



House Bill 96 Proponent Testimony

Chair Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee,

Thank you for the opportunity to submit written testimony on House Bill 96. My name is Jane Anderson, and I serve as the Executive Director of CHOICES who has recently merged with UMCH Family Services. I also serve as the President of the Board for the Ohio Children's Alliance. Both agencies, UMCH Family Services and CHOICES are leading providers of child welfare and behavioral health services in Ohio and a member of the Ohio Children's Alliance.

For over 140 years combined, UMCH Family Services and CHOICES has served Ohio's most vulnerable children and families through community-based mental health care, treatment foster care, Intensive Home Based Treatment (IHBT), Independent Living Services, Bridges and family reunification and prevention services. As an OhioRISE Care Management Entity (CME), we also help families navigate complex behavioral health needs to prevent out-of-home placements.

The Role of Private Agencies in Child Welfare & Behavioral Health

Ohio is one of **only nine states** with a **county-run child welfare system**, meaning each of Ohio's **88 counties** sets **its own policies, rates, and provider requirements**. While counties **hold legal custody** of children in foster care, they rely on **private agencies like UMCH Family Services/CHOICES** to:

- **Recruit, train, and license foster families**
- **Provide behavioral health treatment and crisis intervention**
- **Operate scattered site apartments for the placement of Independent Living youth aging out of foster care**
- **Deliver case management and family support services**

In addition to this, some counties contract out other services to their private agency counterparts. In Montgomery, Clark and Warren counties we receive dollars to provide in home services to either prevent the removal of youth from their home or assist in the reunification process to ensure youth remain in their home after an out of home care placement. This **public-private partnership** ensures families get the **best possible care**, but **a shrinking workforce and rising costs threaten our ability to meet demand**.

The **state budget must sustain critical investments** to **prevent placement shortages, longer wait times, and additional strain on families** while ensuring **sound policy changes** that strengthen, rather than destabilize, Ohio's child welfare system.

Key Budget Priorities

1. Protect Medicaid Reimbursement Rates for Behavioral Health

The behavioral health workforce crisis is worsening, with 40% turnover annually and residential providers operating at only 50-75% capacity due to staffing shortages. To maintain access to OhioRISE and Multi-System Youth (MSY) services, we must:

- Maintain **current Medicaid rates** to avoid service cuts
 - **Build on** previous Medicaid rate increases with **an additional 5%** investment
 - Ensure **community-based mental health providers** can retain staff and meet demand
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2. Preserve Student Wellness and Success Funds (SWSF)

Schools are a primary access point for children's mental health services. Without SWSF funding:

- School-based therapy, crisis intervention, and trauma-informed care could be at risk
- Behavioral health providers may struggle to maintain school partnerships
- Suspension and expulsion rates, which were a reason the SWSF fund was created could rise again, threatening long-term success for our students.

We urge the **legislature to protect SWSF funding** from being impacted by **school funding formula changes**.

3. Support House Bill 7 – Publicly Funded Child Care for Foster Families

A major barrier to foster parent recruitment is child care access. HB 7 would:

- Expand publicly funded child care for foster families
- Allow foster parents to attend training and court hearings without financial strain
- Make fostering more accessible to working parents

Investing in HB 7 by incorporating it into the budget bill would be critical in helping us recruit and retain foster parents, keeping children out of higher-intensity placements like residential treatment.

Concerns & Recommended Solutions

1. Foster Care Rate Cards

HB 96 grants DCY authority to standardize foster care rates, but fails to address the real cost drivers:



- Regional cost variations and service differences
- County-imposed regulatory compliance costs
- The specialized needs of programs like Safe Harbor's human trafficking residential program

Instead of a one-size-fits-all rate card, we propose a **legislative-led workgroup** to:

- **Review IV-E cost reports and analyze cost drivers**
 - **Ensure provider rates are fair and sustainable**
 - **Develop data-driven solutions that stabilize the system**
 - **Provide a report with recommendations to the state legislature**
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2. Licensure Suspension

HB 96 allows residential facilities and foster homes to be shut down based on a wide variety of criteria, including allegations which could easily be proven false and sometimes take months to be investigated by counties. This could:

- Disrupt children's placements, increasing trauma
- Deter families from fostering due to fear of immediate suspension
- Discourage providers from remaining in the system and shrink placement options at a time where it is critical that we increase the amount of options.

We urge the legislature to narrow the scope of this language to mitigate unintended consequences.

3. Regional Child Wellness Campuses

HB 96 allocates \$30 million for new Regional Child Wellness Campuses, an investment which we believe could be transformational in combatting Ohio's ongoing placement crisis. We deeply appreciate this commitment to expanding resources for kids in need and want to ensure that the state's investment is maximized. There are some restrictions which we fear could hinder the impact of these dollars, including:

- That these campuses could only serve PCSA-custody youth, excluding youth placed through OhioRISE and MSY funding
- There is not a mechanism for ongoing funding for this program
- It would stand to compete for already-limited workforce resources without addressing the root causes of placement shortages

For these reasons, we recommend expanding the eligible uses of this funding to include treatment foster care initiatives to 1. increase the number of specialized foster homes for youth with complex needs and 2. expand our child welfare workforce.



Chair Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee,, thank you again for the opportunity to testify on House Bill 96. I am happy to take any questions you may have.

Thank you,

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