

Ohio Senate Finance Committee May 27, 2025 Interested Party Testimony on House Bill 96

Chairman Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson and members of the Senate Finance Committee, thank you for the opportunity to provide written testimony as an interested party on House Bill 96.

I am the Ohio State Director at Necco. Necco is a foster care, independent living, residential and behavioral health company founded in 1996. In addition, Necco provides services to young adults that have aged out of foster care and are transitioning into adulthood through independent living programs. While Necco is headquartered in Cincinnati, they also operate throughout all of Ohio, Georgia, West Virginia, and Kentucky. To date, Necco has built over 30,000 families and completed over 9,500 adoptions.

I would like to focus on two provisions in the Department of Children and Youth's (DCY) budget.

1. State Rate Cards

A provision in HB 96 allows DCY to "issue a request for proposals to establish statewide rate cards for the placement and care of children eligible for foster care maintenance payments." While Necco agrees there should be more rationality and consistency to the process of rate setting in Ohio, our concern is that there are potentially unintended consequences that are likely to result from this provision. For example, if the types of children served by the Necco Center (and any similar high acuity facilities in the state) are issued the same rate as a general group home, counties can then choose a low rate versus the program that best meets the child's treatment need.

Rather than a state rate card that will <u>not</u> reflect the regional cost differences, various county reimbursements, and differences in services provided, we request a workgroup of industry experts convene to make recommendations to the Legislature on appropriate rates. The workgroup should consider the provider's service level designation, rather than a universal rate that applies to all providers who provide differing levels of care. The service-level rate information would provide the state more insight into each level's rates and therefore allow DCY to implement best practices that accurately reflect each provider level's costs of providing services.



2. Regional Child Wellness Campuses

We understand the placement issues Ohio is facing and support the overall intent of funding new Regional Child Wellness Campuses. However, it is important that the funding is available to support specialized treatment foster homes. Also, we are extremely concerned that the additional wellness campuses will be in direct competition with our workforce, exasperating our existing workforce shortage issues.

Thank you for your consideration and please do not hesitate to reach out if you have any questions.

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