



Advocates for Ohio's Future

Testimony to the Ohio Senate Health Committee

Amended Substitute HB 110, Main Operating Budget FY2022-FY2023

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Chairman Huffman, Vice Chair Antani, Ranking Member Antonio, and members of the Senate Health and Committee, my name is Kelsey Bergfeld. I am the Director of Advocates for Ohio's Future (AOF). AOF is a nonprofit, nonpartisan coalition of over 500 state and local health and human services policy, advocacy and provider organizations that strive to strengthen families and communities through public funding for health, human services, and early care & education. We work to empower and support nonprofit organizations in the critical work they do, especially as it relates to lifting up the most vulnerable among us. A list of AOF Steering Committee members is attached to our testimony and also available at www.advocatesforohio.org.

A full year into the coronavirus pandemic and economic fallout, we recognize that it will take many months, if not years, for Ohio's families, businesses and communities to recover. As case numbers fall and vaccination rates climb, families across our state continue to struggle with basic needs like food security and housing, the weight of the pandemic on their mental health and finding employment in a different workforce landscape.

This budget holds opportunities for our elected leaders to invest in Ohio's workforce, families and community services to ensure all Ohioans recover successfully from the economic and public health crisis caused by the coronavirus pandemic. Increases in basic needs assistance and targeted, smart investments in work supports for Ohioans and their families, that last the duration of the economic fallout—not just the

public health crisis—will do more to support our recovery and empower our citizens to help themselves as soon as it is deemed safe.

The following budget recommendations put forth by myself and AOF leaders on this panel create opportunity, care for and invest in people, and focus on equitable recovery for Ohio’s families, businesses and communities.

Lisa Hamler-Fugitt, Executive Director, Ohio Association of Foodbanks

Good afternoon Chairman Huffman, Vice Chair Antani, Ranking Minority Member Antonio, and members of the Senate Health Committee, thank you for the opportunity to testify and for your previous support.

I’m Lisa Hamler-Fugitt, and serve as the executive director of the Ohio Association of Foodbanks, Ohio’s largest charitable response to hunger and on the Executive Committee of Advocates for Ohio’s Future.

Families across the Ohio were struggling even before the pandemic hit last year. Our partners at The Center for Community Solutions compiled the following state snapshot from 2019 American Community Survey 5-Year Estimates and have broken the data down further by [legislative district](#):

- Ohioans living below poverty 100% Federal Poverty Level 1,588,343 14.0%
- Children (Age 0-17) living below poverty 509,359 19.9%
- Families with children living below poverty 226,349 16.8%
- Ohioans living in deep poverty (under 50% of poverty) 713,855 6.3%
- Children (Age 0-17) in deep poverty (under 50% of poverty) 237,885 9.3%

The hardships befallen too many families of our state were deepened over the last year and it will take thoughtful and strategic long-term investments and supports in this budget bill to help stabilize families and get them back on their feet.

Temporary Assistance for Needy Families (TANF) Programs and Funding

We were pleased to see the inclusion of requirements for ODJFS to prepare, release and update their TANF spending plan on a predictable basis. This spending plan is vital for stakeholders and agency partners in evaluating spending and long-term planning across TANF programs and gauging the efficacy of programs and needs of vulnerable Ohio families.

However, over the past two and a half decades funding for core TANF programs, like cash assistance and one-time emergency assistance for families has become harder for people to access. Anecdotal data suggests that very little assistance is actually provided in some areas of the state.

<u>ODJFS Caseload Summary Statistics Report-February 2021</u>			
Statewide	Individuals in Receipt	Total Monthly Issuance	Average Monthly Issuance
OWF	89,937	\$ 19,328,778	\$215
SNAP	1,534,368	\$ 328,982,015	\$214
Publicly Funded Child Care		\$ 42,323,717	

As you can see in the table above 89,937 Ohioans representing 49,174 households received OWF in February at an average monthly benefit of \$215 per person. 80,453 of these cases or 89.5% of caseload are children. 9,484 or 10.5% of the OWF caseload are adults and 7,405 of those adults are work eligible recipients.

Sub-HB 110 includes over \$60 million in TANF Block Grant earmarks over the biennium. These dollars are notoriously difficult to spend in accordance with guidelines. We fear a significant portion of these

earmarked dollars end up being returned to the TANF Stabilization Fund also known as the TANF “underspend.”

