

Ohio House Finance Subcommittee on Health and Human Services
House Bill 166
Joel Potts, Executive Director
Ohio Job and Family Services Directors' Association
April 10, 2019

Chairman Romanchuk, Ranking Member West and members of the House Finance Subcommittee on Health and Human Services, thank you for the opportunity to testify before you today regarding 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), adoption, adult protective services, child protective services, foster care, refugee services, local workforce initiatives and child support programs. 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 support the Governor's budget approach and goals to protect and nurture children, ensure access to quality early education and care, advancing workforce development initiatives, and optimizing service delivery.

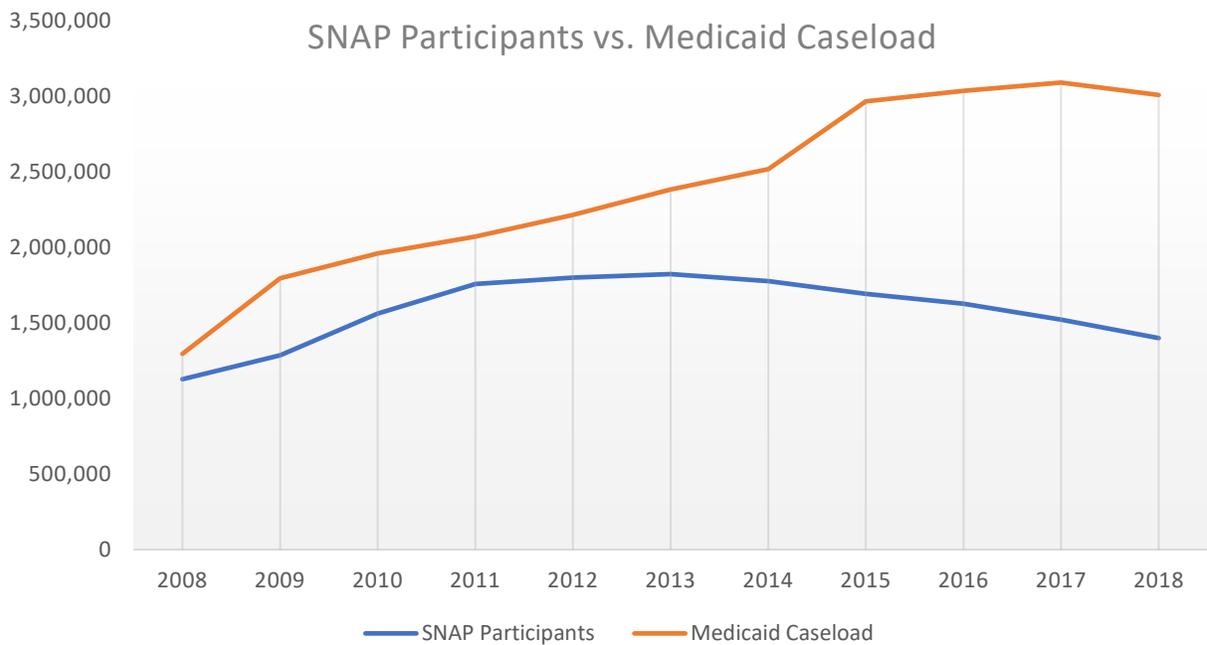
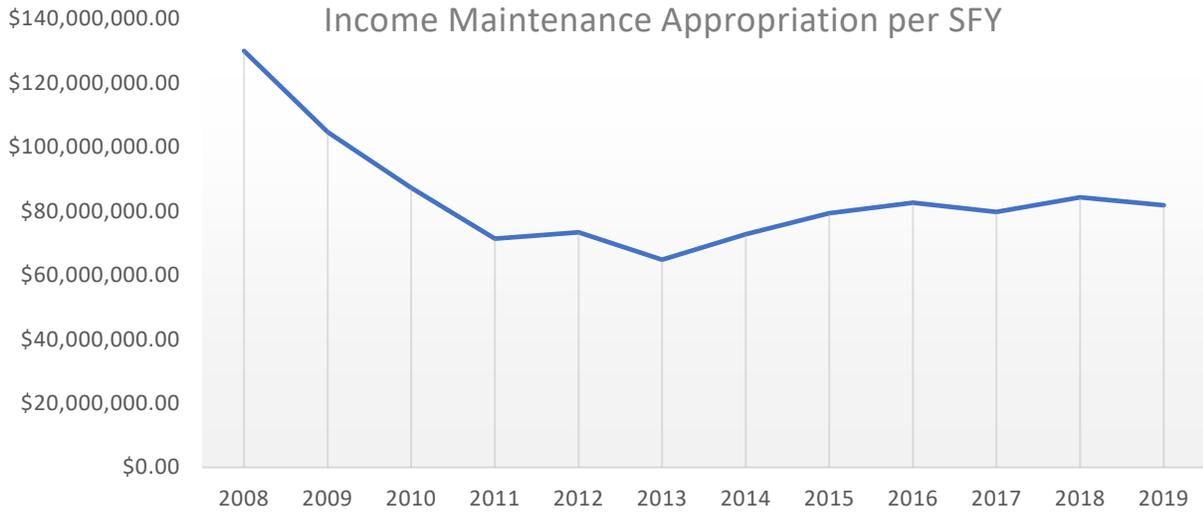
The Ohio Job and Family Services Directors' Association is especially grateful for Governor DeWine, Director Corcoran and Director Hall's support in the executive budget for local operations, especially in the child protective service system. The proposals outlined in the Governor's budget are desperately needed and will go a long way towards providing the kinds of support kids in our system need and deserve. The new programs and program dollars will result in better outcomes for Ohio's children.

