



Ohio Children's Alliance

Leading change for child and family service providers

Ohio Senate Health Committee

May 13, 2025

Ohio Children's Alliance Testimony on HB 96

Chair Huffman, Vice Chair Johnson, Ranking Member Liston, and members of the Senate Health Committee, thank you for the opportunity to testify on HB 96. My name is Mark Mecum and I am the CEO of the Ohio Children's Alliance, a statewide nonprofit that unites and advocates for Ohio's foster care and behavioral health providers. Through partnerships with state agencies and private foundations, we also help coordinate critical programs for children and families, serving as the engine behind the care they rely on. I am here today to ask that you reject the statewide foster care rate card proposal in House Bill 96, and support **SC0716**.

Ohio's foster care agencies are responsible for recruiting, training, and supporting foster parents, as well as coordinating care for the children referred to them by county agencies. Because Ohio's child welfare system is county-administered, each county establishes its own contracts with foster care providers. This leads to a wide range of county-specific requirements and expectations.

For example, some counties mandate more frequent family visitation, others require higher levels of liability insurance, and many impose their own reporting and documentation protocols, often in addition to identical state and national accreditation reporting requirements. As a result, providers must navigate a complex patchwork of expectations that vary from one county to another and cover the varying costs imposed by each county.

While individual county bureaucracy adds complexity, it is just a factor behind the cost of foster care which has increased in recent years. Newly instituted national standards, heightened staffing mandates, and a sharp rise in high-needs youth, are all pushing the system to its limits. Even our most veteran caseworkers report that today's youth have more severe and complex needs than ever before. The data bears this out. In a 2022 placement crisis report, PCSAO shared that 24% of youth who came into care were diverted from juvenile corrections, entered primarily due to behavioral health needs, or entered primarily due to developmental/intellectual disabilities. As a result, providers are being asked to do more, serve harder-to-place youth, and meet stricter standards.

The Department of Children and Youth has proposed a statewide foster care rate card system as a way to standardize payments and get a better handle on the increases incurred by counties. However, rather than addressing the underlying cost drivers or engaging stakeholders to develop a path forward, DCY's rate card language gives them broad authority to implement sweeping changes to foster care funding.

A one-size-fits-all rate card does not account for the real cost of care which varies due to county requirements, the market, and the high needs of youth. This creates risks for both providers and counties. For example, smaller counties that rely on flexible arrangements may lose access to services due to increased costs. At the same time, the threat of inadequate reimbursement will make it harder to recruit and retain foster parents, especially as we face a net loss in available foster homes.

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If programs can't cover their costs, it leads to fewer placement options, disrupted services, and ultimately, higher costs to the state. In fact, a recent survey of our foster care providers reveals a troubling trend: more than a quarter of agency respondents have already scaled back or discontinued their foster care programs due to unsustainable financial pressure in the last four years. This is not a system plagued by runaway costs. It's a system held together by mission-driven agencies doing more with less.

Before setting new rates, we need to know what drives provider costs, from workforce shortages to increasing regulations. But cost drivers are only part of the equation. We also need to make sure we are not leaving federal foster care dollars on the table which would help sustain our system. And finally, we need standardize some of the widely varying county requirements that make the system so uneven before we can standardize rates. DCY's proposal does not address any of these issues.

Additionally, there has been no formal cost modeling, no legislative hearings, and no direct engagement with providers or families before introducing this language in the state budget, despite it being one of the most consequential changes to Ohio's foster care system in decades. Conflicting statements from key stakeholders have only added to the uncertainty: DCY has indicated the proposal would likely increase costs over the next couple of years, while PCSAO asserts it will lower them. This lack of clarity underscores the need for a more transparent, collaborative, and data-informed approach.

Given the complexity of our current funding system and the many unresolved issues on the table, we ask that this Committee support our amendment to strike the rate card language and establish a legislative-led workgroup on foster care funding. This workgroup would bring lawmakers, providers, counties, and stakeholders together to develop a fair, transparent, and data-informed reform plan, one that strengthens consistency where it's needed, protects local flexibility, and ensures Ohio draws down every available federal dollar. A report of recommendations would be required by December 2026.

We all want a stronger foster care system, but rushing this rate card proposal through without more discussion could cause lasting damage. That's why we urge the Committee to reject the rate card proposal and adopt **SC0716**. Chair Huffman, Vice Chair Johnson, Ranking Member Liston, and members of the Senate Health Committee, thank you again for the opportunity to testify on HB 96. I would be happy to answer any questions you may have.

Sincerely,

Mark Mecum
CEO
Ohio Children's Alliance

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