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July 18, 2006

VIA HAND DELIVERY
The Honorable Phil Heimlich, President
The Honorable R. Patrick DeWine
The Honorable Todd Portune
Hamilton County Commission
138 E. Court Street, Suite 600
Cincinnati, Ohio 45202

Re: Reports of the 2006 Tax Levy Review Committee

Dear Sirs:

Enclosed with this letter are two reports of the Tax Levy Review Committee ("TLRC") for 2006, one with respect to the request to place a Children's Services Levy on the November ballot and one with respect to the request to place the Health and Hospitalization Levy on the November ballot. The Committee intends to conduct its mid-term review of the Zoo Levy and issue its report to you on that later this year.

First, I want to thank the County Commission for empanelling the TLRC. The committee and this review process are unique in all of Ohio, yet its work is crucial to provide a critical review of the important work performed by the funded agencies. The Board of County Commission's ("BOCC") continuing commitment to this process is important to this community. Further, the guidance provided through its Mission Statement adopted on November 16, 2005 was critical in guiding the work of the TLRC and providing a disciplined approach in the community towards the levy process.

Second, the good and hard work of the other seven members of the Committee should be recognized. Each member served on a sub-committee for intense review of one of the two levies. The Committee for the Children's Services Levy was chaired by attorney Scott McIntyre and included Virginia Wojtowicz and Daniel Unger. The Committee for the Health and Hospitalization Levy was chaired by accountant Tom Cooney and included Joseph Allen, Andre Harper and Jerome D. Fagel Jr. The entire TLRC met more than ten times to conduct its work so far this year. The subcommittees held numerous additional meetings with potential consultants and the selected consultant, agency staff, and interested citizens. We had excellent participation

from each TLRC member. In all, I estimate that more than 350 volunteer hours were expended in this effort. My appreciation goes to them for this outstanding work.

Third, the Committee relied in great measure on both the County staff and the outside consultants to assist them in their work. Specifically, and without intending to slight anyone I do not mention, Paula Knecht continued to provide excellent staff support and sage counsel in our efforts. She was aided by John Bruggen and Jim Cundiff of the BOCC staff. Later, the leadership and counsel of Christian Sigman and Patrick Thompson, also proved valuable.

Fourth, I am pleased with this transmittal to report that the TLRC (relying considerably on the in-depth work of the Health Care Review Commission) has fulfilled the Mission Statement enacted by the Commission on November 16, 2005 in each of its specifics. Each of the reports was adopted by the TLRC unanimously. A few highlights:

A) The Committee brought each levy in within the inflation policy established by this BOCC. Indeed, with these recommendations, the tax burden on County property owners will decline in real dollars by more than $35 million over the coming 5-year levy cycle and more than $95 million in inflation-adjusted dollars. These levies represent a drop in taxation in real dollars of approximately 7.8%, and in inflation-adjusted dollars of nearly 18%. Having served on the TLRC intermittently since its inception, I can attest to the truly remarkable accomplishment this is. This conclusion started with the clear policy statement adopted by the Commission and was enhanced by the work of the Health Care Commission and the agreement reached by the Commission with Children's Hospital and University Hospital on funding for this levy cycle.

B) We engaged the outside reviews required by the BOCC. This policy unquestionably has enhanced the ability of the TLRC to provide a critical review of agency spending and operations.

C) We remind the BOCC of its continuing role in implementing the Mission Statement by paragraph 3 of its Mission Statement.

D) We have inquired of and reminded the funded agencies of limitations on involvement in political campaigns with taxpayer resources.

E) We have analyzed agency operations and made recommendations for important operational reforms. The most important of these, I believe, is the recommendation to implement a Citizens Review Panel to provide a thorough and independent review of JFS' actions in the removal of children from parents. We also have encouraged the BOCC to work vigorously to restore IV-E funding from the State of Ohio. Its present loss is a foolish and short-sighted policy by the State.

Because I will be concluding a family vacation at the time of the scheduled presentation of these reports to the BOCC, I have asked the TLRC Vice-Chairman, Joe Allen, and the two sub-committee chairmen, Scott McIntyre and Tom Cooney, to present the two TLRC reports in person to you at your August 7, 2006 meeting.

In the meantime, it you have any questions about these reports, I would be pleased to respond to them. In the alternative, Messrs. McIntyre and Cooney will be prepared to address your questions on the 7th.

Thank you again for this opportunity to serve. It has been a thoroughly rewarding experience.

Very truly yours,

FINNEY, STAGNARO,
SABA & KLUSMEIER CO., L.P.A.

By: _____
Christopher P. Finney

CPF/mw
Enclosures

cc: Members of the TLRC
County TLRC staff
Mr. Richard Roberts
Ms. Moira Weir
Sheriff Simon Leis
Judge Karla Grady
Judge Thomas Lipps
Ms. Sherry Knapp
Dr. Charles Wood

REPORT OF THE HAMILTON COUNTY TAX LEVY REVIEW COMMITTEE FOR THE HEALTH AND HOSPITAL LEVY

In addition to funding for University Hospital and Children's Hospital (addressed briefly below), the Health and Hospital levy provides funding for indigent care, Juvenile Court medical services, inmate health care, tuberculosis control and ADAS. The total budgeted amount for this levy including Auditor and Treasurer fees was $ 55,095,431 in 2006. $41,140,000 of this amount was allocated to University and Children's hospitals for indigent health care services. A separate committee, the Health Care Review Commission, made recommendations for the indigent care funding. The current budgeted amount for the hospital portion is $160,000,000 over the next five year period.

The Tax Levy Review Committee (TLRC) studied the other portions of the levy. The aggregate budget for this portion of the levy was $$13,305,431 for 2006. When combined with the University Hospital and Children's Hospital and Auditor and Treasurer Fee components of the levy, the first year amount recommended is $45,587,583for 2007, and a total $ 238,022,632 over the five year levy period.

The subcommittee of the TLRC assigned to this levy included Tom Cooney, Joseph Allen, Andre Harper and Jerome D. Fagel Jr. The subcommittee interviewed private consulting firms and selected Howard, Wershbale & Co. to conduct a review of the operations of Juvenile Court medical services, ADAS and tuberculosis control. Jacqueline Moore & Associates was engaged to review inmate health care services.

The reviews included review of the financial and budgetary information, as well as programming information. In addition, the consultants were asked to benchmark performance compared to similar counties. Members of the TLRC met with representatives of each of these agencies, and heard presentations from them as well as the consultants. Attached to this report are copies of the consultant's reports.

Finally, each of the four funded agencies that appeared before the TLRC indicated they did not use public money to fund a levy campaign.

The four components of the levy are separately analyzed below:

INMATE HEALTH CARE

Members of the TLRC met with representatives of the Sheriff to discuss inmate health care. This portion of the levy funds the health care costs for the inmate population at the Hamilton County correctional facilities. We were impressed with the management of the Justice Center and their attention to managing in an efficient manner, but yet complying with legal standards for inmate care. As noted above, we selected Jacqueline Moore & Associates to study the inmate health care from an operational perspective and to make recommendations regarding additional efficiencies. Based on Dr. Moore's report (Appendix A) and feedback from the Justice Center management we believe the following recommendations should be implemented:

1. Provide on-site utilization management with either CMS or another vendor. The consultant estimates that better utilization review would result in a reduction of 20% of outside trips. In addition to the medical savings there will be a reduction in officer time required for transport. Some of these savings may accrue to University Hospital and should be considered in the contract with them under the Hospital and Health Care Levy.

2. Provide for telemedicine services in place of hospital visits by inmates. There will be no net costs to the levy for providing these services and savings will accrue as a result of reduced trips for outside services..

3. Consider using a on-site clinic to reduce costs. A new jail facility of adequate size would allow an expanded clinic and an infirmary, which will further reduce costs.

4. Build into next contract with CMS or other vendor an incentive to reduce hospital visits, including considering making inmate hospital services part of the inmate health care contract. The University hospital has indicted a willingness to discuss this issue.

5. Redouble efforts to implement on-site dialysis treatment. Attempts to obtain bidders for this service to date have not met with success.

6. Consider utilizing an on-site oral surgeon or on-site radiology services to reduce off site oral surgery procedures.

7. The current contract with CMS increases at the rate of medical inflation plus 2.5 percent. New contracts for inmate health services should be increased at a rate that is not greater than the medical inflation rate.

The amount of the levy allocated to inmate medical care is based on the amount requested by the Sheriff. This amount was calculated based on a 7% annual increase in the CMS contract, an increase in jail population in 2010 assuming that there is a new jail facility, and projected increases in Corrections Officers wages based on their contract. The recommended levy amount for the five year period is $46,246,185. (This is a part of the overall recommendation set forth above.) The recommended amount does not take into consideration any cost savings that may be realized as a result of the above recommendations. However, any cost savings that are realized by either the Sheriff or the University hospital should be recovered by the county administration.

JUVENILE COURT MEDICAL SERVICES

Members of the TLRC met with representatives of the Juvenile Court to discuss their operations. This portion of the levy funds health care services for the inmates of the

County's two youth correctional facilities. We were impressed with the professionalism of their management and their openness to new ideas. As discussed above, Howard Wershbale & Co. was engaged to prepare a report on the operations of the Juvenile court medical services. Based on the Wershbale report (Appendix B) and feedback from the Juvenile Court management we believe the following recommendations should be implemented.

1.The Juvenile Court should seek outside quotes relative to contracting staffing and physician services.

2. When the current CMS contract with the Hamilton County Justice Center expires, the Juvenile Court should explore with the Sheriff's office, a joint contract with the Justice center in order to increase their purchasing power to determine if a net cost savings can be realized

3. The Juvenile Court should consider utilizing the same medical director for both the Youth Center and Hillcrest.

4. We recommend that $1,481,038 should be granted for 2007 and a five year levy total of $7,753,754. This amount reflects an average increase of 2.3 percent over the 2006 budgeted amount. (This is a part of the overall recommendation set forth above.)

TUBERCULOSIS CONTROL

Members of the TLRC met with representatives of the Hamilton County Jobs and Family Services, which administer the tuberculosis control program to discuss their operations. This portion of the levy funds the costs of tuberculosis control and prevention, as administered by the Tuberculosis Control Clinic. Currently, the clinic operates in a free standing 12,320 square foot space. We were impressed with the professionalism of their management and their openness to new ideas. Howard Wershbale & Co. was engaged to prepare a report on the operations of the tuberculosis control center.

The Howard, Weshbale & Co. Final Report On Tuberculosis Control Services (Appendix C) discussed the potential savings that may occur by utilizing a hospital based clinic, or outsourcing cerain services, or combining with other county programs. Based on the consultant's recommendations and the input from the Tuberculosis Control management we believe the following recommendations should be implemented.

1. The County's Competition and Efficiency Committee should study the possibility of outsourcing the clinic services to a hospital based clinic, or moving its operations to the Hamilton County Health District.

2. The County's Competition and Efficiency Committee should also study the more narrower option of outsourcing pharmacy and epidemiology services.

3. An annual review of operating expenses and clinic wages statistics should be utilized to measure the efficiency of operating expenses and should be reported to the County administration on an annual basis.

4. Franklin County has a system of billing third party providers for certain services presently provided by their similar agency. This program should be monitored by Hamilton County to determine if it would be cost effective to implement similar billing procedures for the Hamilton County Tuberculosis Control Center.

We recommend that $1,452,657 be granted for 2007 and a total of $7,605,169 for the five year period. This amount is based on a 2.3 percent increase over the 2006 budgeted amount. (This is a part of the overall recommendation set forth above.)

ADAS

Members of the TLRC met with representatives of ADAS to discuss their operations. ADAS is responsible for funding and monitoring the providers in Hamilton County who perform substance abuse services. Howard Wershbale & Co. was engaged to prepare a performance review report on the operations of ADAS . Members of the committee visited with agencies that receive funding from ADAS. We also heard testimony from clients and executives from these agencies. We were impressed by the effectiveness of the work that the agencies perform and the tangible results that are achieved. Based on the consultant's recommendations (Appendix D) and the input from ADAS management we believe that the contract with ADAS should contain the following provisions:

1. ADAS should improve their financial reporting by implementing balance sheet reporting.

2. A study should be undertaken to determine the feasibility of merging the Mental Health board with ADAS. We recommend that the results of this study be considered in terms of possible cost savings.

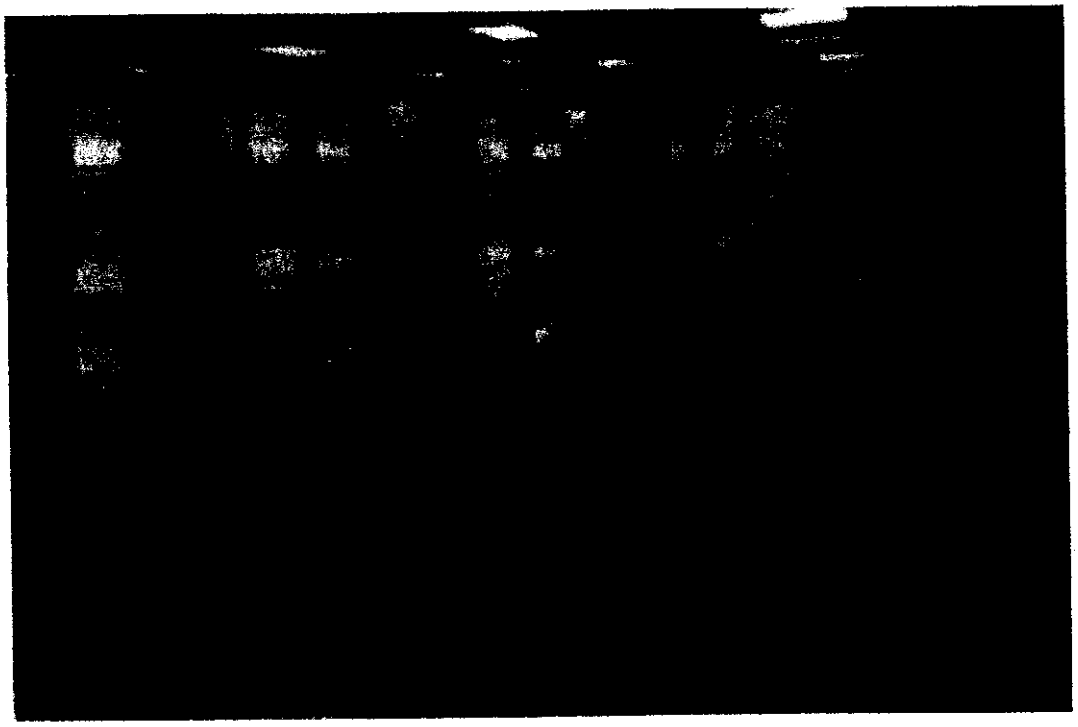
3. ADAS requested levy funding in the amount of $3,289,670 for 2007. This amount was based on the amount of eligible claims that they submitted in 2005. The Committee recommends that the 2007 amount be $2,482,125, which is a 2.3 percent increase over the amount awarded in 2006 (after adjusting for a one time administrative charge). (This is a part of the overall recommendation set forth above.)

The above report was unanimously adopted by the Tax Levy Review Committee on July 14, 2006.

Respectfully submitted,

Christopher P. Finney, Chairman

Analysis of Inmate Healthcare Costs and Services
Hamilton County Detention Center



Prepared by Jacqueline Moore & Associates
Final Report May 2[illegible]2006

Table of Contents:

The issue of providing the minimum possible medical services compared to the services required under certification standards is a quality-of-care issue beyond the scope of our expertise.

We were provided with data by the Training School that supported providing comprehensive care and treatment at the reform school level will result in decreases in the number and severity of subsequent legal incidents. We are not in position to substantiate the data provided.

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Exhibit P

	2003	2004	2005
Budget	$ 1,550,000	$ 1,540,000	$ 1,516,000
Funds Received	1,550,000	1,395,028	1,409,330
Actual Expenses	1,246,200	1,395,028	1,409,330
Funds received in excess of expenses	$ 303,800	$ -	$ -

V. Qualitative Considerations

Goals per Scope of Services:

A. How are quality of care and necessity of services measured in each service area?
B. What are the projected requirements for future funding based on demographic data and service needs?
C. Review existing customer satisfaction surveys and results.
D. How does the above compare to other counties in Ohio and national trends.

Individuals admitted to the detention center are typically sicker then the general population and require more intensive services upon admission. Over the last five years numbers of admissions to the Youth Center and Hillcrest have remained steady as have the number of procedures preformed. There is currently no indication that these trends will change in the foreseeable future.

Currently the demand does not meet supply it the marketplace for nursing personnel, and this trend is not expected to improve in the near future. Correctional healthcare providers compete with hospitals, physician's offices, skilled nursing facilities, and other organizations within the same local labor pool for these staff. This is an important issue because nursing represents the single largest cost for Hamilton County's juvenile detainee medical programs. The effect of this nursing shortage is a continuing rise in compensation packages required to attract and retain qualified nursing personnel.