There were 3,200 more children in foster care during 2018 than in 2016, and a \$54 million annual increase in placement costs over this same period. With the support of the General Assembly in the current budget and new investments outlined in the Governor's budget, county agencies will be able to better serve our communities, provide better services to vulnerable children and meet the challenges facing the system including the continued impact of the opioid crisis and new federal mandates.

The Governor and Director Corcoran are also proposing mechanisms to better serve children in the child protective system through improved use and coordination of healthcare services. The support and leadership from the Department of Medicaid will provide significant dividends to the children we serve.

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.



Source: Data recorded from ODJFS Public Assistance Monthly Statistics Reports and ODM Caseload Reports

The types of clients dependent on Ohio's public assistance program 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 ensuring program integrity. One out of four Ohioans are dependent on the job and family service 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.

Finding efficiencies and enhancing services to clients - The delivery system for public assistance programs in Ohio is in the midst of meaningful change. A major investment spanning several years has yielded a new eligibility determination system called Ohio Benefits. This system went live in August of 2018 for Ohio's three major public assistance programs – food assistance (SNAP), Medicaid, and Temporary Assistance for Needy Families (TANF) programs. Ohio is still addressing additional enhancements and defects that need to be prioritized for stabilization of the system but the system is already yielding positive results.

The full implementation of Ohio Benefits holds much promise for modernizing and transforming the county service delivery system. Along with a new and improved eligibility system, a statewide document imaging platform (referred to as the Enterprise Document Management System, or EDMS) and statewide interactive voice response (IVR) system allow counties to share services via call centers and across county lines. These hold vast potential for bringing efficiencies that both save taxpayer dollars and improve customer service.

We are uniquely positioned to capitalize on this time of change and make targeted investments in technology to ultimately transform the way counties deliver services. Full implementation will require funding for training, the use of management tools like reports, and the ability for counties to access data.

The future of service delivery is shared services. 77 of Ohio's 88 counties currently participate in shared services, which is the name used to describe multiple counties working together (or metro counties on their own), using a common model of doing business that includes call centers, interactive voice response, outbound phone notifications and audio signatures. This is a vastly more effective way of doing business than our older model, where clients made multiple trips and/or phone calls to the agency.

Shared services are yielding noteworthy outcomes and will continue to enhance the programs we administer to better serve Ohio residents. Ninety-one percent of Ohio residents receiving public

assistance are represented in the 77 counties on the shared service platform. Of the 77 counties involved in shared services, nine of them are metropolitan counties. The other 68 are divided into 8 groupings of counties that work together across county lines to operate call centers. These call centers offer numerous activities.

All 77 counties are active on the Medicaid shared services platform, meaning they do all intake and renewal activities for Medicaid by phone. Forty-two counties are also active on the SNAP/Cash assistance platform, which means they do all intake and renewal activities by phone. An additional 15 counties are looking to add this functionality within the next 4 months.

Work completed in call centers for the month of February 2019:

- Responded to 146,000 calls.
- Completed 60 percent of Medicaid cases in “real-time eligibility”, meaning that all program eligibility requirements were met on the phone call, including an audio signature.
- Completed 52 percent of SNAP cases in real time eligibility

Real-time eligibility eliminates the need for multiple in-person trips to the CDJFS to provide additional information and sign applications. This means clients do not have to take time off work or find child care or transportation. County agencies in shared services are experiencing reduced agency traffic leading to reduced staffing needs for walk-ins.

- Answered calls with an average speed 9.1 minutes statewide (many counties have reported hold times of less than a minute (depending on the time of the day, week and month).
- Completed calls in an average of 20.8 minutes per call statewide (in-person meeting generally take 45 minutes to an hour).

