



Testimony before the House Finance Subcommittee: Health and Human Services

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House Bill 33

Chair Carruthers, Ranking Member Liston and members of the House Finance Subcommittee on Health and Human Services, thank you for the opportunity to testify on several housing-related provisions of the biennial budget. My name is Amy Riegel, I became executive director of COHHIO last June after serving as the senior director of housing for CareSource, the managed care organization.

CareSource and Ohio's other Medicaid MCOs have become more engaged in addressing housing insecurity because they came to realize that it was negatively impacting their members' health, and the companies' bottom line. Housing problems are complicating so many other issues facing Ohio: infant mortality, opiate addiction, lead poisoning, foster care, education, workforce readiness, and criminal justice.

To highlight a few examples, research in recent years has shown:

- The risk of foster care placement among children from homeless families is 34 times higher than children who are housed.
- Housing chronically homeless patients reduced hospital emergency room visits by up to 78%.
- Housing people who were homeless reduced the number of arrests by up to 78% and cut overall incarceration costs by up to 95%.

So many of Ohio's public policy issues begin at home – or the lack of a home. Even before covid, there was a severe shortage of affordable housing in Ohio, and it has only grown worse in the last two years as rents have increased at a record pace. With nearly 400,000 Ohio households spending over half their income on rent, many families are living on the edge. If a parent loses a job, gets sick, or becomes pregnant, the family too often faces eviction and the prospects of homelessness.

That is why we are happy to see Gov. DeWine propose investments in affordable housing. All our requests today are simply to keep the housing provisions the governor included in his executive budget.

One priority item is **Healthy Beginnings at Home**, which is demonstrating that housing can reduce the risk of infant mortality. During my time at CareSource, we invested in HBAH and watched birth outcomes improve dramatically while healthcare costs plummeted for women who received housing intervention. No babies died among the 50 families who received housing, but there were four fetal deaths among those who

received only usual care. Medicaid costs averaged \$4,175 for the housing group, and \$21,521 for the control group.

The executive budget includes a \$16 million appropriation in FY 2024 and \$1 million in FY 2025 for HBAH 2.0 as a part of the proposed Department of Children and Youth. This will fund the replication and expansion of HBAH to a full-scale scientific study in Franklin, Montgomery, Hamilton, Summit counties. It will save babies' lives, reduce Medicaid expenditures, and will establish a model to support vulnerable pregnant women and their babies that could be replicated throughout the U.S.

Another item we want to highlight is the **Ohio Housing Trust Fund**, the primary state source of funding for housing and homeless programs. The Trust Fund helps communities leverage private and federal funding for local housing and homeless programs. By statute, at least 50% of the funding must flow to rural communities. In addition to homeless services, the Trust Fund supports affordable housing development and rehabilitation, and it funds local home repair and accessibility programs that keep seniors and people with disabilities living in their own homes and out of institutions.

The booming housing market has generated more fee revenue flowing into the Trust Fund in recent years, and we are grateful that the governor proposed raising the spending authority to \$65 million/year. This will not only bolster local efforts to address housing issues – it will help Ohio's economy. Ohio Housing Finance Agency research shows each development dollar the Trust Fund invests leverages more than \$8 in private and federal matching funds and generates nearly \$12 in overall economic activity for the state.

We also support the creation of a **Multi-family State Housing Tax Credit**. This is a worthy effort to start reducing the dire shortage of affordable housing throughout Ohio. We desperately need more rental units that are affordable to all members of Ohio's workforce, especially people working low wage service jobs – the caterers and servers, fast food workers, cleaning crews, landscapers, home health aides, child care workers, and your barista at Starbucks.

We are also anticipating an appropriation for the **Housing Now for Homeless Families (HNHF)** program when the TANF budget get released. HNHF invests TANF funds to prevent homelessness and quickly rehouse homeless families, which is crucial because the longer people stay unhoused, the harder it gets to regain stability.

In conclusion, we know that if you focus on making sure every child has a safe, stable place to sleep at night, then all the other work you do will be so much more effective. Attached you will find some other positive budget highlights and information, but I'll stop here and would be happy to answer any questions that you might have.



Healthy Beginnings at Home (HBAH) is a collaborative effort to reduce infant mortality by providing housing assistance to unstably housed Ohioans. This initiative is building scientific evidence that shows stable housing improves birth outcomes for at-risk women and their families, reduces Medicaid spending, and addresses racial disparities.