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Introduction

The operation of a jail is a complicated endeavor. Detainees are arrested at all hours of the day, seven days a week and often arrive with complex conditions that have worsened because of neglect or lack of care prior to incarceration. Medical information is frequently difficult to obtain and detainees may provide incomplete or incorrect information. To overcome these challenges, it is imperative to have experienced and knowledgeable staff in conjunction with carefully developed policies and procedures.

We have been tasked with the goal of assisting the Hamilton County in evaluating their healthcare expenditures and identifying strategies to manage costs. We bring to this project a wealth of experience, reflecting 45 years of work in correctional healthcare, both in public and private correctional provider organizations. Dr. Moore was one of the pioneers in contracting services for correctional services having help to found Prison Health Services in 1979. Kay Cloutier is recently retired from the managed care program of UTMB one of the most successful cost containment programs in the history of correctional care. Not only did UTMB substantially cut costs, but improved the quality of healthcare in the Texas Department of Criminal Justice. Larry Mendel DO is the former medical director of the Ohio Department of Rehabilitation and Correction, a correctional consultant and accreditation auditor for NCCHC. Our knowledge of best practices from the industry has been obtained from attending many presentations at national conferences and from correctional publications. We have seen many of the best programs in action during accreditation surveys and consulting trips.

To accomplish this task, we have reviewed the Hamilton County Justice Center health care policy and procedure manual, inmate-co-pay policy, NCCHC accreditation reports, staffing patterns, staffing reports, pharmacy reports, statistical reports, grievance logs, CQI meetings and screens. A primary focus of our efforts was devoted to gaining an understanding of the factors that have led to an increase in inmate medical costs and formulating strategies to address this trend. The process began with a review of data provided by county officials. The information provided included:

1. RFP for medical services
2. CMS proposal, dated 10/16/02, plus addendums
3. Contract between Hamilton County and CMS dated, 10/31/02
4. Correctional Master Plan, Voorhis Associates, dated 1/26/06
    a. Executive summary
    b. Section 7, Inmate Profile
    c. Section 8, Facility Evaluation
    d. Section 9, Population Projections

Exhibit O

Selected Positions	FTEs	Hamilton County Youth Center Average Hourly Wage	2005 Totals		Average Wage Index Hourly Wage Range 2005 (A)	Average Wage Index Annual Wage 2005 (A)
Nurse Practitioner	1.00	47.96	99,750	(B)	$31.42 - $43.59	$65 354- $90,667
RN	1.00	30.38	63,200		$20.72 - $27.42	$43,098 - $57,034
LPN	1.00	18.20	37,856		$16.69 - $21.49	$34,715 - $44,699
Medical Clerk Typist	1.00	11.59	24,100		$12.15 - $15.70	$25,272 - $32,656

(A) - Taken from Ohio Department of Jobs and Family Services Occupational Wage Survey Estimates for Hamilton County, for 1 FTE.
(B) - Annualized cost = $159,600 for 1.6 FTEs, because this is a contracted service, benefits, payroll taxes and additional costs are included. Therefore, contracted totals would be expected to exceed state averages for wages only.

IV. Service Delivery and Efficiency

Goals per Scope of Services:

A. How are levy dollars allocated for each service. Who receives and who controls? Review processes and make recommendations.
B. Who provides the ultimate services for each of the levy dollars? How are the service providers selected and monitored?
C. Is there duplication in administrative costs from receipt of levy funds to provision of services?
D. Should there be a merger or sharing of administrative functions among various agencies (MRDD, ADAS, Mental Health, TB Control, etc.).
E. Should additional systems or contract requirements be put into place to ensure effective and efficient use of levy dollars, including managed care considerations and establishing benchmarks for measurement?
F. Consideration of services provided to Hamilton County residents vs. non-residents and service providers outside of Hamilton County.

A budget is established by the Hamilton County Juvenile Court for medical services as part of the Juvenile Court overall budget. The Juvenile Court system receives funds from the health and hospitalization levy (Indigent Health Care levy) based on actual expenditures. The medical programs do not receive funds directly and do not maintain checking accounts, rather approved invoices are sent to the Hamilton County Juvenile Court Finance department for payment through the County Auditor. Based on expenses an interfund transfer is made from the levy to a revenue account in the General Fund.

During 2003, the Juvenile Court received funds in excess of actual expenditures totaling $303,800. See Exhibit P for a summary of budget and funding activity from 2003 through 2005.

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e. Hamilton County Jail Expansion Program
5. Off-site utilization data

Our initial meeting with county officials occurred on March 1, 2006 when Dr. Moore met with Sheriff Leis. A site visit began on March 15, 2006 and continued for two days in addition to a return visit on March 28, 2006.

The site visit consisted of a series of meetings and extensive chart reviews to evaluate the current services and verify compliance with the contract and applicable standards. During this time, Medical Administrator Alex Lackner provided extensive staff support and office space for interviews and chart audits.

On March 16, 2006, meetings were conducted with representatives from University Hospital. Meetings were conducted with key staff, and site visits were conducted at Queensgate and HCJC. During our institutional visits, we met with a variety of staff to seek their insights and perspective. We are pleased to announce that we have identified several long-term strategies that will help bring expenses under control.

On a positive note, we found that the staff is very competent and motivated and are capable of implementing the necessary changes. We were quite impressed with the knowledge and management style of the health administrator.

However, change is always difficult and will be especially difficult for the HCJC in times of budgetary cutbacks. It is human nature to become accustomed to a routine. Strong leadership and persistence will be required to change long established practices.

Healthcare Standards

Inmates in all states have a right to adequate healthcare that is guaranteed by the prohibition against cruel and unusual punishment in the Eighth Amendment of the United States Constitution. In 1976, the U.S. Supreme Court addressed minimum requirements for prison healthcare in *Estelle v. Gamble,* which found that inmates have a constitutional right to healthcare that meets minimum adequate standards, and "deliberate indifference" to an inmate's serious health need by a correctional system is a violation of the Eighth Amendment.

In the 30 years since this case, courts have ruled that inmates have a constitutional right to access healthcare, a professional medical judgment, and medical care as ordered. However, the Supreme Court has found that inmates are not guaranteed the right to the best healthcare that is available in the community.

Exhibit N

Juvenile Detention Center Benchmarking Analysis

	Hamilton County	Franklin County	Cuyahoga County
Accreditations:	NCCHC/ACA	ACA	ACA
Annual Admissions (1)	6,038	4,112	3,840
Staffing:			
How staffed:			
Physicians	Contracted	Contracted	Contracted
Nurse Practitioners	In-House	Contracted	Contracted
Nursing	In-House	Contracted	Contracted
Medical Records	In-House	Contracted	Contracted
Current FTEs (in-house and contracted)			
Physicians/Medical Director	0.23	0.3	0.50
Nurse Practitioners	1.60		
Administrator (2)	1.00		
RN / Nurse Manager	1.00	1.00	2.00
Licensed Practical Nurses	9.00	5.80	5.00
Medical Clerk (2)	1.00		
Dedicated Correction Officer (3)	1.00		
Total	14.83	7.10	7.50
Staffing costs (in-house and Contracted)	$ 930,300	$ 544,000	$ 717,000
Staffing cost / annual admissions	$ 154	$ 132	$ 187
Services provided:			
Screening	yes	yes	yes
Sick call	yes	yes	yes
STD testing	yes	yes	yes
TB testing	yes	no	yes
Physicals	yes	no	yes
Dental	yes	no	no

(1) Average population data for Franklin and Cuyahoga are estimates provided by the superintendent of each program.
(2) Administration and medical records are included as part of the contract cost in Franklin and Cuyahoga Counties
(3) Franklin and Cuyahoga Counties do not charge correction officer time to the medical department.

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The County has referenced the National Commission on Correctional Healthcare (NCCHC) Standards in its contract with Correctional Medical Services (CMS) and has received accreditation for its facilities since 1980. The facility was recently re-accredited in 2004. While it is recognized that there are other standards from professional organizations that govern the practice of specific disciplines such as the American Correctional Association, the American Public Health Association, the American Nurses Association, the American Dental Association, and the Joint Commission on Accreditation of Healthcare Organizations, the County has looked to standards developed by the NCCHC because of their focus on jail healthcare, and because they are more specific than other standards regarding daily practice issues.

Healthcare Organization

The facility is contracted with a private firm Correctional Medical Services (CMS) to manage the on-site and off-site care. The HCJC is managed by a Health Service Administrator, who is responsible for the operations at all of the county housing units. The HSA has been an employee of the County prior to 1985 and is now an employee of CMS. He was recently profiled in a chapter of outstanding nurses published by Sigma Theta Tau. The Medical Director oversees medical care for the inmates and reports to the HSA. The management team is complemented by a Director of Mental Health, a Director of Nurses, Dental Director, Psychiatrists and an Administrative Assistant. All nursing and support staff report to the director of their respective discipline e.g. mental health, dental, nursing, etc. There is a regional director from CMS that provides oversight to this contract. Many of the decisions that affect this contract are made at the corporate level such as utilization management, pharmaceutical services, purchasing, payroll, invoice processing, policies and procedures and other health care manuals.

Description of the Facilities

The HCJC is comprised of four facilities which are the main jail, the Queensgate, Reading Road and Turning Point. The main jail was constructed in 1985 and the satellites in 1991 and 1998. In 2001, the intake unit of the main jail was renovated and expanded. Throughout the tour of the facilities, the audit team was impressed at the cleanliness and maintenance of the facilities.

The main jail is comprised of two multi-structure facilities a north and south tower which are connected by a pedestrian bridge. The facility provides podular housing units which essentially mirror each other in the north and south buildings. The first floor of the North Tower houses jail administrative offices, employee services, and the kitchen for the entire complex. The second floor houses the medical clinic, medical and mental health housing, and central control

III. Comparisons, Modeling, and Benchmarking

Goals per Scope of Services:

A. Comparison of Hamilton County tax levy and service delivery system to similar counties in Ohio, including Cuyahoga County, Montgomery County, Franklin County, Summit County and Lucas County.

B. Benchmark Hamilton County dollars utilized for services compared to other counties, including Cuyahoga County, Montgomery County, Franklin County, Summit County and Lucas County, considering population and other available demographic data specifically correlated to service delivery.

C. Are there other models or approaches that are successful that can be utilized in Hamilton County, including private pay or management care models.

In the scope of service five counties are identified as potentially comparable for benchmarking purposes. The five counties considered are:

Exhibit M

	Hamilton County	Franklin County	Cuyahoga County	Montgomery County	Summit County	Lucas County
County Population:						
2004 est.	814,611	1,088,971	1,351,009	550,063	547,314	450,632

We determined that for benchmarking purposes, Franklin and Cuyahoga counties are the two most appropriate benchmark subjects due to their similar population size and the presence of large urban areas. We have preformed a benchmarking analysis relative to the Youth Center juvenile detention center that has been prepared based on telephone interviews with the Superintendents of the corresponding detention centers in Franklin and Cuyahoga counties. We did not perform a benchmarking analysis for the medical costs incurred at the Hillcrest Training School due to the unique nature of the School making comparability difficult and lack of available benchmarking data.

Our benchmarking analysis for the Youth Center is presented in Exhibit N. Additional analysis relative to average wage rates is presented in Exhibit O.

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for this tower. The third floor houses the inmate law library, chaplain's office, archived medical records, and a female housing unit. Floors three through five each contain inmate housing units. Each of the inmate housing units can house up to 112 inmates in the four pods which comprise a unit. The general population housing units are mostly double bunked. Segregation cells are located in the housing units in both towers. The Queensgate Facility is located approximately two miles west of the main jail. The facility was initially a warehouse (100 years old) that was converted to a correctional center in 1992. Housing is all dorm style at this facility. The Queensgate Facility is medium security. Inmates that are transferred to this facility are male inmates that have been medically cleared. The average population of this facility is 790 males.

The medical unit consists of one examination room, an observation room, a medication/nurses work station, and a nurse's break room. All medications are provided to the inmates at the cafeteria prior to meals.

The Reading Road Facility is a three story facility that houses male and female inmates with substance abuse problems and females that have been trauma victims. Substance abuse and treatment service are provided by the Talbert House. Security is provided by Hamilton County Sheriff's Office. The population consists of 150 inmates. Turning Point is a 60 bed facility that has a DUI intervention program and houses male inmates that are sentenced for 30 days for substance abuse. At each of these facilities, there is an exam treatment room where medications are passed twice a day by nurses. All sick call is provided by the Main Jail.

Inmates that are typically housed at Turning Point and Reading Road include: non-violent pre-sentenced misdemeanors or sentenced misdemeanors, or a sentenced non-violent felon with local incarceration time that have not had a history of violent behavior within the past five years. Voorhis and Associates reported that the proportion of inmates that are eligible for sentencing at both of these facilities is very small[1].

Inmate Population Characteristics

The average daily population for the HCJC was 2101 for FY 2005. The facility booked 9,338 females and 35,130 males. The average length of stay for FY 2004 was 17.16 days, up from 15.9 days in 1999. The Correctional Master Plan prepared in January 28, 2006 by Voorhis and Associates indicated that the monthly bookings were slightly elevated in the warm weather months particularly in August.

Exhibit L

Exhibit L represents a four-year analysis of the annual percentage increases in medical expenses at the Youth Center and Hillcrest Training School benchmarked against annual inflation statistics.

	2002	2003	2004	2005	Cumulative Increase 2002 through 2005
Youth Center Medical	$ 859,600	$ 931,900	$ 1,007,000	$ 995,600	$ 136,000
Hillcrest Medical	$ 320,000	$ 314,300	$ 388,000	$ 413,800	$ 93,800
Total Juvenile Court Medical Service Expense	$ 1,179,600	$ 1,246,200	$ 1,395,000	$ 1,409,400	$ 229,800
Annual Percentage Increase					
Juvenile Court Medical Historical:					
Youth Center Medical	17.9%	8.4%	8.1%	-1.1%	15.8%
Hillcrest Medical	29.3%	-1.8%	23.4%	6.6%	29.3%
Total Juvenile Court Medical	20.8%	5.6%	11.9%	1.0%	19.5%
Consumer Price Index Midwest Urban	1.2%	1.9%	2.4%	3.2%	7.7%
Annual Health Care Cost Increases (2)	15.2%	14.7%	12.3%	9.2%	41.0%

(1) Inflation measured on Consumer Price Index (CPI)
(2) Source Hewitt Health Value Initiative, 2005 Hewitt Associates, LLC

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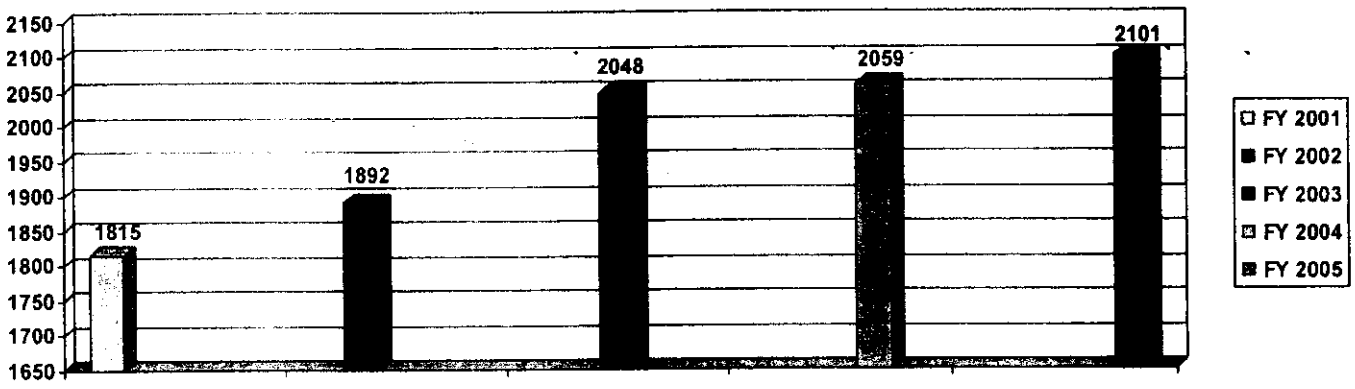
From FY 2001 to FY 2005, the inmate average daily population (ADP) increased by 11.8% from an ADP of 1815 inmates in 2001 to an ADP of 2101 in FY 2005. See Figure 1.

Figure 1 ADP HCJC FY 2001 through 2005



Males account for 78% of all bookings while females account for 22%. About 2/3's of all persons booked are black, 1/3 of the population booked is white. The classification system does not address Hispanic heritage. The average age of the jail population was 32.8 years.

Service Delivery and Efficiency

Hamilton County Board of County Commissioners, on behalf of the Hamilton County Sheriff's Office (HCSO), has entered into a contract with Correctional Medical Services, a contract medical firm from St. Louis to provide health services to inmates housed at the following facilities operated by HCSO: Hamilton County Justice Center, Queengate, Reading Road, and Turning Point. The contract has been in place since October 2002.