The state has also added several enhancements to further advance the shared services structure. They include:

- A “Screen Pop” on the worker’s desktop that fills in the caller’s data (name, address, program information).
- One-click access to the caller’s EDMS (document management system) file to more quickly find what documents the client has already provided and identify what they still need to turn in.
- A function on the IVR system for clients to determine what documents were recently submitted to the county without speaking to a worker. Clients can already find out what programs they are currently on and what amounts they are receiving by IVR.

Two other substantial upgrades to shared services currently being developed include:

- Three new outbound phone campaigns: Including client notification of benefits approval, documents recently received by the agency, and documents that are still owed to the agency

before eligibility can be determined. Clients will also be receiving automated calls for them to sign up for text messaging, speak with a case manager or to remove their number from the call list.

- Addition of county ad-hoc campaigns. For example, counties could let clients know by outbound phone calls that the county is holding a jobs fair at the community center or a health fair for pregnant women at the health department.

The Governor's budget includes resources to further develop and implement the various information technology systems that support the job and family services system and OJFSDA supports the executive budget proposals.

IM 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 begin to erode the funds available to county JFS Departments, causing severe impacts on local program service delivery for public assistance and workforce development.

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.

Current estimates are that counties would need an additional \$10 million of general revenue funds annually to maintain existing staffing levels and services. 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.

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.

Over the next few weeks we will be working with the Governor's Office, the House and Senate Finance Committees and policy makers to find alternatives to the budget shortfall. 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, but much work is left to be done on this matter to develop a final budget request.

Medicaid Work Requirement - The federal government has approved Ohio's waiver request to implement a Work and Community Engagement Requirement for the Medicaid expansion, or Group VIII, population. Operating the new program will require significant additional work hours at the county level. Appraising Group VIII individuals to determine if they must meet the requirement to maintain coverage is just one aspect of implementing this program. Other critical pieces of the program as set forth in the waiver include providing supportive services, such as transportation or work experience programs, and involvement in state hearings.

The Ohio Department of Medicaid is working diligently to automate as much of the process as possible, ensure the program is administered humanely and that those in need of healthcare receive the help they need, while minimizing the burden on the counties. OJFSDA supports the work of ODM and will continue to work with the Administration and legislature as program details are finalized and costs are identified. The Executive Budget provides uncodified language to address the financial needs necessary to implement the work requirement. These resources will be a vital part of making Ohio's work program a reality.

TANF Services Framework - ODJFS Director Hall provided the Subcommittee the State's TANF Services Framework. This document is the most comprehensive financial document I have seen in the 22 years of the TANF program, displaying the last full year for actual expenditures, the existing budgeted data, the executive budget proposal for the next biennium, and a complete picture of the future of the TANF program based on the direction of Ohio's program.

Ensuring access to quality education and care is a high priority for the state. Seven years ago the General Assembly mandated that Ohio participate in the Step Up To Quality (SUTQ) child care initiative and rating system by July 1, 2020. This valuable and meaningful program is important for the low-income children of the state and when fully implemented expects to help children enter school ready to learn and improve overall outcomes for families. We must balance the goals of SUTQ with the reality facing low-income Ohioans in today's workforce. We also must ensure SUTQ makes business sense for our publicly funded childcare providers.

The SUTQ mandate does not have a dedicated funding source and thus far has been fully funded by the TANF program. Today, state plans to fund the SUTQ program are fully dependent on the TANF block grant and will dedicate half of the federal program to the SUTQ system (over \$500 million annually).

With the high cost of the program and no other funding source, the state's proposal for TANF is manageable and reasonable for the coming biennium but raises considerable uncertainty for future years. In addition to the Step Up To Quality Program, the state proposed TANF Services Framework will continue to fund and support the Ohio Works First program, Comprehensive Case Management and Employment Program, food banks, faith based and fatherhood initiatives, local Prevention, Retention and Contingency programs and support Ohio's child protective service systems, kinship programs, workforce programs and supports, and overall local operations.

OJFSDA is appreciative of the transparency of the state department in providing the framework which clearly demonstrates that the path the state is on for TANF is unsustainable without a long-term funding solution for SUTQ. The sustainability fund balance will be greatly reduced by state fiscal year 2022 and

eliminated by SFY 2023. In order to fully fund this initiative and not put the entire state TANF program at risk, solutions must be found soon.

The state's proposed approach allows a limited window to address this concern and the mechanism they have provided will ensure sustainability and stabilization through the next biennium. However, the days of TANF funding for all the programs currently supported through the block grant, including SUTQ, are limited.

