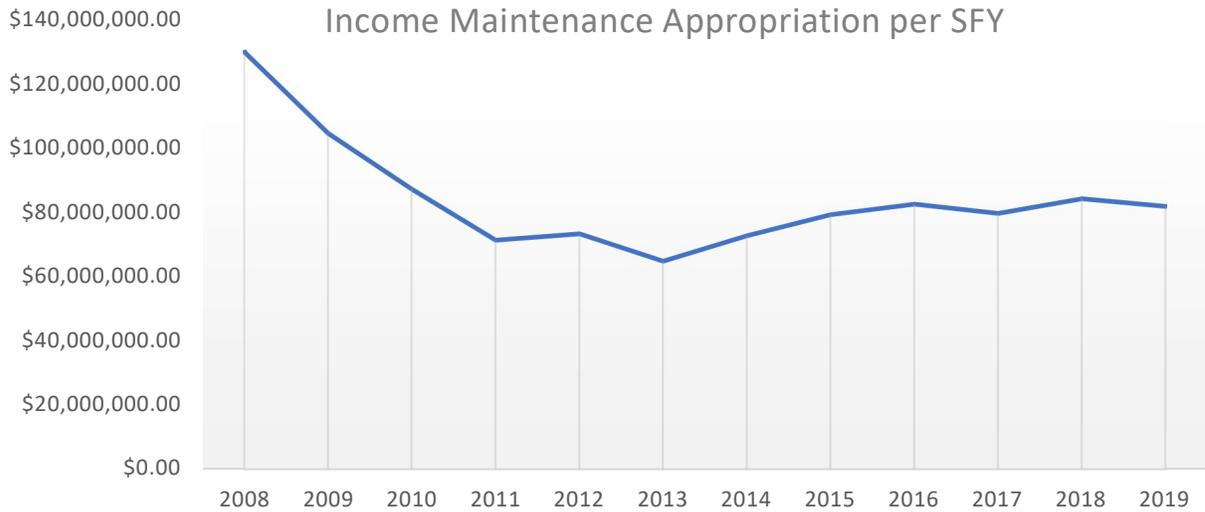
We overwhelmingly support the Ohio House of Representative's outstanding and unprecedented commitment to ensuring local agencies are able to protect and nurture children and families in need of protective services. You know the crisis that has been facing our local agencies who are on the front lines working to keep kids safe, and have responded in a way that is beyond what we could have envisioned. With the leadership of this chamber as well as the leadership of Governor DeWine, we will be able to help stabilize families and children in crisis. Thank you for your dedication to strengthening this vital system.

Counties are also thankful that the Ohio House has made a historic investment in adult protective services. Counties will be receiving the highest level of state support ever in the upcoming biennium with the proposed investment to the adult protective services line item. When a concerned individual or mandated reporter calls the county with a suspected report of elder abuse, neglect or exploitation, some agencies have not even one FTE doing the screening, investigation, and evaluation for need of services. Meanwhile, these reports have been skyrocketing in the past year due to increased awareness and law changes expanding the program that were implemented late last year. We appreciate your recognition of the need to ensure older adults remain connected to community supports and, when subject to abuse, neglect or exploitation, counties can respond promptly and appropriately to protect the adult and help ensure the perpetrator is held accountable.

Local job and family service agencies are serving more Ohioans than at any time in our history and with significantly fewer resources than were provided at the beginning of the recession. Regardless, counties continue to meet the challenges and serve the community well. The counties constantly strive to

provide a viable, safe, effective, efficient system while maintaining program integrity and operate as good shepherds of the public trust.

Counties currently receive 37 percent fewer administrative dollars than in 2009 but are serving 270,000 more food assistance/SNAP recipients and one million more Medicaid clients over this same period. While our caseloads have shown a moderate decline as a result of the economy, caseloads are still high compared to the funding county agencies receive to support the residents in our system.



The types of clients participating in Ohio's public assistance programs have changed in recent years and for the first time in our history we are serving more working individuals than non-working. Cases with incomes are far more complicated and require additional work on county staff to verify incomes and assets, as well as to ensure program integrity. One out of four Ohioans receive assistance from the job and family services system at any point in time. County agencies currently receive an estimated 10,000 calls per day and receive over 2 million documents each month which need to be verified and utilized to determine eligibility.