The scope of services covered by the contract includes professional, mental health and related health care and administrative services for inmates. Services include preliminary screening of arrestees and or inmates upon the arrival at the Justice Center, a comprehensive health evaluation of each inmate following admission to the HCSO, regularly scheduled sick call, physician sick call, nursing coverage, arrangement for hospital services, specialty services, emergency services, medical records management, health education and training services, a quality assurance plan, and administrative support services. The contract also includes (to the extent possible) for CMS to provide diagnostic services such as

Exhibit K

Exhibit K represents a four-year trend analysis for Hillcrest Training School

Hillcrest Training School	2002	2003	2004	2005
Staffing Cost Per Admission	$ 747.16	$ 898.56	$ 1,150.25	$ 1,158.37
Staffing Cost Per Youth Served	483.33	552.35	719.37	703.78
Staffing Cost Per Day of Care	4.32	4.55	5.05	5.34
Total Medical Expense Per Admission	$ 1,397.38	$ 1,503.83	$ 1,969.54	$ 1,979.90
Total Medical Expense Per Youth Served	903.95	924.41	1,231.75	1,202.91
Total Medical Expense Per Day of Care	8.08	7.61	8.65	9.12
Staffing Cost Per Sick Call	$ 38.16	$ 39.65	$ 36.06	$ 36.01
Total Medical Expense Per Sick Call	71.36	66.36	61.74	61.55
Dental Expense per Proceedure	$ 46.40	$ 57.14	$ 78.40	$ 66.52

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radiology and laboratory services on-site. Excluded from the contract are the costs off-site services and hospitalizations, transportation costs associated with medical transports, and dialysis. In the contract CMS is required to develop a plan to obtain inmate insurance information that an inmate may have to cover medical services provided to the inmate. The contractor is required to indemnify the County against litigation. CMS is also required to maintain accreditation by the National Commission on Correctional Health Care (NCCHC).

The base compensation from November 1, 2002 to October 31, 2003 was $334,080.75 monthly or $4,008,969 annually for a population of 2000 inmates. For inmate populations over 2000 inmates there is a per diem charge of $1.19 per inmate per day. Each year thereafter, the base compensation is increased by the Medical Care Component of the Consumer Price Index (CPI) for the Midwest Region (12 month average) plus 2.5%.

A. Evaluation of Contractual Responsibility

A.1 Personnel Staffing

In the CMS proposal submitted to the County, there was a staffing pattern that was identified in the Invitation to Bid (ITB) released by the purchasing department. In their proposal CMS agreed to staff according to this staffing plan. They agreed to a relief staffing factor which will provide coverage for holidays and vacation. Coverage was provided as follows: 24 hours nursing services at HCJC, 24 hour nursing coverage at Queensgate, and 16 hour coverage Monday through Friday in the mental health unit. CMS agreed to provide weekly documentation and monitoring of contractual versus actual hours worked. CMS acknowledged that they would be required to reimburse the County for actual costs of salary and fringe benefits of staffing levels in the proposal that went unfilled for more than 21 days.

In table 1 below a comparison is made to the staffing proposed versus the actual positions that were being scheduled in March 2006.

Table 1: **Comparison Proposed Staffing Versus Current Staffing FY 2006**

Position	Proposal	Proposal	Actual 2006	Actual 2006
	Hours /Week	FTE's	Hours/Week	FTE's
RN Administrator	40	1.0	40	1.0*
Medical Director	36	0.9	40	1.0
Nurse Practitioner	45	1.13	45	1.13
Director of	40	1.0	40	1.0

Exhibit I

Exhibit I represents Hillcrest Training School's 2006 staffing budget.

Hillcrest Training School		2006 Wage Budget
Health Services Coordinator / RN	1.0	$ 55,600
LPN - Full time	1.0	43,100
LPN - Full time	1.0	43,100
LPN - Part time	Part Time (1)	32,300
Estimated Overtime, Vacation and Holiday Pay		26,100
Total (2)		$ 200,200

(1) Total part-time hours not determined
(2) Before holiday, vacation and overtime pay
(3) Estimated at 15% based on review of historical detail

Exhibit J

Exhibit J represents a four-year analysis of admissions, days of care, and selected medical usage statistics for Hillcrest Training School.

Hillcrest Training School	2002	2003	2004	2005
Total correction/treatment Beds	142	130	118	118
Multidisciplinary Assessment Program Beds		12	24	24
Total Beds	142	142	142	142
Admissions to HTS (a)	229	209	197	209
Number of Youths Served	354	340	315	344
Days of Care Provided (b)	39,590	41,291	44,843	45,364
Average days per admission (b/a)	173	198	228	217
Physical Exams	399	388	389	345
Sick Calls:				
Pediatrician Visit	734	537	575	491
Nurse Practitioner Visit	334	294	325	253
Nurse Visits	3,416	3,905	5,384	5,979
Total Sick Calls	4,484	4,736	6,284	6,723
Dental Cleaning and Restoration Proceedure	278	294	287	224

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Nurses				
Dentist	32	0.8	32	0.8
Psychiatrist	32	0.8	32	0.8
Physician Queensgate	10	0.25	13	.325
MHU coordinator	40	1.0	40	1.0
MSW	40	1.0	40	1.0
LISW/LPCC	40	1.0	160	4.0
Behavioral Specialist	100	2.5	0	0
RN Supervisor Queensgate	40	1.0	40	1.0
Psychiatric RN	80	2.0	0	0
Psychiatric LPN	24	1.0	72	1.8
Charge RN	168	4.2	200	5.0
RN evening Intake	40	1.0	40	1.0
Dental Assistant	32	0.8	32	0.8
LPN	624	15.60	696	17.4
Medical Assistant	40	1.0	40	1.0
Medical Records Clerk	40	1.0	40	1.0
Administrative Assistant	40	1.0	40	1.0
Secretary/ Clerk	192	4.8	200	5.0
Total	1775	44.38	1882	47.05

In reviewing the staffing positions we find the following variances:

1. The health administrator position is being filled by an LPN vs. an RN
2. An addition of 0.5 LISW FTE has been added to the staffing pattern. The Behavioral Specialist position is not filled.
3. The psychiatric RN positions have been converted to LPN positions and the FTE's decreased from a total of 3.0 FTEs to 1.8 FTEs.
4. RN coverage in the medical unit has been increased by 0.8 FTE
5. LPN coverage has increased by 1.8 FTE
6. Clerical positions have increased by 0.2 FTE

Overall there has been an addition of 3.67 FTEs and an addition of 112 hours provided by the contractor per week. There has been some substitution of LPN

Exhibit H

Exhibit H represents a four-year analysis of Hillcrest Training School expenses to coincide with the levy period being analyzed.

Hillcrest Training School	2002	2003	2004	2005
Employee Staffing				
Employee Compensation	$ 136,900	$ 150,800	$ 178,300	$ 191,100
Employee Benefits	34,200	37,000	48,300	51,000
Total Employee Staffing	171,100	187,800	226,600	242,100
Medical Services	40,600	31,900	69,000	68,000
Dental Services	12,900	16,800	22,500	14,900
Total Medical Services	53,500	48,700	91,500	82,900
Sub-total	224,600	236,500	318,100	325,000
Drugs & Medical Supplies	48,900	68,400	67,500	87,000
Miscellaneous Medical	40,800	8,100	500	200
Office, Training and Other	5,700	1,300	1,900	1,600
Total Medical Expenses	$ 320,000	$ 314,300	$ 388,000	$ 413,800

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hours for RN hours and behavioral specialist for master's level positions. The substitution of LPNs for RNs yield substantial savings for CMS but also diminishes the training level of staff. LPN training programs do not exceed one year and by necessity contain much less emphasis on diagnostic skills. The increase in the numbers of LPNs may be a contributing factor in the increased numbers of ER referrals.

The requirements of the nursing post in the mental health unit are primarily to pass medications to the mentally ill and to verify medications at intake. These responsibilities can be easily assumed by an LPN. The change from behavioral specialist to a master's level provider is positive for HCJC as CMS is providing a more educated and experienced provider than what was initially contracted.

At the time of the audit, there were only two LPN vacancies. The health administrator indicated that despite the national nursing shortage, they have not experienced difficulty with nursing recruitment. In addition to the current staffing pattern, the contractor has a number of per diem as needed (PRN), nursing and mental health positions that are used to cover vacation, sick time and illness.

A review of the variance report for contracted hours versus hours worked for 2005 indicated that there were 122,872.75 paid hours for 2005 which exceeded the contract amount of 92,408 hours budgeted. Data was requested but not provided for FY 2004.

A.2. Records Review

Numerous medical records were selected from various lists to gain a better appreciation of current practice patterns and determine waiting time to access care. Records reviews also provided an opportunity to confirm compliance with contract provisions, applicable community health practices, and national correctional standards.

Access to care is a critical component of inmate medical care because of barriers imposed by incarceration. Inmate requests for medical care were processed in an average of 1.25 days. Administrative requests and minor issues were dealt with by the nursing staff and those requiring a provider appointment were triaged to routine or more urgent treatment. The documentation was satisfactory and the decisions of the nursing staff appear to have been appropriate. Provider referrals were completed on average of 5.09 days after submitting a request form and five were seen in three days or less. This timeframe compares very favorably to other U.S. jails. All requests were processed within the time requirements of the applicable NCCHC standards.

Exhibit F

Exhibit F represents a four-year analysis of admissions, days of care, and selected medical usage statistics at the Youth Center.

Youth Center	2002	2003	2004	2005
Admissions to secure housing	5,913	5,692	6,257	6,038
Total Days of Care	54,004	52,421	65,974	61,809
Average Population	148	150	155	163
Average length of Care (days)	9.5	10.2	11.0	10.5
Medical Screenings performed	4,953	5,154	5,706	5,564
Medical Examinations performed	1,917	1,526	1,340	1,301
Sick Call Exams (NP or Physician)	924	1,173	1,035	972
Sick Call Exams (Licensed Practical Nurse)	1,086	6,397	4,428	5,653
LPN Administered Meds and Treatments	22,670	29,925	36,809	27,289
TB Skin Tests	2,907	2,689	3,001	2,979
Positive TB Tests	41	*(a)*	*(a)*	37
STI Lab specimens collected	481	272	185	881
Juveniles treated for STI	134	120	117	189

All statistics were provided by the Youth Center Administrators or taken form annual reports issued by the Youth Center.
(a) Actual results not included, however it was indicated that less then 1% of TB skin tests were positive.

Exhibit G

Exhibit G represents a four-year trend analysis for the Youth Center.

Youth Center	2002	2003	2004	2005
Staffing Cost Per Admission	$ 130.88	$ 150.79	$ 126.75	$ 119.48
Staffing Cost Per Day of Care	$ 14.33	$ 16.37	$ 12.02	$ 11.67
Staffing, Contracted & Hospital Services:				
Per Admission	136.77	157.91	154.47	150.11
Per Day of Care	$ 14.97	$ 17.15	$ 14.65	$ 14.[illegible]
Drugs/Supplies Per Admission	$ 3.28	$ 3.09	$ 3.48	$ 4.27
Drugs/Supplies Per Day of Care	$ 0.36	$ 0.34	$ 0.33	$ 0.42
Total Expense Per Admission	$ 145.37	$ 163.72	$ 160.94	$ 164.87
Total Expense Per Day of Care	$ 15.92	$ 17.78	$ 15.26	$ 16.11

Similar timeframes were found for Queensgate residents with processing of request on average of 1.8 days seeing the physician 1.92 days later. Chart documentation was very thorough with excellent legibility. Acute cases were given priority as appropriate. No management issues were identified.

Inmates seeking dental care had their requests processed within an average of 0.82 days and saw the dentist a mean time of 11.0 days later. Four of the twelve charts resulted in extractions and two were referred to the oral surgeon. Access to care was well within the timeframe for similar facilities and is consistent with access to community providers.

Waiting time for dental care for Queensgate residents averaged 3.18 days to process requests, seeing the dentist an average of 9.83 days later. Access to dental care was very comparable to that for HCJC even though the Queensgate residents had to be transported to the main facility. In the interim, all of the cases where pain was reported had prescriptions for pain medications.

The numbers of oral surgery referrals appeared to be higher than is typical for this population size. Documentation regarding the need for oral surgery referrals was very minimal and it was not possible to evaluate whether all were warranted.

Ten records from inmates housed in the medical housing unit were reviewed. Unit residents included new arrivals in need of observation for detox and acute medical problems as well as a number of complex long term medical conditions. One of the unit residents is being housed there for segregation and is classified as "administrative segregation". Although he does have some medical problems they do not justify special housing. All of the other records contained appropriate documentation regarding the need for unit placement. Every patient was seen at regular intervals and had timely chart entries.

Two of the patients were housed in the unit because of opiate detox. In both cases detox treatment did not begin until the third day in jail when they became symptomatic even though both gave clear history of opiate use. The delay in treatment makes these cases more complicated because frequent vomiting makes it difficult to tolerate oral medication. It is not clear why detox treatment was not started sooner. One of the ER referrals was also the result of delayed initiation of detox therapy. This issue should be evaluated through CQI.

Screening tests for tuberculosis were consistently completed and charted. Chest films were obtained as required. The turnaround time for reading of the chest films was generally less than 48 hours. HCJC staff had difficulty meeting the 14 day requirement for the completion of physical exams. Fifteen records averaged 17.87 days and only six of the fifteen were completed in 14 days or less. The 14-day standard is an essential requirement for NCCHC accreditation and is also a requirement under state law.

Exhibit D

Exhibit D represents historical and current contracts with CCHMC for medical staffing at the Youth Center. This Exhibit details contracted totals, actual expenditures are provided in Exhibit C.

Current Youth Center Contracts with Children's Hospital Medical Center (CCHMC)	Not to Exceed		
	2004	2005	2006
Medical Director/Physician Services (6-hours of physician services per week)	$ 35,580	$ 36,648	42,000
Fellow Services (3-hours per week)	4,800	4,944	4,560
Nurse Practitioners (2-FTEs in 2004/2005, 1.6-FTE in 2006)	158,400	163,152	159,600
	$ 198,780	$ 204,744	$ 206,160

Exhibit E

Exhibit E represents current Youth Center staffing levels with wages estimated based on June 30, 2005 wage levels.

Youth Center	Current FTEs	2006 Wage Analysis
RN Nurse Manager	1.0	$ 63,200
Administrator	1.0	44,700
Licensed Practical Nurses	9.0	340,700
Medical Clerk Typist	1.0	24,100
Correction Officer	1.0	25,500
Estimated Overtime, Vacation and Holiday Pay (1)		$ 74,700
Totals	13.0	$ 572,900

(1) Estimated at 15% based on review of historical detail

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Jails typically manage significant numbers of high-risk obstetric patients and Hamilton County is no exception. Records of currently incarcerated pregnant women were reviewed to determine the timeliness of prenatal care, subsequent follow-up, and the management of possible labor. Obstetric consults were completed in an average of 12.33 days after request and 19.4 days after intake. Most of the new intakes were in the first or second trimester. Only one was in the more advanced stages of pregnancy, and she was seen by an obstetrician eight days after a consult request was submitted and twelve days after arrival. Completion of the obstetric consults is well within the timeframe seen for urban jails and suggests good cooperation with clinic schedulers.

A review of the obstetric records yielded many ER referrals, several of which were poorly documented or of questionable merit. These results suggest that further training is warranted for the nurses and either more specific protocols or better communication with the hospital OB staff.

One of the OB patients was noted to be on Methadone. Continuation of this medication in pregnancy is required to prevent miscarriage but the jail does not have a license to dispense Methadone and the local clinic will not deliver it to the jail. Instead, daily trips to the Methadone clinic are required just to receive a dose of medication. At least twenty trips are noted for this patient alone. We recommend that the jail consider obtaining a Methadone license or encourage either the jail staff or university physicians to obtain training in the use of Subutex. Subutex is an oral medication that is approved for opiate dependency in pregnancy. It is schedule III and could be stored on-site under the existing license.

Scheduled follow-up care for diabetes and other chronic illness is mandated by the applicable standards and is also consistent with good medical practice. Eleven medical records of diabetic inmates were audited to evaluate the sufficiency of blood sugar management and the provision of preventive measures for disease complications. Preventive measures include blood pressure management, cholesterol screening, testing for urinary protein, foot exams, annual eye exams and daily aspirin when indicated.