APS - Over the last ten years Ohio's elderly population has been increasing rapidly, triggering a growing need for Adult Protective Services (APS). This need has been exacerbated by the addiction epidemic and increasingly tech savvy perpetrators, causing APS referrals to skyrocket. Additionally, Ohio recently changed APS laws to increase the number of mandatory reporters and broaden the scope of cases that must be investigated but provided no new resources to support this requirement.

Last year, ODJFS reported that county APS investigations have increased over 40 percent between 2014 and 2018. In fact, between October 1, 2018 and June 30, 2018 (the implementation of the Ohio Database for Adult Protective Services through the end of SFY 18), counties received over 21,000 new referrals.

Currently, counties receive just \$30,000 each - not enough for even one full time caseworker - to receive reports of suspected elder abuse, neglect and exploitation and do the resulting casework. Ohio must increase investment in these services to ensure that every county has a basic APS capacity.

OJFSDA respectfully requests an increase of \$3.1 million annually to be used to support the equivalent of at least one full time employee per county dedicated to APS. Currently more than 30 counties lack one full time APS worker. Such an investment would be an incremental step in strengthening the program.

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 executive budget proposes expanded education and workforce training opportunities through collaborations with the Ohio Department of Higher Education and state community colleges to provide wrap-around services to students on public assistance. The state approach will help maximize available federal resources in the SNAP program and help clients obtain skilled employment at livable wages and eliminate the need for public assistance.

We are very supportive of these efforts to strengthen the employment and training programs and maximize funding for these programs in a way that will help clients advance toward self-sufficiency, and we look forward to actively participating in these conversations.

Child support - We are partnering with the Ohio CSEA Directors Association in requesting \$2.6 million in state general revenue funds to enhance the state's child support program.

There are over one million children in Ohio in need of support and local child support enforcement agencies successfully collect over \$1.7 billion a year for these families. But much more needs to be done to support the children involved in this system. An investment in child support will strengthen Ohio's program, help children, and continue Ohio's performance as a national leader. Furthermore, it should be noted that every \$1 invested in the program may be matched with \$2 in federal funding.

State investments in the child support program have not been increased since 2012 and were reduced by one-and-a-half percent per year in the current biennium. It is an unfortunate reality that in Ohio, one in every four children are born to unmarried parents. The demands on the system continue to grow and state funding has not kept pace with the needs.

Investing in Ohio's child support program is extremely cost effective, lifts children out of poverty, reduces dependency on public assistance programs and supports families. Historically, families receiving welfare benefits will leave the program almost twice as fast as cases where no child support order is established, or collections are made. Child support collections also offset costs to the state's Medicaid and public assistance programs.

Ohio's program is a national model, collecting \$6.51 for every dollar invested: significantly above the national average. That means even a modest investment in the child support program of \$2.6 million in GRF may be expected to result in over \$50 million to the children and families of the state.

Kinship - OJFSDA is very pleased and supportive of Governor DeWine's budget initiatives to support kinship caregivers. When a child needs to be removed from his or her home due to unsafe conditions or neglect, children services workers first check to see if there is a suitable extended family member, or kin, to care for the child. Kinship placements are less traumatic for the child than being placed with an unfamiliar family or in an unaccustomed setting. Kinship placements are more stable while permanency options are explored and less expensive than foster home placements.

One of the most significant barriers counties encounter while exploring potential kin placements is the cost kinship caregivers face in taking on the obligation of child care for the wards they have brought into their home. To help provide quality care for children in crisis and reduce costs to the overall child protective services system, the executive budget would provide local public children service agencies \$15 million annually in TANF funds to help address this challenge. Funding may be used to assist kinship families with resources to offset the high cost of child care, as well as providing child caring services to the family.

The executive budget also proposes \$5M annually for kinship and foster care recruitment and support. These services are vital to a robust and nurturing out-of-home-care system for children in the care of

public children services. The proposed investment for the kinship navigator program would result in extremely beneficial services for kinship providers to help them traverse the multiple legal and personal challenges that are often a part of parenting children in the protective service system.

These investments would enhance the number of kinship caregivers and foster care providers and improve outcomes for children while decreasing the costs to the child protective services system.

Census - Finally, 2020 is a crucial census year. County job and family service agencies are committed to working with the state to ensure every Ohioan is counted to ensure vital funding to the state and communities. Additionally, accurate census data will provide a greater understanding of the needs of the low-income citizens of the state and assist in the direction of resources and programing to help our residents in greatest need.

Mr. Chairman and members of the committee, thank you for your time. I would be happy to answer any questions and look forward to working with you to finalize a budget which meets the needs of the citizens we serve.