County agencies are proud of the work we do and privileged to serve the vulnerable and economically challenged residents of Ohio. With caseloads up and resources down, state and county agencies have responded by developing more efficient systems, restructuring staff, utilizing call centers and sharing work across county lines to better serve customers. In order to meet the challenges in the system, and in conjunction with the state departments of Job and Family Services and Medicaid, we have developed and implemented numerous strategies to meet the increased demands on the system with the resources available to us. I outlined many of these in testimony to the House Finance Subcommittee on Health and Human Services.

**Local Program Support Shortfall** - The implementation of new eligibility systems, development of shared services models and other operational changes have allowed counties to maintain services despite administrative reductions, burgeoning caseloads and new program requirements. In order to continue to adequately support the demands on the system and meet program expectations, county agencies need to be kept whole in our overall local program support allocations.

At the beginning of the calendar year, county agencies were informed of a change in federal reimbursement for local operations which would substantially reduce county funding and result in decreased resources. If not addressed, a combination of unrelated policy decisions will erode the already tight funds available to county JFS Departments, causing severe impacts on local program service delivery. Core work that can already be difficult to do timely given counties' current public assistance eligibility and casework staffing levels for not just Medicaid, but also SNAP and TANF, will be even harder for some counties to keep up with.

OJFSDA is greatly appreciative of the leadership of the DeWine administration, especially Directors Hall and Corcoran and their teams, to help counties address this funding concern. Swift action on their parts has allowed us time to work through this change in policy and work on potential solutions to the county budget shortfall.

If counties are not kept whole with an infusion of \$8-10 million/year in state support, the total loss of all funds will be approximately \$20 million/year. Fewer resources will result in slower customer service, increased call wait times, a substantial lengthening of the eligibility process, put the state at risk of penalties for failing to meet program eligibility requirements in a timely fashion, and reduced staff through attrition, or in some counties, layoffs.

You may have seen an article in *The Columbus Dispatch* yesterday on the backlog in Ohio on processing Medicaid applications. We have been working closely with the state on this issue and counties have made significant progress, despite not have all of the necessary management tools such as timely and accurate reports on these cases. The very work highlighted in that article that counties have been working to prioritize is the work funded by our local program support allocations, and those eligibility workers are where some significantly impacted counties will need to reduce staff to manage the loss of state and associated federal funds.

Through the budget process we hope to maintain an overall neutral allocation for the next biennium – absent the implementation of the Medicaid work requirement – by requesting a corresponding increase in the local program support allocations. This will allow us to preserve our current service capacity.

We will continue to work with the Governor’s office and state staff to ensure counties are able to leverage the maximum amount of federal resources possible to maintain operations. It is our hope that we will be able to find ways to pull down additional federal matching dollars with as few state dollars as possible. We ask for your support on an amendment that will permit the Ohio Department of Medicaid to continue to work with counties on this matter.

**Workforce** - As the public workforce development agency, counties are responsible for maintaining and forging new relationships with area employers and ensuring the availability of a ready to work population. Counties work with employers to do employee recruitment and screening and identify in-demand occupations. Counties also aid low-income workers who need short-term, non-recurring assistance to find and maintain employment and can assist individuals with the training or retraining necessary to ensure them a place in the labor markets of today and tomorrow. In addition, the recent implementation of the Comprehensive Case Management and Employment Program (CCMEP) is the largest workforce and welfare reform effort attempted in the state in more than twenty years. The program serves both mandatory and voluntary youth (individuals ranging in age from 14 to 24 years of age) through a combination of federal Workforce Innovation and Opportunity Act funds and CCMEP-TANF funds. State and county staff worked tirelessly prior to and after program implementation to find the best way to braid these federal programs together, and now we are seeing the fruits of this labor.

There are several workforce development and student retention initiatives in the bill that we are excited to discuss further. We have questions around the proposed creation of the Employment connection incentive program. A House-added provision would require each Medicaid managed care organization to establish an employment connection incentive program to assist Medicaid recipients in obtaining and maintaining employment. Managed care organizations could then earn incentive payments based on their successes with their programs.

The publicly, federally funded workforce development initiatives in the state, including WIOA, TANF, SNAP Employment and Training, Ohio Works First, and the Ohio Works Incentive Program – are a myriad of voluntary and mandatory programs that are available to individuals receiving public assistance. For a substantial portion of the population, these programs are working. However, they are underfunded. We would suggest the legislature not create a duplicative program and instead work with the state and counties to examine what gaps may exist between these programs and how they may be filled.

Thank you for the opportunity to provide testimony. I am happy to answer any questions you may have.