All but one of the diabetic inmates was found to be in adequate control and every diabetic inmate who had been in custody at least five weeks had been seen for chronic care evaluation. Preventive care was found to be inconsistent. One chart was found with a markedly elevated hemoglobin A1c of 10.6 (target=7), an elevated LDL of 144 (target=100) and increased TSH level, indicative of hypothyroidism. The thyroid medicine was increased in January, but blood work to recheck the response to therapy had not been ordered or obtained as of the date of our visit in mid-March. Diabetic medications were not adjusted in response to the A1c level and the elevated cholesterol was not treated or re-evaluated. Another case worth noting was recently seen in chronic care clinic

Exhibit C

Exhibit C represents a four-year analysis of Youth Center expenses to coincide with the levy period being analyzed.

Youth Center Medical Expense Analysis	2002	2003	2004	2005
Employee Staffing				
Employee Compensation	$630,000	$684,900	$618,500	$549,100
Employee Benefits	143,900	173,400	174,600	172,300
Total Employee Staffing	773,900	858,300	793,100	721,400
Contracted Staffing & Hospital Services:				
Medical Director	33,500	33,600	33,100	32,600
Nurse Practitioner			123,000	171,900
Fellow			3,300	4,400
Hospital Services - outpatient	700	6,400	14,000	200
Consultants				12100
Total Contracted Staffing & Hospital Services	34,200	40,000	173,400	221,200
Sub-total Staffing, Contracted Services and Hospital Services	808,100	898,300	966,500	942,600
Drugs & Medical Supplies	19,400	17,600	21,800	25,800
Lab & X-Ray Services	6,400	2,000	7,000	7,000
Dental Services	7,700	4,000	5,200	14,600
Office, Training and Other	18,000	10,000	6,500	5,500
Total Medical Expenses	**$859,600**	**$931,900**	**$1,007,000**	**$995,500**

In 2002 and 2003 the nurse practitioner position, was included in employee staffing at the Youth Center. Beginning in 2004, nurse practitioner staffing was contracted from CCHMC.

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and was found to have an elevated blood pressure, but this condition was not treated.

The charts of several asthmatic individuals were encountered during the audit. The records showed timely provision of medications after intake and the addition of additional therapy in a manner that was consistent with NCCHC and other applicable guidelines. The seizure cases encountered showed appropriate use of lab tests to avert toxicity and assure sufficient dosage to provide therapeutic benefit. It was not possible to evaluate HIV care because treatment is provided at the Holmes clinic of U.H. and no records from these encounters were found in the jail records. Records of referrals to the clinic were noted but on an inconsistent basis. Most jails that use off-site specialists for HIV care obtain copies of lab work and consult reports to place in the chart. We recommend this practice.

B. Transfer of Inmates to University Hospital

1. Specialty Care

The ITB (VI. Scope of Work, H. Hospital Care) states that it is CMS responsibility to provide as many on-site medical services as possible in order to limit the number of inmates who must be transported to the Hospital.

Referrals to specialty medical clinics are generated by CMS physicians based upon their medical judgment. Currently no standardized guidelines, protocols, policies and/or procedures are utilized to manage these referrals.

Specialty clinics seeing the most dramatic increase from 2003 to 2005 were:

Year	2003	2004	2005	% increase
Urology	9	23	34	277 %
Rad/Diag	20	42	55	175 %
Dermatology	-	2	11	450 %
ENT	21	34	44	109 %
Holmes	67	74	87	30 %
Hoxworth	6	11	30	400 %
OB/GYN	94	78	126	37 %

II. Financial Analysis

Goals per Scope of Services:

A. Provide a financial analysis over the five-year period of the previous levy analyzing revenue, costs, budget, and administrative costs.

B. Provide financial comparisons based on service measures such as units and patients (as appropriate to each service).

C. Analyze other sources of revenue in addition to tax levy and affect on tax levy requirements, including determination of usage as payor of last resort, and trend analysis of other revenue sources compared to levy revenues.

D. Analyze levy usage compared to inflation indices.

Exhibit B

Exhibit B represents a four-year analysis of medical service expenses by location as follows:

	2002	%	2003	%	2004	%	2005	%
Youth Center Medical	$ 859,600	72.9%	$ 931,900	74.8%	$ 1,007,000	72.2%	$ 995,600	70.6%
Hillcrest Medical	$ 320,000	27.1%	$ 314,300	25.2%	$ 388,000	27.8%	$ 413,800	29.4%
Total Medical Expense	$ 1,179,600	100.0%	$ 1,246,200	100.0%	$ 1,395,000	100.0%	$ 1,409,400	100.0%

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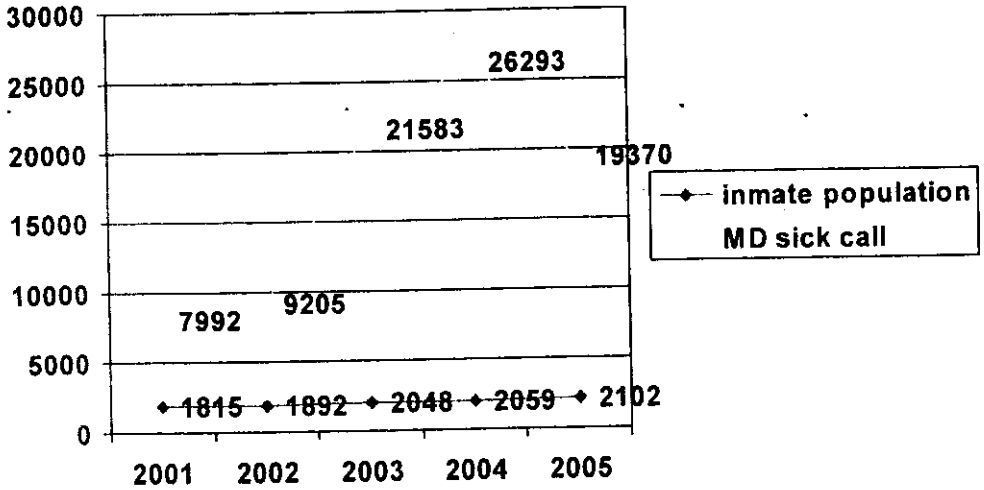
The number of inmates seen by a correctional physician for sick call shows a decrease in 2005 in FY 2005 sick call decreased from 26,293 in FY 2004 to 19370 in FY 2005.

Figure 2 Physician Visits on-site at HCJC FY 2001 through 2005



However, the percent of inmates referred to specialty clinics (we subtracted dental from this statistic) increased 66% in 2005.

Year	2003	2004	2005	
Avg #	63	69	94	
% of visits	3.5%	3.5%	5.8%	referred

2. Record Review of Off-site Care

A log of off-site referrals was provided and numerous charts were pulled for review. Dialysis accounts for a substantial number of off-site trips and these trips tend to be much longer duration than typical clinic visits. We were advised that a local company previously delivered dialysis services at the jail, but that the contract was discontinued because university physicians did not feel comfortable issuing dialysis orders to staff that were not under their control.

We were struck by the minimal documentation on the utilization review forms and that the consults had been approved even though it was not clear that they met referral criteria or that specialty care was warranted. Few of the oral surgery

History and Background of Levy Requirements

Hamilton County Juvenile medical services are funded by proceeds from the health and hospitalization levy (also referred to as Indigent Health Care Levy).

Juvenile medical services have historically been funded by the Indigent Health Care Levy as follows:

Exhibit A

		2002	2003	2004	2005	2006 Projected
Total Tax Levy	*n/a*		$ 54,037,500	$ 54,442,700	$ 54,851,100	$ 55,262,500
Juvenile Court Medical Service expenses	$	1,179,600	$ 1,246,200	$ 1,395,000	$ 1,409,400	$ 1,447,700
As a Percent of Total Levy	*(a)*		2.3%	2.6%	2.6%	2.6%

(a) 2002 was funded by the Childrens Services Levy

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consults contained more than a mention of the tooth or teeth to be treated. Another example was a neurosurgery consult that was requested for back pain even though neither the chart entries nor the consult request documented any significant change in the condition, or findings that would warrant surgical consult such as weakness or numbness. One urology referral was made for a "past history of kidney stones" but no imaging tests were found that document whether the condition still exists and the urine test on the chart was suggestive of an infection rather than stones.

C. Services Provided by University Hospital versus the Jail Medical Clinic

1 .Inpatient Admissions

University Hospital provides Inpatient Services, Specialty Consults and Emergency Room care.

The ITB (VI. Scope of Work, H. Hospital Care) states that University Hospital provides for the hospitalization of inmates who, in the opinion of the Medical Director require an acute care setting. CMS is responsible for providing a daily report of inmates admitted to or released from UH to include the reason for admission – hospital diagnosis. A daily log is currently compiled for the report. It includes the referring diagnosis but is not updated to include the hospital diagnosis.

The contract states that CMS will arrange for the admission of any inmate, who in the opinion of the Medical Director requires hospitalization. Correctional physicians are not generally on staff at the local hospital so all potential admissions must be referred to a specialty clinic for elective admissions and the ER for urgent admissions. There is no specific report available to determine what percent of the Hamilton County Jail referrals sent to the specialty clinics and/or the ER for admission were admitted.

The ITB (VII. Personnel Staffing, D. Administrative, 5) states that CMS shall ensure that the health care status of inmates admitted to a hospital is reviewed on a daily basis to ensure that the duration of the hospitalization is no longer than medically indicated.

Utilization Management for CMS is a centralized function operating out of the Corporate Office in St. Louis, Missouri. This office is responsible for oversight of the UM functions of the CMS staff at Hamilton County jails.

The Youth Center also has a psychology department providing mental health evaluations and counseling. The cost of operating this program is recorded in the psychology department and paid for with funds from a separate mental health program levy. The cost of drugs relating to the treatment of psychology disorders are recorded as medical expenses.

Hillcrest Training School Overview

Hillcrest Training School has 142 correctional/treatment beds, of which 118 are residential treatment beds for adjudicated male delinquent youth who are placed by the Hamilton County Juvenile Court. There are also twelve short-term stay assessment beds for girls and twelve short-term stay assessment beds for boys. The school operates what would commonly be referred to as a reform school. The program primarily serves youth who have committed felony offenses. Approximately 210 youth enter Hillcrest Training School every year, and the ages of youth in residence range between twelve and eighteen.

Medical services provided on-site include health assessments, daily sick call, management of special needs cases, medication distribution, immunizations, substance abuse urinalysis, and routine dental care. The Medical Services department oversees the exposure control plan and assists in the monitoring of certain health safety requirements throughout the facility. Additional health services are contracted through various community clinics and hospitals, as needed. Staff consists of an RN supervisor, two full-time and one part-time LPN. The school contracts with a visiting physician, nurse practitioner, and a dentist. See Exhibits H and I in the financial analysis section for a detailed analysis of Hillcrest Training School's medical department staffing and expenses.

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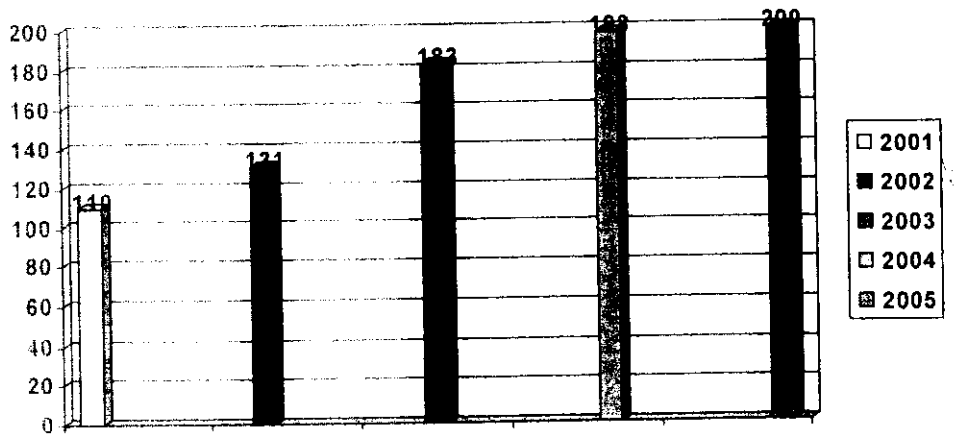
There is a formal UM Program and Plan at the corporate office and the use of nationally recognized criteria for decision making includes both Milliman and Rodgers and Interqual. The CMS UM Program applied the Utilization Review Accreditation Commission (URAC) national standards to the development of their centralized program.

For Hamilton County inpatient management, there is a Utilization Review (UR) nurse located at the central office. This UR staff member is responsible for calling daily to the hospital and speaking to the designated case manager to obtain a status report on the offender admitted to that facility. (S)he then forwards a report via email to the CMS staff at the Hamilton County Justice Center (HCJC). If there is a disagreement about the continued stay or discharge plans, the medical director at corporate office is contacted for a medical review of the case. This physician will contact the attending physician at the hospital if additional information is needed.

A monthly report is compiled by CMS listing Days/1000, Average LOS, Readmissions, Avoidable Days along with Large Cases. Large cases are the catastrophic cases that are generally cost or day outliers. The current indicator utilized for Large Cases includes a daily review of all cases that have a LOS greater than 7 days. These cases are discussed daily with the CMS Medical Director via telecommunication.

Our review of inpatient admissions found the following trends. In FY 2001 there were 110 hospital admissions, in FY 2005 there were 200 admissions which was an increase of hospital admissions of 45%. See Figures 3 and 4.

Figure 3: Hospital Admissions FY 2001 through 2005



The number of hospital days increased from 36.2 days in FY 2001 to 56.1 days in FY 2005 an increase of 35%.

provide health and hospitalization services, including University Hospital, for the fiscal years 2002 through 2006 (most recent levy period).

Medical services are provided at two separate locations: The Youth Center, a 200-youth capacity, short-term juvenile detention center located in downtown Cincinnati; and, Hillcrest Training School, which provides 142 correctional/treatment beds on 88 acres in Springfield Township.

Youth Center Medical Department Overview

The Youth Center is defined as a juvenile detention and confinement facility, or what would commonly be referred to as a juvenile jail. Approximately 6,000 youth enter the facility each year for an average stay of 9 - 11 days. The majority of juvenile court medical expenses are incurred at the Youth Center as this is where juvenile defendants enter the court system and are first held in secure custody pending court hearings or imposition of disposition. Juveniles entering the Youth Center are screened for medical issues at the time of booking by health staff. Arrestees with acute injury or illness are sent to Cincinnati Children's Hospital (CCHMC) or University Hospital until they are medically cleared to enter the facility. Once admitted, juveniles receive a health assessment (physical) within the first seven days by either a certified nurse practitioner or physician. Laboratory specimens are collected for the diagnosis and treatment of sexually transmitted infections and Tuberculin skin tests are performed. Licensed Practical Nurses (LPN) handle non-emergency medical requests, conduct sick calls in the housing areas twice per day, and administer medications and treatments. Juveniles requiring hospital and specialized ambulatory care for acute emergency care are sent to CCHMC or University Hospital.

When a juvenile is sent to the hospital as part of the screening process, the Juvenile Court takes the position that these costs relate to pre-existing conditions and are not the court's responsibility. The Youth Center only takes responsibility for off-site or hospital medical costs that are the result of conditions (such as an injury) and arise while in custody. In general, when the Youth Center pays for off-site medical services, it is the payer of last resort after insurance and Medicaid. Medical services provided while in custody at the Youth Center are born by the Juvenile Court with no provision for reimbursement or financial restitution in place.

The medical department at the Youth Center is staffed by a Health Center Administrator, LPN supervisor, nine LPNs, a medical clerk, and a corrections officer. A medical director and two nurse practitioners are contracted from CCHMC. In addition, dental services are also provided by contract. See Exhibits C, D, and E in the financial analysis section for a detailed analysis of Youth Center medical department staffing and expenses.

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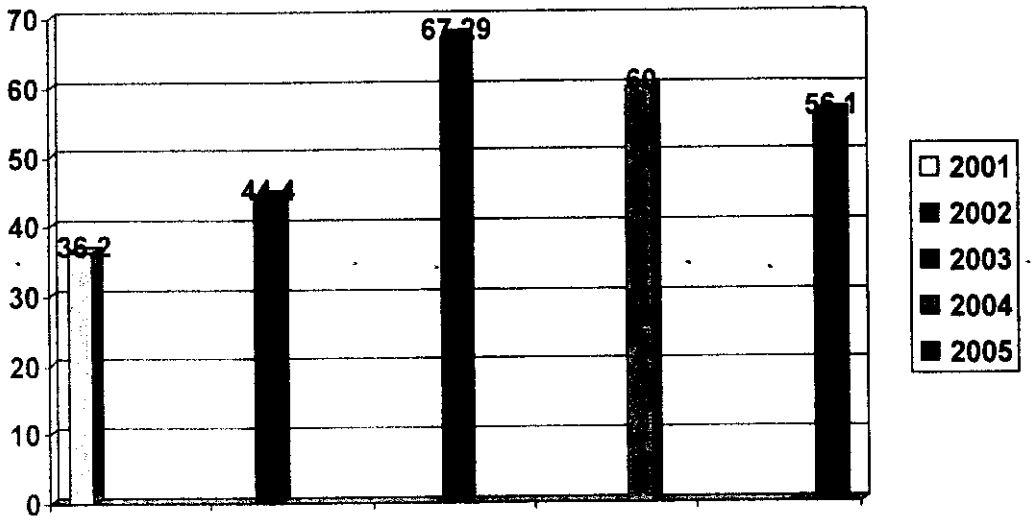
Figure 4: Number of Hospital Days FY 2001-FY 2005



Our review of the length of stay for inpatient admissions found the following trends:

*Note: This data was not available prior to 2002.
2002 data is incomplete, so it was not used in this graph

Year	2003	2004	2005
LOS 2 days or less(%)	47 (47%)	69 (47%)	55 (50%)
LOS 1 day or less (%)	24 (24%)	34 (23%)	20 (18%)

This trend of approximately 21% of admissions with a LOS of 1 day or less is indicative of a potential lower acuity level for a large portion of the admissions. Preadmission utilization review would have determined if these admissions were medically unnecessary and/or if the admission could have been to a lower level of care such as an infirmary or observation unit. It would also determine if these admissions are being sent from the Facility or if they are being admitted from the Specialty Clinics, the Emergency Room or another contracted provider.

