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Interested Party Testimony for HB 110 Tim Johnson, Policy Advocate Ohio Poverty Law Center Ohio Senate Health Committee June 3, 2021

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee, thank you for the opportunity to provide testimony on Substitute House Bill 110. My name is Tim Johnson and I am Policy Advocate for the Ohio Poverty Law Center. The Ohio Poverty Law Center works to reduce poverty and increase justice by protecting and expanding the legal rights of Ohioans living, working, and raising their families in poverty.

We thank you for including language that **extends Medicaid health coverage to mothers for 12 months after giving birth.** More than half of pregnancy-related deaths occur in the postpartum period. Research shows that treatment for significant postpartum health risks such as depression, chronic health conditions, and breastfeeding support can be needed for longer than 60 days after delivery.

We also thank you for **expanding eligibility for childcare to 142 percent of the federal poverty level** to help low-income working families afford childcare.

While we are grateful for both of these helpful additions, we have concerns about some provisions in Substitute HB110.

Lead Poisoning Prevention- Ohio has made great strides in its lead poisoning prevention efforts over the last biennium but the elimination of two provisions threatens to undo much of the great work Ohio has done. Eliminating the acceptance of authority over the RRP program will hurt both Ohio business and families. RRP makes sure that contractors performing renovation, repair, or painting work in pre-1978 homes are doing so in a lead safe manner. The program, currently administered by the US EPA, issues hefty fines and does not offer the flexibility to work with businesses to bring them into compliance. Allowing Ohio to administer the program would result in lower fines and a compliance-based approach and we urge its restoration in the budget. Secondly the substitute bill eliminates the SCHIP Lead Abatement Program. This program is for children under the age of 6 who qualify for Medicaid or pregnant women, and provides lead abatement services. The program has abated over 200 homes to date helping over 580 children. The elimination of the SCHIP lead abatement program will move Ohio further away from the primary prevention track of eliminating lead hazards before a child is poisoned, and will squander the progress the state has made over the last biennium. SCHIP is critical for

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families and children and we urge you to restore this provision in the budget.

**Medicaid Managed Care Procurement**—The Ohio Department of Medicaid's two-year procurement process for the state's \$20 billion managed care program was a model for how state government should seek out input from customers and actively respond to the concerns they raise. The result of that process was a significantly stronger managed care program that will improve the wellbeing of some of Ohio's most vulnerable residents. The Ohio Poverty Law Center released an <u>extensive report</u> about the improvements the new contract will make by improving care coordination, standardizing the appeals process, and focusing on social determinants of health. We ask that you allow the new contracts to go into effect in January 2022.

**Kinship Care**—While the Senate budget makes slight clarifications to the supplemental Kinship Support Program, it disinvests in the overall Kinship Care program by \$10 million. Ohio critically under-invests in supports for children being cared for by family members who stepped up so their niece, nephew, or grandchild would not be placed in the foster care system. These family members are heroes and should be rewarded. Yet in Ohio, we punish them by providing less support than what is given to non-family foster care providers. Ohio is defending itself in federal court for these failures to provide adequate supports for these families. Now is not the time to cut that support even further.

**Temporary Assistance to Needy Families**—While we are encouraged to see that the Senate budget retains improved reporting requirements for TANF, we are disappointed to see the continued trend of allocating TANF dollars towards programs through legislative earmarks outside of a long-term spending strategy for the program. While many of these programs undoubtedly have merit, it is impossible to assess their success or failure to meet the goals of the TANF program without accountability and transparency measures, such as annual reporting requirements. By contrast, the Ohio Association of Food Banks (OAFB) is an exemplary TANF program and the Senate budget includes language requiring OAFB to submit quarterly and annual performance reports. Every legislative earmark for the TANF program should be held to the same standard.

Access to Broadband—We are disappointed that the \$190 million for Ohio Residential Broadband Expansion Grant Program is instead being used to help pay for tax cuts. There are still more than one million Ohioans who lack internet access. We are hopeful with additional federal dollars that can be used for broadband expansion, we will have the resources needed to ensure that all Ohioans have internet access. While we work for a comprehensive solution to affordability and infrastructure, we ask that you reinstate the \$190 million investment in broadband infrastructure and create or fund programs that address affordability of service and Page 3

devices.

**Federal Unemployment Compensation Programs**—The federal pandemic unemployment programs have been a lifeline, particularly for those who do not qualify for traditional state unemployment compensation such as gig workers, independent contractors, and low-wage workers. Due to COVID-19 and through no fault of their own, unemployed individuals have been unable to return to the workforce for a myriad of reasons, such as lack of suitable work or lack of childcare, for example, and have relied on the federal unemployment programs to provide food and housing for their families. Opting out of these programs early will only exacerbate the struggles that many are still facing due to COVID-19. We ask you to allow these supports to continue for eligible Ohioans.

Joint Legislative Oversight and Review Committee of Federal COVID Relief Aid — The removal of language to set up the Joint Committee leaves the public without the assurance that there will be a transparent, public planning process for how the federal funds will be appropriated to ensure all Ohioans have the support they need to recover from the health and economic impact of the pandemic. We ask that you restore the committee or otherwise outline a public process for determining the best use of the federal relief funds.

**Tax Policy**—The five percent across-the-board income tax reduction will not benefit lowincome working Ohioans. Any reduction in taxes should be targeted to those who need it the most to ensure economic recovery.

Instead of the across-the-board tax cut, money could be better invested in programs that support families that struggle to make ends meet—many of the programs like childcare and kinship care that we mention in our testimony. But if a change is made in tax policy, we ask you to add a 10 percent refundable option to the existing 30 percent state Earned Income Tax nonrefundable credit rather than an across-the-board tax cut. This targeted tax policy supports Ohioans working in low-wage jobs. According to modeling done by the Institute for Tax and Economic Policy, a 10 percent refundable credit would help 37 percent of families earning less than \$22,000 a year with an average benefit of \$230. An average benefit of \$324 would go to 19 percent of families earning \$22,000 -\$40,000.

Thank you for this opportunity to testify, I would be happy to answer any questions you have.