As TANF funds go unspent, they get reallocated to one-off programs that lack long-term sustainability rather than invested back into the core TANF programs that are designed to keep families from losing their jobs or remain together in times of economic turmoil.

In an effort to increase transparency and accountability of TANF earmark investments, we ask you include review and reporting requirements of how the earmark dollars are used, **who is served, the results achieved as a result of these investments and to make the reports available to the public.** This will afford the General Assembly as well as the general public a clearer picture of which organizations are successful stewards of these sought-after dollars.

We also ask that you in the long-term, support the immediate, emergency needs of low-income children and families by investing in the core components of the TANF program including emergency assistance, work supports (PRC), food, housing, income-support, and child care and ensure unspent TANF dollars are reinvested into sustainable core programs to increase the security of low-income families and expand job training and work opportunities.

Food Security

Food insecurity and unemployment rates are at an all-time high due to the unforeseen effects of the coronavirus pandemic and the deep recession that created the perfect storm for millions of Ohioans and their families. Food insecurity is a symptom of larger, systemic issues: poverty, unemployment, under employment, part-time and contingent jobs, income inequality, insufficient wages, racial inequity, weakened social safety nets, rising housing costs, food access gaps, and much more.

We greatly appreciate the inclusion of an amendment that provides an additional \$5 million in FY 2022 for our partners at the Ohio Association of Foodbanks from one-time federal pass through Coronavirus relief funding. This increase brings additional hunger support for Ohioans from \$7 million in the as introduced version of the budget to \$12 million in the House.

The Ohio Association of Foodbanks is seeking support in the Senate for an amendment to Sub HB 110 to increase funding temporarily for the 2022/2023 budget for \$20 million per year (in GRF or pass-through TANF dollars), for the operation of the Ohio Food Program and Agricultural Clearance Program. This would provide \$4 million per year to purchase, transport, store, and distribute essential household non-food items that can't be purchased with SNAP benefits, and \$1 million per year to support capacity building for local hunger relief organizations to ensure hard-hit communities don't lose local access to charitable relief.

We are also encouraged by the provision included in Sub-HB110 that requires ODJFS to submit an application to the U.S. Department of Agriculture for participation in the Elderly Simplified Application Project within the Supplemental Nutrition Assistance Program (SNAP). Ohio is an aging state and affording seniors the proposed flexibility in recertification frequency with help tremendously with senior hunger, reduce barriers for SNAP retention and reduce county workloads.

History of The Temporary Assistance for Needy Families (TANF) Program

History of Welfare Reform 1935 to Present

Elimination of Aid to Families with Dependent Children program The Temporary Assistance for Needy Families (TANF) program was created in 1996 in a move to reform welfare at the federal level from the former Aid to Families with Dependent Children (AFDC) program. The change from AFDC that was in effect from 1935 to 1997, to TANF fundamentally changed the safety net and shifted the nature of the program from an individual entitlement to the creation of a state block grant. Aid to Dependent Children (ADC)

originated in the wake of the Great Depression with the intention of supporting single mothers with cash assistance. There was no requirement in the program to complete work or skills training. In the 1960s, this program evolved to become Aid to Families with Dependent Children (AFDC) and was expanded to include two-parent families, as long as one parent was unemployed or incapacitated.

The TANF program was created with passage in 1996 of the Personal Responsibility and Work Opportunity Act (PRWOA), better known as federal welfare reform. The major changes PRWOA made included mandatory work requirements and time limits for cash assistance.

Under TANF, states' cash assistance recipients are required to work a set number of hours per week and at least 50 percent of all adults in the program must meet the work requirement. TANF also limits enrollment in the program to five years; Ohio has set its time limit at three years.

Under TANF, the federal government provides the state of Ohio with a block grant based on funding levels from the time of the program's enactment (1996), and in return, the state provides matching funds, an annual maintenance of effort (MOE) set by those initial funding levels.

The state receives \$727 million per year from the federal government to spend on its TANF programs, an amount which has not increased since welfare reform.

A major change in welfare reform included adding a work requirement adult have to meet in order to receive cash assistance, a core element of the program. States must also meet one of four goals when spending TANF dollars. TANF Goals TANF's statutory purpose is to increase states' flexibility in achieving four goals.