January 2006 statistics show this trend continues with a total of 8 (42%) of the 19 admissions with a LOS of 1 day or less.

contracted medical costs are analyzed by annual admissions data, Hamilton County's expenses per admission exceed Franklin County by 14% or $22 per admission but are less then Cuyahoga County by 21% or $33 per admission. Hamilton County provides more staffing than both Franklin and Cuyahoga and significantly more services then Franklin County. This suggests that while more expense is being incurred, additional benefits are also being realized; however, it is out of the scope of this report to make any conclusions as to the quality of inmate care and necessity of services.

Our recommendations are relative to our analysis of the medical services provided by the Hamilton County Juvenile Court are as follows:

We recommend the Juvenile Court seek outside quotes relative to contracting staffing and physician services. Potential benefits would include possible cost savings, a shifting of the responsibility for determining appropriate levels of care away from the detention centers administration to a professional medical organization, limiting liability and freeing correctional administrators to focus on custody-related issues.

Consideration should be given to placing the medial programs at both the Youth Center and Hillcrest Training School under the supervision of the same Medical Director in order to promote efficiencies and focus resources.

I. History and Background

Goals per Scope of Services:

A. Review levy requirements, including intended usage and populations. What services are mandated by law, which are discretionary?
B. Review prior recommendations from TLRC, prior consultant reports. commissioner directives, etc.
C. Review and analyze strategy plans.
D. Determine systems in place for receipt of levy dollars and usage for intended purposes.
E. Determine if levy requirements and recommendations are being, or have been followed or implemented.
F. Determine if the most recent levy resulted in over- or under-funding of services. If over-funded, what happened with excess funding?

History and Background of Hamilton County Juvenile Court Medical Services

Juvenile Justice services in Ohio are provided by local governments and vary from location to location. Nine Ohio counties, including Hamilton County, have separate Juvenile Justice divisions of their Courts of Common Pleas. In Hamilton County, the cost of medical services associated with the Juvenile Court are funded by proceeds from the health and hospitalization levy (also referred to as the Indigent Care Levy). The purpose of the levy is to supplement the general fund appropriations of Hamilton County, Ohio, to

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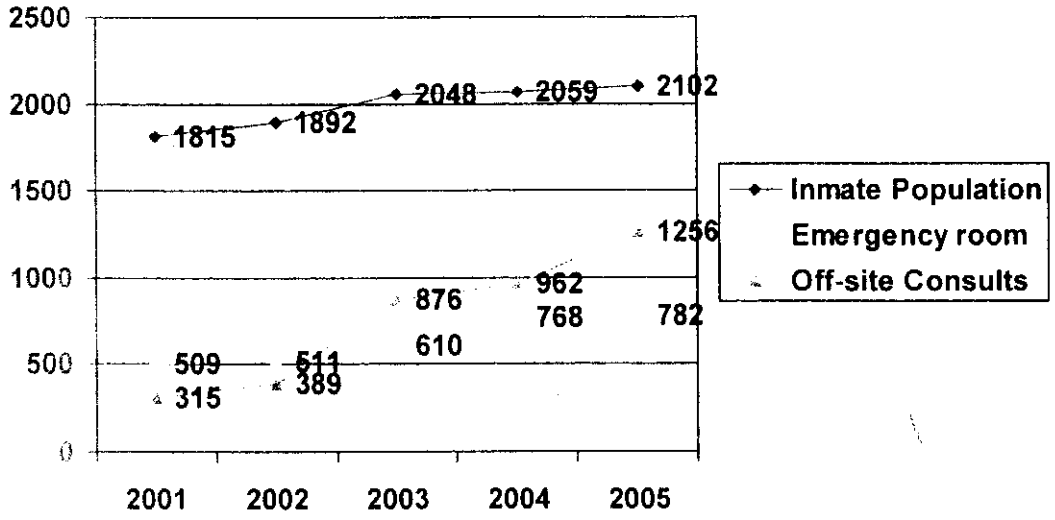
2. Emergency Room Visits

The Health Services Contract (Article 1: Health Care Services, 1.4) states that CMS will provide emergency medical treatment to inmates and HCSO staff as necessary and appropriate on site. HCSO is responsible for payment of the ER visits.

The ITB (VI. Scope of Work, J. Emergency Services) states that 24 hour emergency medical and dental care should be available onsite. UH ER may be utilized for life threatening emergencies.

Inmate requests that indicate an emergency condition are immediately referred and evaluated at an emergency room. Emergency room visits have been steadily increasing from FY 2001 to FY 2005. While there was an increase in the population of 11.8% from FY 2001 to FY 2005, there was an increase in emergency room visits by 60%.

Figure 5: Inmate Population compared to Off-site Consults and Emergency Room Services.



A review of the emergency room logs for 2005 indicate there were a number of inmates sent to the emergency room for withdrawal, lacerations, potential fractures, as well as some serious conditions such as chest pain, acute abdomen and premature labor.

CMS is responsible for providing a monthly report of inmate emergency trips to University Hospital to include the emergency treatment received. A daily log is kept and a monthly report is compiled. It includes the referring diagnosis but is

Final Report on Hamilton County Juvenile Court Medical Services

April 21, 2006

Executive Summary and Recommendations

During the course of this engagement a great deal of information and input was provided by the administration and management of the Hamilton County Youth Center and Hillcrest Training School, relative to medical services provided by the Hamilton County Juvenile Court. We believe the information resulting from this process presents the reader with a clear view of the services provided, staffing, and service costs.

Each facility in Hamilton County providing Juvenile Court medical services is accredited by the National Commission on Correction Health Care (NCCHC). NCCHC is a nationally recognized correctional health care accreditation agency which is established to promote high standards in correctional health care. It is a policy decision by the Hamilton County Juvenile Court to maintain this accreditation which requires compliance with multiple standards that cover governance and administration of medical care, managing a safe and healthy environment, personnel and training, heath services, juvenile care and treatment, health promotion and disease prevention, special needs, health records and medical-legal issues. While these standards cover a significant number of issues the key purpose is to insure that juveniles have access to care to meet their serious medical, dental and mental health needs. Potential cost savings associated with a change in policy to forgo the NCCHC accreditation in order to provide an absolute minimum in services is outside the scope of this report.

Our financial analysis presented in schedules A through L present two programs that, when reviewed in detail, are not complex in nature. Both programs' main expenses (approximately 83% combined) are for medical staffing made up mainly of nursing, contracted physicians, and nurse practitioners. The remaining 17% of costs consist of drugs, supplies, x-ray fees, lab fees, dental services, office and training expenses. The combined medical program expenses have increased from $1,179,600 in 2002 to $1,409,400 for 2005 which exceeds general inflation but is significantly less of an increase then nationwide increases in health care costs over the same period.

Our benchmarking analysis presented in schedules N and O compare Hamilton County's Juvenile Detention Center medical staffing to comparable programs in Franklin and Cuyahoga County. Hamilton County houses a larger population of juveniles then either Franklin or Cuyahoga and spends more on staffing and contracted medical services then either program (based on information provided by the Superintendent of each County's juvenile detention facility). One significant difference is that both Franklin and Cuyahoga Counties contract 100% of the medical staffing for their programs. When staffing and

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not updated to include the emergency treatment received. A review of the Emergency and Admittance Hospitalization Log for 2005 indicates the following:

Note: Efforts were made to remove the duplications. The manual log forms are not consistent and a few duplications were noted.

Year 2005	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
# sent to UH	55	51	52	66	57	64	79	61	60	62	83	88
# admitted	16	8	17	21	18	13	12	14	12	15	25	16
% returned	71%	84%	67%	68%	68%	80%	85%	77%	80%	76%	70%	82%

These statistics propose that the majority of transfers to the Emergency Room are stabilized and/or treated at the ER and returned to the Facility.

3. Record Review Emergency Care

Chart reviews included 15 records from jail inmates sent for ER evaluation that accounted for a total of 20 ER referrals. The records were reviewed for timely evaluation, adequacy of the evaluation, appropriateness of the referral, and appropriateness of the follow-up care. Six of the twenty referrals were found to be poorly documented, insufficient to justify ER care. Eight of the twenty referrals justified further history, exam, or tests before ER transfer and two of the twenty could have possibly been prevented if different therapy had been initiated at least 24 hours prior to the emergency care was required.

A few records caused concern. M.M. was seen by the nursing staff early on the morning of February 8 for weakness. His past medical history includes advanced heart disease including stent placement for coronary artery disease and heart failure. Upon exam, he was found to be diaphoretic and to have a blood sugar of 50. M.M. was sent to the hospital. The records do not indicate that the low blood sugar was treated prior to his transfer. Hypoglycemia can cause life-threatening complications with advanced heart disease and the failure to address this problem could have caused sudden death prior to reaching the ER. Further the history suggests that his symptoms were largely attributable to the hypoglycemia.

A.F. was taken into custody on February 10. He had a prior history of liver disease and apparently was alcoholic but the intake history provides little detail. When he was seen the following day by the nursing staff, no vital signs were obtained and it does not appear that he was monitored for evidence of alcohol withdrawal. On the 13th he was evaluated by the nursing staff and was found to

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April 21, 2006

Hamilton County Tax Levy Review Committee
Hamilton County Board of County Commissioners

Based on our Professional Services Agreement dated January 24, 2006, we submit the accompanying Final Performance Review Consulting Report consisting of the Executive Summary and the detailed Scope of Services.

Our report is based on historical financial, operational and clinical information provided to us by management. We were not requested to, nor did we, audit the accuracy of the information provided. Had we audited the information provided, matters may have come to our attention which may have resulted in different findings and/or recommendations. Accordingly, we take no responsibility for the underlying data presented or relied on for the preparation of this report. Additionally, we have no responsibility to update this report for events or circumstances occurring after the date of the report.

We appreciate the opportunity to be of service to the TLRC and the Board of Commissioners, and we are available to assist related to any of the recommendations in our report.

Very truly yours,

HOWARD, WERSHBALE & CO.

be confused with findings suggestive of withdrawal according to the note. He was sent to the ER and admitted to the hospital.

These results suggest the need for closer scrutiny of ER referrals. Only one of the twenty cases was unstable and many of the rest would have warranted reconsideration after an hour or more of observation. It may be helpful to work with the ER and OB staff to develop specific protocols to manage common referral issues.

C. Identification of Types of Services Provided By CMS versus University Hospital

The CMS contract provides for primary care services that include nursing sick call, physician, psychiatric care, dental services and medication management. Inmates generally write a written request for health care services know as a kite which is the usual mechanism that most inmates use to seek health care in correctional settings. The initial triage of these requests is provided by either an LPN or an RN. Inmates that present with a minor condition are frequently treated by nursing personnel with over the counter medications. Health care requests that indicate a more serious condition are referred to a physician for clinical evaluation. In addition to routine sick call, the facility also provides chronic care management. Chronic care is an organization of care to provide regular follow-up and diagnostic testing of inmates with chronic conditions e.g. asthma, diabetes etc. Dental care provided on-site consists of temporary fillings and extractions. Psychiatric services are primarily diagnosis and medication management.

Dental Services include the following statistics:

Year	2003	2004	2005
Avg # of visits/mo	143	142	139
% of visits referred	7%	8%	8%

Chronic care clinics available at the HCJC include:

- Cardiac and Hypertension
- Neurological/Seizure
- Pulmonary
- Endocrine

The Hamilton County Tax Levy

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- TB
- Infectious Disease

The average visit per month to all of the chronic care clinics was:

Year	2003	2004	2005
Visits/mo	119	103	74

The onsite OB/GYN clinic average visit / month was:

Year	2003	2004	2005
Visits/mo	57	53	82

1. Infirmary Care

The ITB ***(VI. Scope of Work, G. Infirmary)*** states that contractor will be expected to utilize the infirmary to its fullest extent. It specifies that the intention of the infirmary is to provide to those inmates who require convalescent, chronic or skilled level of care but who do not require a hospital acute care setting.

The infirmary is currently being used for medical housing. Infirmary capabilities are limited due to staffing and/or equipment needs. Inmates that are currently housed in the observation unit had the following diagnoses: pregnancy, diabetes, fractures, Hepatitis C, alcohol or drug withdrawal, gun shot wounds, renal failure, MRSA, disability e.g. paraplegia.

Infirmary capabilities generally include:

- Frequent vital sign and neurological checks, monitoring cast care, crutch teaching and gait training.
- IV therapy.
- Medication administration which includes Oral, IM and subcutaneous injections.
- Continuous oxygen available, nebulizer, and CPAP machines.
- Performance of accuchecks' for diabetics, ostomy care, and care for indwelling urinary catheters.
- Dressing changes, suture and staple removal.

Procedures that are currently not performed but could be with additional staff and or equipment include:

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The Hamilton County Board of Commissioners

Hamilton County Tax Levy Review Committee

Final Performance Review Consulting Report on Hamilton County Juvenile Court Medical Services

April 21, 2006

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- Wound VAC and whirlpool capabilities.
- Frequent passive ROM and/or turning of patient
- IV medications or IV hydration (temporary only),
- Frequent Medications (i.e. q hour).
- NG or G-tube feedings, bowel and bladder training.

D, E. Identify Practices that Encourage Competitive Bidding Process for Inmate Medical Care

While CMS has provided staffing services for the HCJC, the current arrangement with the tax levy system in providing payment for inmate health care at University Hospital has not been cost-effective. CMS in conjunction with University Hospital has assisted the jail in obtaining the off-site services that are needed but neither entity has established a good track record in their ability to control health costs. This is because there has been an over-utilization of services in the use of specialty appointments, emergency visits and hospitalizations. The overuse of services has been a significant cause of inflation of medical costs at HCJC. The current system is an open ended system of health care financing which invites uncontrolled growth, unnecessary repeat visits and increased financing.

In an effort to encourage a more competitive bidding process there are several strategies that can be recommended. First the County can opt to provide more specialty services on-site. We feel that some of the emergency room visits and off-site care could be avoided with better utilization management and the provision of more on-site services. The highest number of specialty services sent off-site was related to dialysis (166 visits), OB/GYN patients and oral surgery (126, and 131 visits respectively). These services could easily be provided on-site and included in a future IRB. It is recommended that guidelines are developed for oral surgery referrals.

While there is a nurse practitioner who provides some OB care, consideration should be given for an OB/GYN physician or resident with an attending to provide this service. Many jail facilities are now providing ultrasounds on-site which eliminates the need for off-site diagnostic appointments. The addition of an oral surgeon would eliminate many of the off-site costs related to dental care. The HCJC previously had a contract with a dialysis service which ended several years ago. Currently HCJC is paying approximately $2000 per dialysis treatment. There are several companies that work in the correctional field that provide this service on-site at considerably lesser rates (approximately $375-400) per treatment. The HCJC should consider issuing an IRB for dialysis service only.

Our review of medical records found a significant number of questionable ER and specialty referrals. In addition, there are many specialty visits and other services

that could be completed on-site or via telemedicine and are done so at other correctional facilities. Prime examples include dialysis, phlebotomy for HIV tests, Methadone treatment for pregnant women, and HIV specialty care. It is further recommended that HCJC pursue a license to dispense Methadone, which would prevent a number of off-site consults or substitute Subutex as an alternative.

The HCJC can seek competitive bids from hospitals as well as the private sector contract providers to provide both on-site and off-site care. Currently the HCJC pays Medicaid rates for off-site care. There will likely not be a reduction in charges for off-site care but this arrangement would eliminate the concerns of one entity dumping costs and responsibilities on another entity. The disadvantage of this arrangement is the hospital may not have skilled providers that are needed to provide on-site care at the correctional facilities. The provision of health care policies, nursing protocols and staffing may be problematic for a facility that has not had experience with on-site correctional health care.