CelebrateOne, an infant mortality prevention collaborative in Columbus, led the initial pilot study of 100 families from 2018 to early 2021, which produced very promising preliminary results on birth outcomes and Medicaid savings (see below).

Launched in 2022, HBAH 2.0 expands the original study's scale to provide housing intervention services for 300 women across four counties in order to produce statistically viable data to show that housing interventions prevent infant mortality, reduce racial disparities, and constrain Medicaid spending.

MEDICAID SAVINGS

Average paid per claim for infants at the time of delivery for

- **Intervention group = \$4,175**
- **Control group = \$21,521**

Babies in the housing intervention group were less likely to be admitted to NICU and stayed just

8 days versus 29 days

for usual care NICU admissions.



Infants are the most common age accessing homeless services in Ohio.

A 53% increase from 2012 to 2017.

BIRTH OUTCOMES

Four fetal deaths in the control group.

NONE

in the housing intervention group.

40 out of 51 babies

in the intervention group were born full-term at a healthy birthweight compared to

24 of 44 babies

in the usual care group.

HBAH is a public-private partnership leveraging federal, state, and local dollars in each community with the power of philanthropy. Partners include: Coalition on Homelessness and Housing in Ohio; CelebrateOne Columbus, Home for Families; CareSource; Nationwide Children's Hospital; Columbus Metropolitan Housing Authority; Cradle Cincinnati; United Way of Summit and Medina; Full Term First Birthday Greater Akron; Akron Metropolitan Housing Authority; Greater Dayton Area Hospital Association; Health Policy Institute of Ohio; Barbara Poppe and Associates.

FY 2024-2025 EXECUTIVE BUDGET EXPANDS HEALTHY BEGINNINGS

House Bill 33 budget includes \$16 million in FY24 and \$1 million in FY25 in the proposed Department of Children and Youth to replicate and expand HBAH in Franklin, Montgomery, Hamilton, Summit and one or two additional counties if this funding level remains. This appropriation will make HBAH a full-scale scientific study that could become a model for reducing fetal deaths and Medicaid spending to be replicated throughout the U.S.



COHHIO’s Biennial Budget Priorities

Gov. DeWine’s biennial budget proposal includes provisions that will position our State to address housing insecurity in several ways. We support proposals like creating a state multifamily housing tax credit that would increase the supply of affordable housing. This economic development tool, along with the items below, would help advance the Governor’s vision to “address the issue of housing holistically”. We respectfully request the Ohio General Assembly KEEP the following items from the “As-Introduced” version:

1. COHHIO supports full funding of the **Healthy Beginnings at Home** (HBAH 2.0) project, which provides housing interventions for pregnant women at high risk of infant mortality. The As-Introduced budget includes a \$16 million appropriation in FY24 and \$1 million in FY25 for HBAH as a part of the proposed Department of Children and Youth. This appropriation will save babies’ lives and reduce Medicaid expenditures in Hamilton, Montgomery, Franklin, Summit and one or two additional counties if this funding level remains. (This item can be found under agency code KID and ALI 45469.)
2. COHHIO supports spending authorization of up to \$65 million each year for the **Ohio Housing Trust Fund** in the As-Introduced version. The OHTF is the state’s primary and most significant source of funding for local homelessness and housing services. (This item can be found under agency code DEV and ALI 195638.)
3. COHHIO supports the following appropriations in the As-Introduced budget:

Agency	Fund	ALI	Name	FY24	FY25
DEV	GRF	195420	Housing Technical Assistance – zoning and code reform grants for localities	\$1.5 million	\$1.5 million
HFA	5ZM0	997602	Landlord Credit Score Cost Assistance – offset landlords’ costs to report rent payments to credit bureaus to build tenants’ credit scores	\$16,861,741	\$17,433,489
EDU	3EJ0, 3HZ0	200622, 200641	Homeless Children Education, ARP – support school districts’ efforts to educate homeless students	\$3,600,000 (non-GRF)	\$3,600,000 (non-GRF)
DOH	GRF	440672	Youth Homelessness – grants to support effective local youth homelessness programs	\$3,569,870	\$3,744,794

4. Finally, COHHIO supports the allocation of TANF funding for the **Housing Now for Homeless Families** program to prevent homelessness and quickly move families with children out of homelessness. We look forward to seeing appropriations of \$15 million in FY24 and \$20 million in FY25 in the TANF Spending Plan.

See attachments for more information.