The goals of TANF are to:

- Provide assistance to needy families so that children can be cared for in their own homes or homes of relatives.
- Reduce the dependency of needy parents by promoting job preparation, work and marriage.
- Prevent and reduce the incidence of out-of-wedlock pregnancies.
- Encourage the formation and maintenance of two-parent families.

Chronology of Welfare Reform in Ohio

- **Aug. 1995** - Governor Voinovich signs House Bill 167 into law
- **Aug. 1996** - Congress passes Personal Responsibility & Work Opportunity Act
- **Oct. 1996 to Mar. 1997** - ODHS visits counties and holds public meetings
- **Mar. 1997** - ODHS submits Welfare Reform Plan to Ohio legislature
- **Apr. 1997** - Rep. Joan Lawrence introduces House Bill 408
- **June 5, 1997** - House passes H.B. 408 (95-0)
- **June 26, 1997** - Senate passes H.B. 408 (32-0); House concurs with Senate
- **July 2, 1997** - Governor Voinovich signs H.B. 408
- **Oct. 1, 1997** - Law takes effect (e.g. time limit clock starts ticking)
- **Jan. 1, 1998** - Phase one counties sign Partnership Agreements with ODHS
- **Jan. 1, 2000** - All counties must have entered into Partnership Agreements

The TANF Block Grant and Requirements

Welfare in a Block Grant The federal funding for TANF comes in the form of a block grant with required matching funds from the states. Ohio receives about \$726 million each year and matches that with more than \$450 million in state source maintenance of effort.

The federal amount has been frozen since 1996 and, due to inflation, the value has declined by almost 40 percent. The state's MOE amount must meet at least 75 percent of what it was spending on AFDC, and other

support programs that were combined into TANF back in 1994. Before welfare reform, the AFDC was an entitlement, meaning that the federal government provided enough funds to the state to provide services to every eligible individual who enrolled at matching rates inversely related to a state's per capita income. Shifting the program from an entitlement to a block grant, one that has remained fixed since the mid-1990s, erodes the capacity to reach everyone who may be in need of services funded through TANF.

Susan Jagers, Director, Ohio Poverty Law Center

Chair Huffman, Vice Chair Antani, Ranking Member Antonio and members of the Senate Health Committee, thank you for the opportunity to provide testimony on House Bill 110 and its broadband provisions. My name is Susan Jagers and I am on the Executive Committee of Advocates for Ohio's Future and am the Director of the Ohio Poverty Law Center.

For many Ohioans, the pandemic has turned the internet into a critical lifeline. It is how we connect to our jobs, our doctors through telehealth, education, and family and friends. But, there are more than one million Ohioans who lack internet access and they are even more disadvantaged amid the pandemic. The reality of our digital divide has come into sharp focus during this crisis.

Many of these households are in areas where the infrastructure for high-speed broadband service does not exist. **By establishing the Ohio Residential Broadband Expansion Grant Program and appropriating \$20 million for the program, House Bill 2, which the Senate approved last week, will begin to address the \$2 billion needed to connect many of these households. We support this investment as a critical first step to getting all Ohioans connected.**

In addition to including similar language to HB2, HB110 appropriates an additional \$190 million for the grant program.

While expanding infrastructure is important, it is only part of the solution. In 2018, two-thirds of Ohio households without broadband had household incomes below \$35,000, and nearly half had incomes below \$20,000. The monthly bill for a home internet connection in most Ohio communities is now at least \$60 to \$70 per month which is not affordable for many Ohioans who are already struggling to get by.

While we understand the primary objective of the Ohio Residential Broadband Expansion Grant Program is accessibility, affordability should still be a consideration.

With a total of \$210 million available for the grant program and with the potential for more federal relief dollars, all providers should be eligible to apply for funding. There are many examples of governmental and quasi-governmental entities succeeding with broadband expansion efforts including Zanesville's Downtown Fiber Optic Network in Muskingum County; Gahanna's GahannaNet in Franklin County; FairlawnGig in Summit County, and Medina County's Fiber Optic Network. According to research from [BroadbandNow](#), municipal broadband access is a predictor of low-priced broadband availability. Nonprofit providers may be more likely than for-profit providers to expand service to areas with lower incomes.

We ask that you improve the Ohio Residential Broadband Expansion Program by making the following changes:

- **Include government and quasi-governmental entities in the definition of eligible broadband providers.** Right now, language excludes government and quasi-governmental entities from the definition of Broadband Provider which means they are not permitted to submit a grant application. In some communities, the best entity to expand service may be a government entity. If allowable under the grant program, these grant dollars could potentially be used as matching dollars to draw down more federal infrastructure money. It is estimated that a \$30 million could help local communities leverage nearly \$200M in federal funds.