The current contract does not provide a mechanism to provide incentives for on-site care and does not adequately monitor the need for specialty consults. CMS does not pay for the services or the cost of transportation for off-site care. It is recommended that a future IRB consider a cost sharing arrangement with the contractor whereby the Contractor pays for the first $500,000 then there is a cost sharing of the next $500,000 with the County responsible for costs over one million dollars in a calendar year. This recommendation would entail shifting of a minimum of one million dollars from the current tax levy to the medical budget of HCJC and would create an incentive for the contractor to control costs since it would be responsible for at least the first $750,000 of off-site care. By sharing the costs over a set limit, it would also minimize some risk to the contractor in the event that an inmate experiences a high catastrophic illness.

Another option is to consider contracting for utilization management separately from the provision of services in future contract cycles. Both the States of Maryland and Pennsylvania have opted to contract the UM function separately in their recent inmate medical Request for Proposals (RFPs). With this option the County can either provide or contract the services on-site, however the off-site services are contracted to a separate provider. The contractual arrangement with a separate utilization management firm ensures that services are provided only when clinically indicated and that a retrospective review is performed of all emergency room transfers for appropriateness of services.

It is recommended that there be joint committees to manage the health services comprised for University Hospital, the Sheriff's Office and CMS. Committees which are recommended include:

1. UM Operational Committee This committee would meet monthly and be dedicated to reviewing utilization and financial reports, adoption of

A review of the Minimum Standards for Jails in Ohio rules 5120:1-8-09 indicate that the jail shall have a physician to provide health services and that sick call by a physician or other qualified health professional shall be provided three times per week for jails with an average daily population of fifty to one hundred and ninety-nine. The Standards also indicate that the jail shall ensure that there is a daily procedure whereby prisoners have an opportunity to report medical complaints to the jail physician directly or through other health-trained personnel. The standards require access to a dentist to provide prisoners with professional dental services deemed necessary and the services of a mental health professional for prisoners evidencing signs of mental illness or developmental disability.

There are no federal mandates that affect the medical care and staffing at the Reading Road Facility.

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[1] Voorhis Associates, Hamilton County, Ohio Correctional Master Plan Final Document January 28,2006

[2]

performance benchmarks, analyzing cost trends and drivers and implementing and tracking corrective action plans.

2. Cost Containment Program. CMS and Correctional staff would work together to develop strategies and goals. The implementation of quality indicators for improvement of processes to contain cost should be developed and monitored for progress. A monthly agenda item would include the monitoring and progress of the contractually required Cost Containment Program goals.
3. Executive Committee This committee would meet quarterly with University Hospital representatives and/or other contracted providers to analyze offsite care and develop improvement strategies. Currently financial reports are available to the HCSO. These reports provide statistics, however, they do not supply cost drivers nor allow for an understanding of utilization patterns and trends. Analysis is limited. There are no benchmark comparisons and the results cannot be used to support policy decisions to add, modify or eliminate program services. There are no formal utilization reports available from hospital providers; however these reports could be generated.

The last option is to enter into a network arrangement for off-site services. The State of Kentucky DOC recently entered into an agreement with the University of Kentucky to coordinate health care networks. In this system the Network Coordinator maintains the ability to contract with various networks such as Anthem, CHA, Blue Grass, and Humana to provide required services at competitive rates. Existing networks competing to expand health networks may be incentivized to expand their services to the inmate population. The downside of this recommendation may be that the inmate population may not be of sufficient size to attract area networks.

F. Services that Could Be Provided On-site with the Expansion of the Clinic

The current clinic at the main facility consists of four exam rooms, a laboratory/specimen room, a two chair dental operatory and a medication room. There are administrative offices for the health administrator, the DON and the Administrative Assistant. There are two additional exam areas adjacent to the female housing. There is a 44 bed male and female observation area. Mental Health Staff have offices on an adjacent pod that is next to the medical unit. Currently the only specialty services that are provided on-site are routine radiology and an OB nurse practitioner that visits the facility twice a week. The facility does have the capability of performing ECG's and AED's are available on the housing floors.

Voorhis Associates in their master plan estimated that the HCJC would require an additional 1,075 beds by FY 2030 which would include 225 beds for female housing.

Medical costs can be expected to continue to increase. Official U.S. government projections anticipate continued growth in medical costs from 6.7 to 8.4%. At this rate, medical expenses can be expected to double in 8 ½ to 10 years without accounting for population increases. Projections made by the Office of the Actuary at the Centers for Medicaid and Medicare Services call for a growth rate of 7.1% in the cost of medical care.

D. Projected Requirements Compared to Other Counties and National Trends

State DOC health care systems in Wisconsin, and Arizona reported increased medical costs. The DOC in Wisconsin reported that medical costs increased by 20.1 % in 2003-2004 and 5.3 % in 2004-2005. The DOC reported that medical costs has varied from 17.1% annual rate from 1998 to 2002 to an annual rate of 12.2 % from 2001-2003.The Arizona DOC reported a 12 % increase in inmate medical care from FY 2000 to 2003.

The Federal Bureau of Prison reported that between 1990 and 1994 inmate health care costs increased by 91% while the population increase was 51%.

Factors reported that the escalating healthcare costs were due to:

1. General aging of the inmate populations
2. Inflation in the medical services industry
3. Increase in the number of inmates with drug related conditions such as HIV/AIDS and Kidney Diseases
4. The growing number of incoming inmates needing immediate medical costs
5. The increased in inmates requiring specialty visits
6. Medications costs for the mentally ill
7. Mental Health Treatment
8. Dialysis
9. Skilled Nursing Care
10. The need to implement community and national standards

E. Analysis of Service Level for Inmate Medical Care and Staffing at Reading Road According to State and Federal Mandate

There is a great deal of inmate movement both from inside HCJC and from remote facilities. Inmates from Turning Point and Reading Road that have urgent problems are transferred to the HCJC. Thus, the exam rooms are in high demand. The emergence of MRSA, AIDS and more virulent TB have challenged the housing arrangements at HCJC as there are only two negative pressure rooms.

The architectural plans were reviewed for the new medical clinic. The new clinic also has four exam rooms but they are larger and more spacious than the current rooms. It is recommended that a dialysis unit be established. Service that could be provided on-site with additional supplies include: dermatology, orthopedics, OB/GYN, oral surgery, general medicine, infectious disease, and surgery. It is recommended that one of the exam rooms be equipped as a specialty/ treatment room so that minor procedures such as incision and draining of small cysts, or casting can be performed. Equipment that will be needed to expand services will be a new x-ray machine, an exam table, operating light, stretchers, casting material, and an ultrasound. The current x-ray machine is over 20 years old. Additional hospital beds for the medical housing units should be considered as well as IV Pumps. Space for medical equipment and supply storage will need to be increased.
Additional negative pressure rooms should be considered to prevent recirculation of air as a means to restrict potential infections from airborne diseases. Consideration should be given to wall oxygen and electrical outlets required for C-PAP machines. Since the population is aging, rooms should be designed large enough to allow specialized equipment and wheelchairs.

Mental health services should be expanded to include space for psychodynamic groups such as violent offenders, parenting, anger management, and coping. The current housing at the main jail does not lend itself to areas where groups can be conducted privately. The housing cells should be designed to include padded cells, high observation cells, low stimulation environment and a room for restraints when needed.

1.Telemedicine

Telemedicine technology has proved to be an excellent fit for corrections and has been in use in correctional facilities in Ohio since 1994. Equipment and telecommunications costs were major factors that limited implementation of telemedicine in the jail setting, but both costs have declined rapidly over the past ten years, while broadband access has expanded exponentially with precipitous declines in the price dropping more than 15% per year in the last ten years. Over this time, telemedicine equipment has been constantly updated, simplifying usage, increasing the flexibility of methods to interconnect systems, while decreasing the capacity of the connections required to attain quality images

released from the Ohio Department of Rehabilitation and Correction reported a physical or mental health problem that impaired their ability to work. For over half of the respondents (53%) reported that, pain interfered with their normal work or daily activities. Depression was a common condition among study participants with over half of the sample being previously diagnosed with depression and 38% reported receiving and taking prescription medication for depression.

Many respondents in this study reported that they were engaged in high risk behaviors before their incarceration, such as smoking, excessive drinking, drug use, and frequent eating of food high in cholesterol.

In reviewing the number of infectious disease conditions at the HCJC, we find that the trend has been increasing within the past five years. In FY 2001, the HCJC reported 36 inmates were sent to the Holmes Center for AIDS, by 2005 the number had increased by 58% and they had referred 87 patients to the Holmes Center.

A congressional report presented to Congress entitled the "Health Status of Soon to be Released Inmates" estimated the prevalence rate for asthma as higher among inmates than in the total US population. It further reported that because inmates were a young population the prevalence rate for diabetes and hypertension among inmates is still high when compared to the total US population considering the fact that these two diseases are more prevalent in older populations. A comparison of the prevalence of chronic care conditions in the population of HCJC showed comparable trends.

Table 6: Estimated Prevalence of Chronic Disease Compared with National Trends

Condition	Estimated Prevalence in Study	Prevalence in total US Population	Prevalence in inmates at HCJC (2005)
Asthma	8.5%	7.8%	3%
Diabetes	4.8%	7%	4.7%
Hypertension	18.3%	25.4%	10%

There is considerable evidence of the prevalence of a larger population of special needs inmates and that show that the jail population is aging. Overall, about 25% of the inmates held in the system have a medical or mental health need.

C. Projected Requirements for Future Funding

between clinical sites. Because of declining costs, the numbers of trips averted that are needed to justify investment in telemedicine have also dropped.

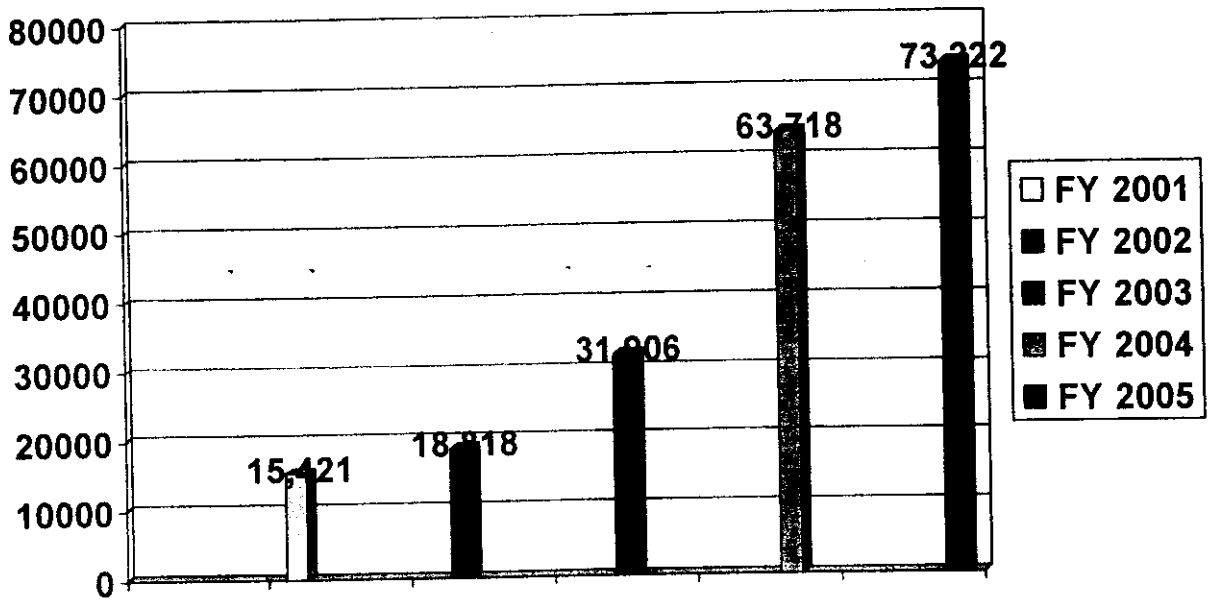
Our review of the volume and types of off-site referrals indicate that telemedicine would provide a cost-effective alternative to reduce the substantial numbers of off-site transports and improve communication between specialty providers and the medical staff at the HCJC. Specialty clinics that would be especially suitable for provision by telemedicine include HIV care, trauma clinic follow-up appointments, dermatology, hematology/oncology, and selected OB/Gyn cases. In addition, telemedicine can be used to facilitate on-site dialysis by permitting direct interaction between the nephrologists, dialysis nurses and dialysis patients even during treatment.

Purchase price for the appropriate equipment is estimated at $14,000 assuming a set of equipment is purchased for HCJC and a central clinic site for the university physicians. Lease cost for these units is estimated at $145 per month for a five-year lease. If the existing network is not suitable or there are irresolvable issues with network firewalls, one or more DSL or other type of network connection may be necessary. This would increase costs as much as $100 per month per site. Nevertheless, we believe that this investment would be cost-effective when consideration is for the decreased transportation cost, reduced overtime, and the security impact of providing options for high-security inmates.

We were advised that telemedicine was attempted in the past but was not embraced by the university physicians. Our recommendation is to re-align financial incentives to encourage telemedicine or on-site clinics. In addition, we can put the county in touch with necessary resources to meet with the specialty physicians to address their issues, put them in touch with colleagues in their area of specialization who provide similar services, and also arrange training designed to improve the chance of success.

The medical costs which could be avoided with the provision of more onsite services are the transport costs relating to these specialties. Currently there are six appointments scheduled each day, three in the AM and three in the PM. The minimum requirement for officer coverage is two officers per trip depending upon the classification of the inmate. Officers that transport must be certified law enforcement officers. Currently, there is no budget for the transport officers. There is a budget for officers that provide security for inpatient stays but this is separate from the cost of the transport officers. Many of the officers that transport inmates to specialty appointments are working overtime for medical transport. If we assume that there are two officers with an average salary of $32.00 per hour that transport inmates five days per week then the salary, overtime and fringe benefits would calculate to approximately $249,600 annually. The calculation is $32 /hour x 2 officers x 2080 =$133,120 per year in base

Figure 6: Inmates Requiring Mental Health Treatment FY 2001 through 2005



Studies performed by the Mental Health Access Point Court Clinic in Cincinnati of both the male and female incarcerated population at HCJC confirmed high rates of mental illness. In 2001, they reported that there was an equal amount of co-occurring mental health and substance abuse disorders (36% of the males surveyed and 38% of the females) that participated in the study. Both men and women reported high rates of exposure to traumatic life events, particularly psychological and emotional abuse. Women reported high rates of sexual abuse (45%). Much of the violence related by the men was related to street life, especially drug life e.g. seeing fights, use of weapons, the psychological and physical intimidation and violence associated with selling, buying and using drugs. Results of the study also revealed significant academic underachievement and cognitive defects with an average reading ability of ninth grade.

The men's and women's assessment study should be regarded cautiously as the results are probably under reported. The studies were conducted at the Queensgate and Reading Road Facilities with men and women that were not identified to receive any mental health services while in the jail. The individuals that were identified as needing mental health services e.g. competency for trial, were already on psychotropic medication, were flagrantly psychotic and already known to the community mental health system were screened out of this study as their classification did not permit housing in either of the facilities studied.

In a similar study entitled "In Need of Help: Experiences of Seriously Ill Prisoners Returning to Cincinnati", the researchers reported that one in five prisoners being

salary. Overtime is computed at 1.5 times the hourly rate and benefits calculated at 25%. The annual total is $249,600. This savings may be off-set by fees physicians might charge to provide on-site clinics. However, the advantages of providing on–site care are that the timeliness of the visit would be improved, continuity of care would be maintained and security transportation would be decreased. Additionally, the risk of inmate escape or other risks to security would be avoided.

G. Cost and Operational Impact if the Sheriff Brings Inmate Services Partially In-house

The largest expenditure that the Sheriff would have if services were brought in-house would be salaries for nursing and professional staff. Salaries generally comprise 60% of most health care budgets. To estimate these costs we took the highest pay grade for a similar position in the County Commissioner pay plan. We estimated a 25% fringe benefit for full time employees and 12% for part time employees. We assumed the current staffing pattern that currently exists at the jail. The total salary and benefits for personnel costs were estimated at $2,474,907 per year. In the CMS budget the salaries for nursing positions may be higher than the ones utilized for this assumption as many of their staff may have longevity, thus are paid at higher hourly rates.

STAFFING PATTERN

STAFFING CALCULATIONS				
FRINGE % of Salary:				
	FULL	25%		
	PART	12%		
SHIFT DIFFERENTIAL				
EVENING	RN	$1.00	LPN	$1.00
NIGHT	RN	$1.25	LPN	$1.25

POSITION	STATUS	FTE	RATE	OT	SD	SALARY	FRINGE	TOTAL
ADMINISTRATIVE STAFF								
PA	FULL	1	$32.21	$0		$66,997	$16,749	$83,746
UC	FULL	4	$10.00	$0		$83,200	$20,800	$104,000
Adm Asst	FULL	1	$16.30	$0		$33,904	$8,476	$42,380
Records clerk	FULL	1	$13.88	$0		$28,870	$7,218	$36,088
Total Administrative Staff:		7		$0	$0	$212,971	$53,243	$266,214
NURSING STAFF								

found a number of off-site emergency room trips and off-site consults which could have been avoided. Please refer to the sections on hospitalization and emergency room visits.

