

State of Ohio

Senate Finance Committee Budget Hearings

Cordata Healthcare Innovations, Inc.

May 29, 2025

Chairman Cirino, Vice Chairman Chavez, Ranking Member Hicks-Hudson, and all esteemed members of the Committee thank you for the opportunity to provide this public testimony.

My name is Gary Winzenread, and I am the President and CEO of Cordata Healthcare Innovations, based in Cincinnati, Ohio. I am here today in support of budget amendment SC-1436 that provides funding for Ohio's Quick Response Teams.

At Cordata, we have been blessed to be involved with the Ohio's QRTs, which stands for Quick Response Teams, for the past 8 years. Today, Cordata provides training, methods, evaluation and technology in support of QRTs and other "deflection" teams across the state, to enable more efficient operations, support continuous improvement and to collect data on program efficacy. Our teammates are deeply embedded in the work, and the communities we serve. For more than 5 years, we have served as the system of record for Ohio's Quick Response Teams, providing data to teams, the Ohio Deflection Association, and the state.

Now, I know you're looking at a tight budget, and even programs like ours that save lives and positively impact communities can be at risk. Let me quickly explain why this is a smart public safety investment with significant positive financial impact for Ohio.

First, you should know that the instantiation of QRTs came from an analysis of public safety runs that showed that a relatively small number people, families, at certain addresses, were the source of repeat calls for service. This analysis showed that these "frequent flier" families for public safety support tended to be struggling with addiction, mental health issues and domestic violence. We have long suspected that the same recursive, and expensive pattern of support also exists for healthcare providers. In 2024, we decided to find a place where the data and relationships existed that would allow us to test this theory, and we found that place in Montgomery, OH.

We have been working with the Montgomery County QRT for about five years. This work includes a partnership with a data sciences company that has interfaced all the medical record data from the three major hospital systems in the area, as well as criminal justice data from the city of Dayton and county. At our request, they recently did an interesting evaluation of the QRT program. The premise was, for every person our deflection teams had contacted and engaged, could we look at the healthcare and criminal justice costs the 12 months before first contact and compare that total to the healthcare and criminal justice costs for the 12 months after?

The results, just published in late 2024, are astounding.

Most importantly of all the results, death rates went down. These programs save lives, period.

The data also showed a strong correlation to reduced arrests, fewer interactions with law enforcement, fewer arrests and less violent crime in these populations. There is no doubt these programs also make communities safer.

Most importantly in relation to this conversation, ***Healthcare billable costs went down by between \$17,000 per person per year, to over \$40,000 per person per year.*** 65% of this population are Medicaid recipients. The Medicaid savings alone are proven, through this study, to be able to pay for these programs many times over. The increased efficiency in community police interactions, reduced criminal justice costs, reduced violent crime and the lives essentially come along for free. This investment is an excellent example of efficient government.

For almost 10 years, this work has been supported through competitive federal grants. Through the collaboration of field teams, Cordata and the State, in the past 5 years this work has brought more than \$15 million in federal grant dollars to the state. We have proven it in the field by using federal funds. However, sustainability has been a struggle and we can't continue to leave the safety of Ohio's communities to the whims of federal government funding. It's time for Ohio to invest in public safety, and to continue to support this valuable effort. It saves far, far more money than it costs, and it creates a safer Ohio. How many budget amendments will you hear today that can make that claim and back it up with 5 years of data? We need you to ensure the long-term sustainability of this work in our communities.

Thank you for the opportunity to testify today.

Gary Winzenread

President and CEO

Cordata Healthcare Innovations, Inc.

Spoken Testimony

Chairman Schaffer, Vice Chairman Koehler, Ranking Member Hicks-Hudson, and all esteemed members of the Committee thank you for the opportunity to provide this public testimony. My name is Gary Winzenread, and I am the President and CEO of Cordata.

- Look, these guys are the stars. They make the connections that make a difference in our communities. At Cordata, we are the supporting capability that makes the work more efficient, ensures people and efforts aren't lost, we assist in scaling the effort effectively and we help measure the outcomes
- The outcomes are outstanding
 - Saves lives – the data from Dayton show that death rates went down by more than half
 - Makes safer communities – less arrests, less violent crime and, just as importantly, reduces those repetitive police, fire and EMS runs to the addresses and households that are frequent fliers of our public safety system, freeing these resources up to do other things, including actively working on the supply side of this issue. Remember Dan's testimony, this is why this all started, repeated public safety visits.
 - It saves a lot of money – because this population is also a frequent flier of EDs and medical providers, the data says that it is saving \$17,000 to \$42,000 per person per year. The largest chunk of this savings is in emergency department visits, which is one of the most expensive parts of our healthcare system. About two-thirds of this population is covered by Medicaid, so the largest impact is exactly where our country is currently focused on stopping some of the spiraling costs of healthcare. Almost all of these savings directly apply to costs currently supported by your constituents through public tax dollars or rising healthcare insurance premiums. As an investment, as my kids would say, this work slaps
- So why are we here, at this point, today? – This work has traditionally been supported through time limited federal grants, mostly from agencies under the DOJ and Health and Human Services. The cycle of these grants leaves our infrastructure, and our teams in the field, unsure of the sustainment of programs every three years. Teams are forced to slow their growth, lose people and often have to re-hire or restart every three years. At Cordata, we have had all, or a significant part, of our license payment delayed by as much as 9 months twice during these funding cycles, but we have kept our team in the field and our software running

because we believe in the work. We are a 35 person, growing, Ohio-based company and OH is our largest and best client. This stress has had significant impact on our ability to invest further. Federal grants are meant to support implementing programs and ideas that could improve our communities and to measure their impact, but they were never meant to be the long-term funding structure. We have now measured the value in safer communities, in saved lives and we know they pay for themselves many times over. It is time for OH to fund these efforts directly and ensure long-term sustainability.

- I am sure you are all tired of hearing from us on this issue in the past months. But the truth is that these people, cops, they don't spend time touting the virtues of what they do. They just put their heads down and work and expect that their value will be evident, and that their efforts will continue to be supported. Right now, in the House budget, that is not the case. As a national leader, we are involved in many states today, teaching them about the work of deflection and the value it creates. States like CT and WI, where we have been working for three plus years now, have stated the goal of following the "OH model" in their deflection work. Both of these states have budget amendments to significantly expand their statewide efforts. We are here today just trying to maintain our funding levels.

Don't stop this work by ignoring it in this budget. Pass this amendment SC-1436. Let us continue to do this work and expand our measurements and evidence. We will then come back to you with more hard data on the value this investment is making across OH in hopes that we can eventually expand this work to every community in Ohio.

Thank you for your time.