- **Include cost of services in applications and reports.** Scoring criteria for proposals should include cost of service. Annual grant award reports and Authority grant program reports should include price points for service, in addition to addresses served.
- **Include consumer representation on the Authority board.** Add two Consumer Representatives to the Governing Board of Broadband Expansion Program Authority to represent Ohioans living in urban and rural areas that are designated as broadband shortage areas.

Issues of affordability will need to be addressed if we want all Ohioans connected. We have many models of how to extend affordable utility services to low-income households. While we work for a comprehensive solution to affordability, we ask that you **create or fund programs that address affordability of service and devices.**

We appreciate the investments you are making in broadband infrastructure and we look forward to working with you to ensure that all Ohioans have access to the internet for school, work, health care, and other critical services.

Steve Wagner, Executive Director, Universal Health Care Action Network of Ohio

Good afternoon, I am Steve Wagner, Executive Director, Universal Health Care Action Network of Ohio and co-chair of Advocates for Ohio’s Future. UHCAN Ohio is a statewide nonprofit organization uniting consumers and their allies to assure everyone has access to quality, affordable health care.

Maintain Medicaid

We are thankful that the enhanced federal match for Medicaid substantially reduces the state program share in the first year of the biennium. We recognize this allows state investment in other supports, critical to Ohio’s workforce and vulnerable families.

Please maintain Medicaid eligibility without barriers or cuts so that Ohioans seeking health care and mental health and addiction treatment can continue to access vital services during the public health emergency and the recovery from economic crises impacting families.

Needed Updates to Medicaid Managed Care

Ohio’s Medicaid managed care program has not been updated in well over a decade. Ohio Department of Medicaid’s efforts to bring a Person-Centered approach to Medicaid managed care are critical. The new contracts and the redesigned program would help to achieve the following goals:

- Focus on the individual;
- Improve individual and population wellness and health outcomes;
- Create a personalized care experience;
- Support providers in continuously improving care;
- Improve care for children and adults with complex needs; and
- Increase program transparency and accountability.

Please support Medicaid in moving this improvement forward with all due haste.

Protect Women’s Health By Adopting Twelve Months of Continuous Care

Every year women in Ohio die preventable deaths of complications from pregnancy, weeks or months after giving birth. Our nation has the highest maternal mortality rate of any developed nation and it’s rising. In

2018, overall maternal mortality in Ohio [was 14.1 deaths per 100,000](#), up from 9.8 deaths per 100,000 in the years 2003-2007. Tragically, black women have almost three times the maternal mortality of white women. Ohio can change that. Ohio can assure new moms have health care.

Pregnant women are categorically eligible for Medicaid coverage, and all states provide women with a wide range of Medicaid benefits including prenatal care, child birth and delivery services. Ohio Medicaid covers pregnant women up to 200% of Federal Poverty Level (FPL) but only for 60 days after birth. After that period, it is up to the states to decide if they will provide categorical coverage for women between 139% and 200% FPL.

The postpartum period can be a particularly vulnerable time for women—imagine the pressures of being a new mother paired with the loss of insurance and access to care. The legislature can keep new mothers healthy and reduce maternal mortality, requiring Medicaid to extend coverage to women 12 months after they give birth.

Ohio Medicaid does not need a special waiver to extend Medicaid benefits to one year for new moms; it can do it through a state plan amendment. Ohio can then take advantage of the existing federal match for new moms. **A suggested draft amendment is attached to our written testimony.**

We ask that you show how much new moms are valued and direct the Ohio Department of Medicaid to extend enrollment to new moms between 139% and 200% FPL for one-year post-partum.

Adult Protective Services (APS)

Unfortunately, elder Ohioans face the prospect of elder abuse in the form of financial exploitation from scam artists, friends or family and the grim prospect of suffering physical, sexual or emotional abuse. Older adults may find themselves in situations of neglect, or self-neglect, which can result in deterioration of physical and mental health. Social distancing protocols necessary to keep elder Ohioans safe and the rise of scam artists over the past year have made this population more vulnerable over the last year.