The general onsite UM review concentrates on discharge planning and Length of Stay (LOS). There is no contractual requirement for a medical necessity review of the admission. This responsibility is given to the UR staff at University Hospital. There is currently no oversight of the UM functions at University Hospital by either CMS or the HCSO.

B. Medical Needs of the Inmate Population

Correctional Agencies across the United States today face substantial challenges as they are forced to manage the increasing growth in the number of incarcerated offenders. While the US Department of Justice Statistics reported that the average growth rate in the inmate population has been increasing 3.5% every year since 1995, the costs associated with providing health care for these inmates has been growing more than three time that rate. Exploding healthcare expenses are directly related to numerous factors including increases in the percentage of inmates with serious infectious diseases such as Hepatitis C, HIV/AIDS, significant increases in the population of inmates being treated for mental health problems, substantial increases in the cost of prescription medications, particularly those relating to mental health problems, and settlements and court orders related to lawsuits and court orders.

Many inmates, who are incarcerated, particularly in jails, are there because they have nowhere else to go. The State mental hospitals that previously provided care have closed partly because of the push for deinstitutionalization and partly because of the creation of Medicaid. Medicaid provides health insurance for the indigent but it does not cover inpatient psychiatric care. Community mental health centers were supposed to be able to provide mental health care. In 1963 President John Kennedy signed the Community Mental Health Construction Act, which was supposed to create 2,000 community mental health centers by 1980. But by 1980 there were fewer than 500 centers that had been constructed. With State hospitals closed and community centers few and far between, the mentally ill that did not have private insurance had few treatment options. What frequently happens is that very often, when individuals become symptomatic, they will act in such a way that they draw attention from law enforcement. When arrested, law enforcement discovers that there are no resources available for treatment, thus their only alternative is to bring them to the jail.

At the HCJC, the preponderance of mentally ill inmates has been steadily increasing from 15,421 inmates seen for mental health treatment in 2001 to high of 73,222 seen in 2005 which is an increase of 475%.

DAY SHIFT								
FNP/OB	FULL	1	$54.59	$5,677		$119,225	$29,806	$149,031
SUP RN	FULL	1	$26.44	$2,750		$57,745	$14,436	$72,181
DON	FULL	1	$28.42	$2,956		$62,069	$15,517	$77,586
RN	FULL	3	$22.31	$6,961		$146,175	$36,544	$182,719
RN	PART	0	$0.00	$0		$0	$0	$0
LPN	FULL	8	$20.16	$16,773		$352,236	$88,059	$440,295
LPN	Psy	0.8	$20.16	$1,677		$35,224	$8,806	$44,030
D.ASST	PART	0.8	$13.80	$1,148		$24,111	$2,893	$27,004
MA	FULL	1	$14.56	$1,514		$31,799	$7,950	$39,749
MHD	FULL	1	$29.50	$3,068		$64,428	$16,107	$80,535
Total Day Shift:		17.6		$42,524	$0	$893,012	$220,119	$1,113,131
EVENING SHIFT								
PA	FULL	1	$35.00	$3,640	$2,080	$78,520	$19,630	$98,150
MSW	FULL	6	$20.00	$12,480	$12,480	$274,560	$68,640	$343,200
RN	FULL	1	$22.31	$2,320	$2,080	$50,805	$12,701	$63,506
RN	PART	0	$0.00	$0	$0	$0	$0	$0
LPN	FULL	5	$20.16	$10,483	$10,400	$230,547	$57,637	$288,184
LPN	Psy	1	$20.16	$2,097	$2,080	$46,109	$11,527	$57,636
Total Evening Shift:		14		$31,020	$29,120	$680,541	$170,135	$850,676
NIGHT SHIFT								
RN	FULL	2	$22.31	$4,640	$5,200	$102,650	$25,663	$128,313
RN	PART			$0	$0	$0	$0	$0
LPN	FULL	2	$20.16	$4,193	$5,200	$93,259	$23,315	$116,574
LPN	PART	0	$0.00	$0	$0	$0	$0	$0
Total Night Shift:		4		$8,833	$10,400	$195,909	$48,977	$244,886
Total Nursing Staff:		35.6		$82,377	$39,520	$1,769,462	$439,231	$2,208,693
Total Staffing		***42.6***		***$82,377***	***$39,520***	***$1,982,433***	***$492,474***	***$2,474,907***

In addition to salaries, another major expenditure of health care costs is pharmaceutical services. In FY 2005 there were 6,844 inmates placed on medication which was an average of 25% of the population. Approximately 10% of the population was on psychotropic medication. From past experience, we are estimating the budget for medication is $60,000 per month or $720,000 per year.

Dialysis, nursing home, ambulance and hospital services that are not affiliated with University Hospital would also have to be budgeted if the Sheriff assumed the responsibility of the medical services. The cost for dialysis services from FY 2003 thought FY 2005 was $126,467.91, $127,112.50 and $121,558.96 respectively for an average of $125,046.46.

In FY 2003, the HCJC incurred $39,074.67 in hospital expenses at the Drake Center, in FY 2004, there was $87,612.22 incurred in hospital costs at Good Samaritan Hospital and in FY 2005 there was $18,701.75 of hospital expenditures from Christ Hospital. The average for the three years is $48,462.88.

IV. Qualitative Considerations

A. Quality of Care and Service Necessity of Services

CMS has developed a basic Quality Assurance/Quality Improvement plan that consists of series site specific indicators that are completed daily by various members of the health care staff. The indicators include topics such as:

- Isolation and segregation rounds
- Sick call requests
- Chronic care
- Infectious Disease
- Safety
- Mental Health
- Grievances
- Intake Screening

The audits are indicators used to identify the process of care. The various indicator sheets are tabulated each month and if the score is below 90% then a corrective action plan is implemented. The results are summarized in a report by the Director of Nurses on a quarterly basis. There is no formal committee which discusses the quality of care or improvements which can be made. The physician performs a chart audit on a monthly basis. Other than the chart audits, the physician is not involved in the assessment of the care provided.

According to the new NCCHC Standards 2003, the facility should have a comprehensive quality improvement program in place which includes a multidisciplinary committee, monitoring of areas specified for compliance, and an annual review of the effectiveness of the CQI program itself. In addition, the program should include a process quality improvement study and an outcome quality improvement study. Both studies should identify areas in need of improvement and the effect of remedial action.

1. Necessity of Service

An effective health services program needs an infrastructure and contractual support that creates a systematic and effective Utilization Management process to address quality occurrences and to move offenders through the medical system in an efficient and cost-effective manner. The Hamilton County Health Services Contract Agreement with Correctional Medical Services (CMS) does not require the implementation of an onsite Utilization Management (UM) Program. While there is some utilization management performed by the central office, we

Ambulance costs for the same three year period averaged $3,751.66. These costs may be overly inflated as ambulance costs for FY 2005 were extremely high at $9,275.51. Nursing home costs averaged $31,800.84 for the same timeframe.

Radiology services are estimated at $50 per x-ray. FY 2006 they are estimated at $78, 800. Laboratory services are estimated at $58.26 per inmate per month and for FY 2006 are estimated at $122,404. A tentative budget exclusive of hospital expenses at University Hospital is estimated at $4,018,948.

Table 2 : Estimated Budget for Medical Care HCJC

Item	Est. Cost per year
Salaries	$2,474,907
Pharmacy	720,000
Dialysis	125046.46
Hospitals Not UH	48462.88
Ambulance	3751.66
Nursing Home	31,800.84
Radiology	78,800
Lab	122,404
Pager Services	275
Liability Insurance	$300,000
Office materials	$15,000
Medical Supplies	$90,000
Trash Removal	$5,000
Equipment Maintenance	$2,500
Licenses and permits	1,000
Total	$4,018,948

1. Impact on County Liability

One of the primary reasons for the use of contractual medical firms has been the result of inmate lawsuits and the body of evolving case law that guarantees inmates the right to health care. The courts see health care as a basic human right, and the health provided to the incarcerated population is judged against current community standards.

One of the most significant selling points of contractual health care firms is that they will assume liability arising from the administration or delivery of health services, thereby absolving the jail from such responsibility. The private contractor claims to eliminate a jail's liability arising from the administration of or delivery of health services by indemnifying the County, defending all lawsuits, and paying for all associated costs and legal settlements. While it is true that the

programs (i.e., methadone maintenance, out-patient drug-free, short-term inpatient, and detoxification programs). Data were collected at admission, during treatment, and in a series of follow-ups that focused on outcomes that occurred 12 months and longer after treatment.

These studies found that participation in a TC was associated with several positive outcomes. For example, the Drug Abuse Treatment Outcome Study (DATOS), the most recent long-term study of drug treatment outcomes, showed that those who successfully completed treatment in a TC had lower levels of cocaine, heroin, and alcohol use; criminal behavior; unemployment; and indicators of depression than they had before treatment.

Although the residential capacity of TCs can vary widely, a typical program in a community-based setting accommodates 40 to 80 people. TCs are located in various settings, often determined by need, funding sources, and community tolerance. Some, for example, are situated on the grounds of former camps and ranches or in suburban houses. Others have been established in jails, prisons, and shelters. Larger agencies may support several facilities in different settings to meet various clinical and administrative needs.

In DATOS, there was an average of one counselor reported for every 11 residents in treatment. About two-thirds of the counseling staff had themselves successfully completed drug abuse treatment programs. Increasingly, TCs rely on degreed staff (e.g., social workers, nurses, and psychologists) for some aspects of treatment. Other correctional facilities report an average of one staff per 18-20 staff plus administrative staff.

By way of comparison, operating costs for the substance abuse prison operated for the Ohio prison system run more than 20% higher than similar security facilities run by the department. These costs are even higher if the numbers of inmates assigned to provide facility support and not participating in substance abuse programming are excluded. To assure that the higher costs are justified, it is critical to maintain tracking systems so that accurate outcome data can be generated.

Only two facilities in our survey responded to our question regarding substance abuse treatment facilities. They were Jefferson County in KY and Lucas County in Ohio.

Jefferson County did not have a substance abuse unit. Lucas County had a 48 bed sober living unit and had staffed it with 1 officer each shift for a total of 5 officers per week for a total of 15 officers. Thus, in comparison to the Reading Road model, Lucas County had almost double the amount of custody staff in comparison to Hamilton County.

contract provider assumes responsibility for malpractice tort liability, contracting does not abrogate the jurisdiction's or the contractor's potential liability for violation of the Civil Rights Act, 42 USC Section 1983.

In a 1988 judicial decision, the US Supreme Court affirmed that a government is responsible for its health care services – whether they are supplied by government employees or by consultants under contract. The Court concluded:

> *Contracting for prison medical care does not relieve the state of its constitutional duty to provide adequate medical care to those in its custody and does not deprive the state's prisoners of the means to vindicate their Eighth Amendment Rights*[2].

Thus, regardless whether the provider is a government agency or a contractual health care firm, inmate health care services are and always will be a shared responsibility of the health services and administrative staff of the institution.

2. Obstacles to Transitioning Health Care under the Direction of the Sheriff

Problems with systems that have chosen to self-operate their medical care stem from the fundamentally different and often conflicting goals that exist between security and health care providers. For example if correctional staffing is down then outside medical trips may be cancelled or delayed by non-medical staff. Additionally, because resource allocation is controlled, requests for health care are often in a relatively weak position as compared to requests that will service the basic custodial need.

In-house models tend to be fragmented, uncoordinated and expensive. Each service component physician, dentist, psychiatrist, is purchased separately from different providers. Under this type of an arrangement each vendor has a financial incentive to maximize the use of his services and increase his revenues regardless of correctional budgeting constraints or population health care needs.

Staff recruitment is also problematic under this arrangement. Many counties have bureaucratic hiring processes which delay hiring needed staff. The result is overtime, burnout and turnover of the existing staff. Additionally, jail administrators, unfamiliar with credentialing procedures, unknowingly may employ impaired or incompetent physicians.

Thus, the basic deficiencies associated with an in-house system are conflicting attitudes among correctional staff which may hinder the provision of health care, lack of a comprehensive or coordinated plan of care, lack of clinical accountability, difficulties in recruiting qualified staff.

E. Compare Hamilton County Personnel Provisions at Reading Road to Similar Counties in Ohio and National Industry Data

Substance abuse is widely recognized as the area of criminal justice that has the highest number of recidivists. Drug offenders typically serve short sentences when incarcerated and most jurisdictions offer numerous diversion programs for drug offenders. To disrupt this cycle, Hamilton County is just one of many counties that provide residential treatment. The state of Montana just announced that an entire prison will be opened to target methamphetamine. Such programs are relatively expensive, but to be successful, high staff ratios are required, especially substance abuse counselors.

The therapeutic community (TC) for the treatment of drug abuse and addiction has existed for about 40 years. In general, TCs are drug-free residential settings that use a hierarchical model with treatment stages that reflect increased levels of personal and social responsibility. Peer influence, mediated through a variety of group processes, is used to help individuals learn and assimilate social norms and develop more effective social skills.

TCs differ from other treatment approaches principally in their use of the community, comprising treatment staff and those in recovery, as key agents of change. This approach is often referred to as "community as method." TC members interact in structured and unstructured ways to influence attitudes, perceptions, and behaviors associated with drug use.

Many individuals admitted to TCs have a history of social functioning, education/vocational skills, and positive community and family ties that have been eroded by their substance abuse. For them, recovery involves rehabilitation -- relearning or re-establishing healthy functioning, skills, and values as well as regaining physical and emotional health. Other TC residents have never acquired functional life-styles. For these people, the TC is usually their first exposure to orderly living. Recovery for them involves habilitation -- learning for the first time the behavioral skills, attitudes, and values associated with socialized living.

In addition to the importance of the community as a primary agent of change, a second fundamental TC principle is "self-help." Self-help implies that the individuals in treatment are the main contributors to the change process. "Mutual self-help" means that individuals also assume partial responsibility for the recovery of their peers -- an important aspect of an individual's own treatment.

For three decades, National Institute for Drug Abuse (NIDA) has conducted several large studies to advance scientific knowledge of the outcomes of drug abuse treatment as typically delivered in the United States. These studies collected baseline data from over 65,000 individuals admitted to publicly funded treatment agencies. They included a sample of TC programs and other types of

Part II

A. Financial Comparisons of Similar Entities

Please refer to section III.A.

B. Other Sources of Revenue in Addition to the Tax Levy

In interviews with both the Budget Director for University Hospital, John Chapman and the Health Service Administrator for HCJC, Alex Laxner, there are very few inmates that are booked into the jail with private insurance coverage. Questions regarding insurance coverage, company and card availability are routinely asked by the correctional officers or nurses completing the intake screen at booking.

There are several inmates that are booked into the jail that have been veterans. The health administrator indicated that the VA hospital formerly provided appointments for medical care to inmate veterans. A recent change in hospital administration has made off-site appointments difficult. Mr. Laxner reported that only one inmate was seen by the VA hospital last year. This is an area that could be further explored.

Medicare is not an option to pay the medical expenses of County inmates. Title 18 and 19 Medicaid/Medicare expressively prohibits the use of federal funds for inmates incarcerated in prisons and jails because fiscal responsibility has always been seen as the state or county's obligation.

There is an inmate co-pay policy at the HCJC for non-emergency care. The charge for health services are as follows:

Triage by a nurse for a health service request	$3.00
Doctor Visit	$5.00
Dentist Visit	$5.00
Prescription Medications	$3.00
Over the Counter Medications	$0.50

The amount of funds collected by the County is insignificant in comparison to the cost of care. Between 2001 and 2005 only $259,957 was collected in co-pay fees. According to the policy no inmate will be denied medical care if they cannot pay for services. If the inmate does not have money on his inmate account, then the account goes into a negative balance. If in the future, funds are deposited into the inmate's account, the medical fees will automatically be deducted at that

there were 782 emergency room transports at a cost of $552,677 for the emergency room and $9,725 for the ambulance transfer for a total of $562,402. The cost of telemedicine per patient including equipment costs is $125 per patient versus the current ER charge of $707 per visit. It is also projected that there would be a decrease in hospitalizations that are short admissions of one day or less. There will be savings in officer time spent in the emergency room and some savings related to ambulance costs.

4. In FY 2005 there were 166 inmates sent for treatment at an average cost of $2000 per treatment. The average time for a treatment is approximately five hours. If a dialysis company could be contracted to come on-site the average costs would be $375-$400 per treatment. The projected savings is $1600 per treatment for a total potential savings of $265,600. It was our understanding that the University Nephrologists did not want to participate with on-site dialysis. Telemedicine may assist restraints on time commitments of this group of physicians. In addition to the savings reflected in the cost of the treatment there would be additional savings in the reduction of custody transport.

