



Ohio Senate Finance Committee  
Health and Medicaid Sub-Committee

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Interested Party Testimony on HB 49

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Chairman Hackett, Ranking Member Tavares, and members of the Senate Finance Sub-Committee on Health and Medicaid, thank you for the opportunity to offer testimony on HB 49.

I represent the Ohio Association of Child Caring Agencies (OACCA), a statewide association of child and family service providers that are united together to develop the best care possible for Ohio's children and families. The association was founded in 1973 as Ohio's first statewide child advocacy organization. We provide leadership for Ohio's at-risk children, families, and the community providers that serve them.

Our member agencies provide foster care, community mental health, residential treatment and group home care, adoption, and independent living services. Collectively, they serve over 125,000 Ohio kids and family members each year. The majority of children they serve are involved in multiple public systems including child welfare, juvenile justice, and behavioral health. Most of our members are certified by ODJFS, OhioMHAS, and/or ODM.

My testimony will focus on three main topics: Multi-System Youth, Children Services Funding, and the Behavioral Health Medicaid Re-Design.

### **Multi-System Youth Crisis Stabilization Fund**

We appreciate the work performed by the Joint Legislative Committee on Multi-System Youth (MSY) and we support the committee's policy recommendations. We find special value in the proposed establishment of a state crisis stabilization fund to address unmet and uninsured needs of Ohio's MSY and their families who are in crisis and unable to access care and services. Creating a new state fund would enable community systems to access resources quickly and serve families who are often on the brink. This is an excellent strategy to preserve families and prevent custody relinquishment to children services.

While this fund was not established in the House-version of HB 49, we are hopeful the Senate will provide an investment to start-up this critical program.

### **Opiate Crisis and Children Services Funding**

We appreciate the multi-pronged approach taken by every level and branch of government in our state to address the opiate crisis in our communities. One of the most critical pathways to focus our attention and resources is our county public children services system. These agencies are on the front-lines every day preserving and strengthening families in need, and when necessary, providing children with protection and out-of-home care, until family reunification is safe and possible.

Ohio has a strange financial model for funding these county agencies. Unlike almost every other state in the country, about 91% of Ohio's public children service agencies (PCSA) funding comes from the federal government and local county taxes and levies. State government provides about 9% of the total funding.

During a time when our communities are experiencing a multi-year opiate crisis, county PCSAs need more resources to effectively respond. Counties have been essentially flat-funded by the state since 2010. Therefore, we sincerely appreciate the \$15 million annual increase in the Child Protective Services line item included in the House-passed version of HB 49. This new funding will help PCSAs and their partner community agencies respond to the opiate crisis, recruit additional foster and adoptive homes, provide additional support to kinship and primary families, assist with rising placement costs, recruit and retain a vital workforce, and leverage additional federal funding.

We would also like to recognize the \$10 million investment made in the House-passed version of HB 49 that supports child care costs incurred by kinship caregivers – wonderful people who open their doors to provide care to their grandchildren or other kin who may otherwise have been placed into foster care.

### **Behavioral Health Medicaid Re-Design**

We appreciate the leadership provided by the Senate and JMOC on the Behavioral Health Medicaid "Re-Design" initiative. This major package of Medicaid reforms is incredibly complex and necessary and we are hopeful for its successful implementation. The Re-Design effort is long overdue, and if done right, could empower community behavioral health providers to offer greater access to a wider array of services to children and families in need, such as family preservation and integrated physical health care provided on-site in behavioral health centers.

However, we have serious concerns about the planned implementation of these reforms. In order for them to be implemented successfully, hundreds of community behavioral health centers need the final details so that their software systems and staff are ready. The state's vendor handling the claims processing and payment also needs to be ready. Since the State Departments have not yet released the final details (which include the Provider Manual, reimbursement rates, rules, and software guidance), we struggle to see

how sticking with the planned implementation date of July 1, 2017 is reasonable, let alone responsible.

Originally, dating back fourteen months ago, the State had a different plan for how to implement the Re-Design. They planned to implement a portion of the Re-Design in January of 2017, and then phase-in providers to the full Re-Design during three different intervals throughout 2017: January, April, and July. And prior to implementing the Re-Design, they planned to start testing with software partners during September of the previous year, 2016.

Today, the plan is to aggressively move forward with the policy development (which is still in process), provider training, software testing, and full statewide implementation. If the State's timeline proceeds, I hope that it is successful. If it's not, there could be devastating consequences for the hundreds of community providers that participate in this Medicaid program. There is real concern that if claims are not processed efficiently and timely, many providers could quickly go out of business, close down programs, or limit access to services in other ways.

We join with the Ohio Council of Behavioral Health and Family Services Providers, the Public Children Services Association of Ohio, and the Center for Community Solutions and call on the Senate to take the necessary steps to ensure that the implementation of the Re-Design is successful. Specifically, our coalition's goals are to:

1. Maintain and improve access for Ohioans in need of substance abuse and mental health services
2. Use the existing and available workforce, rather than relying on unrealistic assumptions
3. Actualize the Administration's stated \$53.4 million investment in behavioral health services
4. Establish a reasonable implementation timeline that supports clinical and business practice change and claims payment/IT system testing

The Senate could consider delaying the implementation date (a 6-month delay was added to HB 49 by the House), requiring certain assurances be in place in order for the Re-Design to be implemented, and even offering financial services to providers, such as a "pay and post" program or interest-free short-term loans.

Thank you for taking the time to hear my testimony today. Our association stands ready to support your efforts to address these complex issues.