For these and many other reasons, AOF encourages to see a proposed increase for APS approved by the House, from \$4.23 million each year of the biennium to \$5.72 million each year of the biennium. At current budget levels, each county receives around \$45,000 for APS. This increase would provide \$65,000 per county in Ohio, enough to fund one full time APS caseworker. We urge you to protect this investment which will provide a better spectrum of services for older adults to live safe and healthy lives in their communities and in facilities.

Kelsey Bergfeld, Director, Advocates for Ohio's Future

Eligibility for Publicly Funded Child Care

We are thankful that HB 110 includes a slight increase in new GRF funding to expand access to child care by increasing the level of initial eligibility to 138 percent of poverty from 130 percent, and 150 percent for children with special needs. However, the goal of AOF is to see initial eligibility for public child care assistance restored to 200 percent of poverty, as proposed in HB 145, a bipartisan effort, which will allow thousands of children and families to take advantage of enrichment programs for early learners while supporting low-income working parents.

We ask this committee to keep the future of publicly funded child care in mind as you work through this budget process. The current patchwork practice of funding child care in Ohio is not sustainable. To quote Senator Romanchuk, “We need a better plan.” Investments necessary to improve the system should be supported by predictable and sustainable state-based funding now, and in the future.

Public Program Integrity

Above all else AOF and our partner organizations believe that all Ohioans and their families should have what they need to live healthy and successful lives, especially when they fall on hard times. The last 14 months have tested our safety net programs like no other time. The job and income loss for many Ohioans happened suddenly and has lasted longer than anyone could have predicted. The recovery for those hit the hardest financially will be the slowest.

Fortunately, we had safety net programs. And although not perfect, they were a safety net for many. SNAP, Medicaid, and unemployment insurance kept millions of Ohioans fed, housed, and with access to health care. These safety-net programs were reinforced with rule and process flexibility and supplemented by non-traditional unemployment benefits, stimulus payments, and other targeted assistance for rent and utilities. Together, these resources kept your constituents from starving, homelessness, and further despair.

As a coalition of health and human services organizations, many of our members see daily how these programs have held families together and supported their most basic needs. Additionally, service providers like Ohio's network of foodbanks, are assisting struggling families at levels never seen before.

We firmly believe in promoting and protecting the integrity of public programs. We are encouraged by the work being done by the Unemployment Compensation Modernization and Improvement Council tasked with studying the program and making recommendations for improvements. We have learned there is intent among some elected leaders in the Senate to include language in the budget to address alleged fraud within public programs like SNAP, Medicaid and unemployment insurance.

We are opposed to including provisions like those found in Senate Bill 17, under consideration by the Senate Government Oversight and Reform Committee, in the budget bill. Though intended to address alleged fraud in public programs, provisions in this bill have far reaching consequences and will worsen food security and health outcomes and prevent millions of federal dollars from flowing into Ohio communities. It punishes workers and creates more barriers for children, families, working adults and seniors to get the help they need.

Collectively, we are concerned about the attempt to cut holes in our already stretched safety-net that will harm low-income, unemployed, and sick Ohioans. Instead, this is the time to assess what has been working well and should continue and what needs to be strengthened so we are better prepared in the future.

AOF—with its depth and breadth of its membership and partners—stands ready to assist this committee and the General Assembly to make sure the safety net is strong for those who need it. This means securing robust public assistance policies and rejecting any rules and requirements that dilute the efficacy of programs like SNAP, Medicaid, and unemployment compensation.

Our children are counting on all of us to create the Ohio they deserve. We want to live in a state where we create opportunity, care for and invest in people, and focus on equitable recovery.

Thank you again for the opportunity to provide testimony on Amended Sub HB 110. We are happy to answer any questions you may have.



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Ohio Family & Children First Coordinators Association
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Melissa Cropper
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Nick Bates
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Mary Wachtel

AM SC2269: Expand Medicaid eligibility postpartum

In line 154 of the title, after "5123.034," insert "5163.062,"

In line 318, after "5123.034," insert "5163.062,"

After line 58043, insert:

"Sec. 5163.062. Subject to the same income eligibility threshold established in section 5163.061 of the Revised Code, the medicaid program shall continue to cover women who are covered by the medicaid program under division (B) of section 5163.06 of the Revised Code for an additional three hundred five days after the expiration of the sixty-day period beginning on the last day of the pregnancy."

SYNOPSIS

Expands Medicaid coverage for pregnant women to one year(from sixty days) after giving birth.