5. In FY 2005 there were 131 patient sent to an outpatient clinic for oral surgery. It is our estimation that 80% of the patients sent off-site could be managed with an oral surgeon that would come on-site for 4-8 hours per month. The off-site dental charges were not identified separately in the off-site services provided by University Hospital thus we are not able to estimate a savings in this area. There may be additional equipment needed at a cost of $25,000 or the oral surgeon but the equipment can be deprecated over the next five to ten years.

6. Many of the patients sent to the Holmes Center were for phlebotomy services only. If the Holmes Center could send a phlebotomist on a weekly basis, there would not be a savings in medical costs but there would be a savings in officer transport. The same scenario would be true of the patient obtained a methadone license or chose to substitute Subutex for methadone. There would be no direct savings to the County medical budget but would decrease officer transport. The addition of Subutex would increase the current vendor's pharmacy invoices.

7. There was $38,816 expended in FY 2005 for nursing home charges. The average charge for the nursing home is $800 per day. Many of the nursing home visits were for IV therapy. With additional staff to monitor these patients in the medical observation area or a contract with a home infusion area to provide these services on-site we estimate a reduction of 1.0 days off the nursing home stays which would calculate to a savings of approximately $4,000 to $5,000 per year in medical expenditures as well as a savings in officer time for security.

time. Inmates are not charged for admission evaluations, 10-day physicals, emergency treatments, or follow-up visits ordered by the Doctor/Dentist.

Currently all over the counter medications (OTC) are administered by nursing staff. Some County jurisdictions have placed over the counter medications in the commissary for inmate purchase. Minor ailments requiring aspirin, Tylenol, antacids, cough drops and decongestants are generally available in inmate commissaries. For certain minor ailments it is more cost-effective to allow the inmate to have access to simple medications customarily available any person in the community versus seeing a nursing or physician provider. A benefit of having OTCs available is the reduction of health care requests for simple remedies. If nursing sick call is the only source for OTC medication, overuse of sick call services will occur. Some correctional administrators have argued against access to OTC medication out of concerns for inmate misuse of OTC products, which does occur in free-world populations. Nevertheless, few would argue for eliminating OTC products from public availability. It is recommended that if this option is considered, that physician involvement is sought so that medications that have abuse potential such as antihistamines are eliminated. It is also prudent to restrict such products from inmates with poorly controlled mental health issues.

D. Levy Usage in Comparison to Inflation Indices

As previously indicated, the inmate population grew 11.8% from FY 2001 to FY 2005. The medical consumer price index for medical costs in Cincinnati-Hamilton area ranged from a low of 4.6% in FY 2004 to a high of 5.6% in FY2002. See table 3 below.

Table 3: Consumer Price Index FY 2001 through FY 2005.

Fiscal Year	CPI	Inmate Population	Change in Inmate Population
FY 2001	4.8%	1815	
FY 2002	5.6%	1892	4%
FY 2003	5.2%	2048	7.6 %
FY 2004	4.6%	2059	0.5%
FY 2005	4.8%	2101	1.9%

From FY 2001 through FY 2003, the inmate population increased rapidly, however once the inmate population reached the design capacity, the population remained relatively stable.

The current contract with CMS provides an annual price adjustment for the base compensation to be increased by the Medical Component of the Consumer Price

public health sentinel function in the community and is fully integrated with local and regional social services. The model emphasizes the following components:

1. Early detection and assessment
2. Prompt and effective treatment at a community standard of care
3. Prevention measures
4. Comprehensive health education
5. Continuity of care in the community via collaboration with local health care providers.

These five elements form the basis for intake, on-site service delivery and special programs within the Health Services department at HCCC. This successful and innovative system links inmates to the community from which they came and to which they return. This thread of continuity maintains a high standard of inmate health care and provides for improved individual and public health of the community.

D. Cost Benefit Analysis of Recommendations

1. The first recommendation that we have made is to provide on-site utilization management with either CMS. In FY 2005 there were 1256 off-site consults provided to all of the sites at the Hamilton County Detention Center. Costs associated with these services were the following:

UH Clinic	$ 14,957
Physician Group	$272,193
UH Outpatient	$186,282

The total medical expenditure for outpatient services was $473,472. We estimate if better utilization review were provided by the current contractor there would be a reduction of 20 % of outside trips with a potential savings of $94,693.40 in medical expenditures. In addition to the medical savings there will be a reduction in officer time required for transport.

2. If a utilization management contact is provided with a third party network, such as Correct Care in Kentucky, utilization of off-site services has been reduced by 30 % in some states. However the cost of the network at $4.25-$5.25 per inmate must be added to any savings obtained. Most States and Counties do not have a tax levy available to defray inmate medical costs, thus a network system is an attractive option used by States and some Counties in Virginia, Kentucky and Idaho.

3. The third option that is recommended is telemedicine for emergency room visits. We estimate that typically 30 to 40 % of the cases that are transported to the emergency room could be managed on-site. In FY 2005

Index for the Midwestern Region (12 month average) plus 2.5%. Thus, the amount paid for inmate care increased despite small changes in the inmate population.

A., E. Analysis of Cost to Provide Medical Care

The costs to provide medical care for the HCJC are as listed in table 4.

Table 4: Costs of Medical Services at HCRJ

Service Provider	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Contract Health Care	$2,826,235	$4,008,969	$4,287,644	$4,617,792	$4,941,036
Nursing Home	$1,608		$46,170	$10,356	$38,816
Hospitals not UH			$39,075	$87,612	$18,702
Ambulance	$5,250	$6,122	$1,712	check	$9,275
Dialysis	$48,195	$31,525	$127,112	$126,468	$121,559
UH Physician Groups	$82,917	$411,559	$285,749	$332,866	$272,193
Ambulatory Surgery	NA	$1,840	$85,736	$182,369	$200,807
UH Clinic	NA	$580.45	$9,455.24	$12,224	$14,957
UH Emergency Room	NA	$88,649	$365,837	$595,004	$552,676
UH Inpatient	NA	$458,218	$1,469,614	$2,253,079	$2,171,778
UH Outpatient	NA	$9,041	$138,375	$157,238	$186,282
UH series	NA	$14,375	$110,242	$154,343	$143,789
UH Observation	NA	$29,191	$26,213	$96,152	$140,047
Per Diem	$36,739	$47,730	$55,204	$59,956	$60,328
Total Cost per inmate/year		**$5,107,799* $2,834.52***	**$7,048,138 $3,423.09**	**$8,685,459 $4,133.96**	**$8,872,245 $4,222.87**

Data from University Hospital was not available for FY 2001 and only for a partial year September through December of FY 2002. In addition to the base price of the contract, CMS received a per diem when the population exceeds 2,000 inmates. The per diem was has increased from $1.19 per inmate per day in FY 2002 to $1.50 in FY 2005.

The Bureau of Justice Statistics reported in 2001 that the average cost for medical care in state prisons was $2,625 per inmate or $7.19 per day. They estimated health care to be approximately 12% of all operating expenses. In a review of the cost per inmate per year at HCJC, the cost of inmate health care increased 20% from 2003, the first full year data was available, to 2005. In a review of the cost of the medical services, the largest change was in off-site

Some large jails have been managed by county hospitals. Two examples include Cook County Illinois (Chicago) and Tarrant County Texas (Fort Worth). In both of these cases, there has been significant adverse impact on health services that resulted from the departure of key administrative personnel. Correctional administrators are often difficult to replace because they must possess not just administrative skill, they must have a keen appreciation for the diversity of requirements of the correctional setting and possess problem-solving skills to delivery healthcare services in a setting that is not designed for this purpose. Additional challenges involve navigating the maze of county government to assure timely filling of vacant positions and maintain adequate budget support amid competing priorities.

Similar requirements limit the participation of health departments. Many smaller counties rely upon their health departments to operate medical and mental health services in the county jail but we are not aware of any large jails that are operated in this manner. This model works successfully in small facilities but as populations grow private medical contracts are usually sought. Private medical vendors also operate medical services in half of the twenty largest jails in the U.S.

One County that has utilized a public health model for health care delivery is Hampden County, MA. Inmates entering one of the facilities run by the Hampden County Correctional Center are linked with a medical team that comes directly from a community health center in the prisoner's neighborhood. That medical team oversees inmates' care throughout their sentence -- and when they are released. Studies by the Hampden Corrections System, headquartered in Springfield, show that 80 percent of former inmates with chronic conditions continue to get treatment from their neighborhood health center once they're freed.

Hampden County's Public Health Model for Correctional Health Care is based on the premise that a comprehensive program of early detection, health education, prevention, treatment, and continuity of care is instrumental in reducing the incidence and prevalence of disease in correctional facilities and communities. The model takes a comprehensive approach to the physical and mental health care needs of inmates and their communities, delivers high-quality health care based on community standards, and establishes linkages with providers in the communities to which inmates return. Providers are dually based at the correctional facility and in the community, creating collaborations that ensure continuity of care and ongoing management of medical and mental health problems after an inmate's release. The objective of the public health model of correctional care is to provide a comprehensive spectrum of health care services beginning within the first days of incarceration and continuing into the community upon release. The model emphasizes wellness, health education and prevention; it uses a proactive versus reactive approach to quality health care; it serves a

services which increased 64 % from $200,422.22 in FY 2003 to $569,871.47 in FY 2005. The cost of the Contract with CMS increased approximately 19% from FY 2002 through FY 2005. In FY 2001, the contract provider was a different firm.

F. Provide a Fiscal Analysis Identifying the Cost of County Personnel at Reading Road

The Reading Road Facility houses 150 inmates. Substance abuse services are provided by the Talbert House. There was no attempt made to analyze the cost of the substance abuse services as their cost is not included in this tax levy. There are 23 correctional officers assigned to this facility. Currently three of the positions are vacant. Base salary is budgeted at $32/hour. The total budget including compensation, overtime, holiday, vacation, and medical benefits is as follows:

FY	2001	2002	2003	2004	2005
	$1,383,009	$1,450,546	$1,560,280	$1,572,104	$1,552,101

There is a staffing ratio of 6.52 inmates per officer. There are no national standards that identify correctional staffing patterns. The staffing is predicated on the custody classification of the inmate and type of housing of the facility.

The current staffing is pattern is one officer per floor for three shifts and one rover for two shifts. It generally takes five positions to cover one 24 hour post. Thus, using this ratio, the staffing should be 25 officers.

The cost per inmate per year for custody services ranged from $9,220 in FY 2001 to $10,343 per inmate in FY 2005.

III. Comparisons, Modeling and Benchmarking

A. C. Comparison Data

Comparison data has been requested from Counties in Ohio, Cuyahoga, Franklin, Lucas, Montgomery, and Summit. Additionally, data has been requested from Jefferson County in Lexington KY due to its close proximity.

County	Jail Population (2005)	#ER visits	#Hospital Admissions	#Hospital Days	Cost/inmate/day for medical 2006
Franklin	2,366	186	66	261	$22.43
Summit	700	NA	NA	NA	$6.12

Other factors that influence staffing pertain to the space allocated to the healthcare unit to perform the service. For example there would be no point in hiring multiple nursing clinicians to perform sick call on the inmates at HCJC due to the limited space and examination rooms. The availability of adequate space is a major factor that should be considered in deciding which services will be provided onsite and which will be provided elsewhere. As previously indicated, many of the facilities at HCJC lack adequate clinical space.

The characteristics of the inmate population must also be factored into staffing decisions. Institutions vary by mission of the facility. Intake facilties typically have a higher turnover than other institutions of the same size; thus they will require additional staff to perform the intake procedures. Additionally prerelease and minimum-security facilities often have a higher number of transfers and releases than medium security facilities.

The number of inmates of various age groups also affects staffing patterns as younger inmates may require more urgent care while older inmates require more chronic care. Most correctional healthcare providers estimate that females utilize health services three to five times more frequently than their male counterparts. It is also well established that females have more mental health problems, take more medication, and thus, correctional institutions with females require additional staffing. Obstetrical and gynecological services at female facilities will undoubtedly affect utilization rates.

In reviewing the staffing plans presented Hamilton County has two sites which will create the need for additional nursing and physician staff. Additionally, they have a 44 bed observation area which many of the other sites do not have. In the current model there is a heavy reliance on LPN staff and there are fewer RNs compared to the other counties. In future IVB , registered nursing and physician staffing should be increased.

B. Alternative Models of Inmate Medical Care

Some jail contracts have been operated by university medical administrations. In Texas, two state universities have coordinated medical services for state prisons since the early 1990s. All medical staff are university employees and the program was proved to be very cost-effective and clinically effective. In recent years, one of these universities, UTMB expanded their operations into jail contracts, but the results have been much less successful than the prison operations as jails under UTMB management including Dallas County Texas failed accreditation, and state inspections and were put under special monitoring. We are unaware of management of any other jails by university organizations.

Jefferson Co. KY	1900	333	21	NA	$5.60
Montgomery	956	126	26	82	$3.78
Lucas	480	149	4	NA	$9.01
Cuyahoga,	2023	69	85	230	$8.86
Hamilton	**2,101**	**782**	**200**	**927**	**$11.56**

Three of the sites selected for comparisons were privatized to contractual vendors. Jefferson County, KY was privatized to Prison Health Services (PHS), Summit County and Montgomery County were privatized to Naphcare. Franklin County which had the closest average daily population to Hamilton County (had two sites for inmates) spent almost twice for the cost for inmate health care than did Hamilton County. The other counties which were self opt spent anywhere from $2.55 to $9.01 for inmate health services. It should also be noted that while Franklin's County inmate health care costs were higher than those of Hamilton County, their utilization of emergency room visits and hospitalizations were considerably less. Cuyahoga County which also had a population equal to Hamilton County also experienced considerably less emergency room transfers and 25% less inpatient days.

While comparison figures are useful, it should be noted that it is difficult to compare costs from one county system to another due to variance in accounting and reporting practices, and variables that may or may not be included in the budget. In some County systems, mental health is a separate budget and catastrophic limits apply. In other systems medication or classes of medication are not in the budget. The purpose of this comparison is to provide useful data to the County for its future negotiations process and decision process regarding inmate health care.

B. Comparison of CMS Staffing in Similar Contracts in other Counties

Data was requested from CMS regarding staffing in other facilities of comparative size of Hamilton County. Due to the propriety of the information, the names of the jails are not utilized in this report.

Table 5 Comparison of Staffing Models with other jails

	Jail 1	Jail 2	Jail 3	Jail 4	Average	Hamilton
Population	2,238	2,303	2,685	2,770	2,499	2,101
# of sites	1	1	1	1	1	2
Infirmary	19	0	0	0	5	44
RN	10.80	12.20	12.40	14.60	12.50	9.00
LPN	9.00	23.40	27.80	33.00	23.30	28.20

Nursing support staff	15.40	4.00	0.00	19.20	9.65	8.00
MH staff	0.00	10.55	0.25	17.95	7.19	6.00
Physician	2.00	2.50	1.00	3.00	2.13	1.32
PA/NP	2.00	2.00	1.00	5.60	2.65	1.13
Dentists	1.00	1.00	0.80	2.00	1.20	0.80

It is difficult to compare staffing from one county jail to another. There are no national guidelines upon which a staffing model can be made to fit all correctional institutions. Unlike the organizational and security components of a correctional system, there are no national jail healthcare staffing models that can be adopted to fit all jails. All of the sets of national correctional healthcare standards have shied away from specifying exact staffing ratios. Many factors need to be considered in deciding staffing ratios. Among them are the characteristics of the institutions, characteristics of the inmate population, the services delivered onsite, the number of infirmary beds, etc. It is difficult to directly compare staffing models between jails for a number of reasons. Many counties operate a number of different facilities and these facilities are rarely optimal for the provision of medical care because of antiquated design or population well beyond the design capacity. Further, growing populations have led to the establishment of significant numbers of diversion programs and other forms of varied sentencing.

One indirect effect of these programs is that offenders with the most severe medical and mental health problems tend to remain incarcerated. Since these programs favor offenders with few prior offenses, older offenders who tend to have more significant medical problems are rarely eligible. Mentally ill offenders may not qualify or if they do may have difficulty meeting program requirements. The result of these trends has been to increase the acuity and complexity of medical and mental health issues among jail populations and a consequence has been accelerating medical cost.

Some counties have added additional staff to increase the intensity and scope of on-site services so that staffing numbers are very difficult to compare. Nevertheless, we have provided comparative data from the counties that responded to our data request.

As the Executive Director of the National Commission on Correctional Healthcare, there was no request received more often than that for a model for staffing patterns. The temptation to create them was weighted against the very real dangers of doing so. It must be recognized that whatever staffing models might be developed for a particular facility is applicable only to facilities that share all of the assumptions on which such staffing is based. The staffing patterns developed must be viewed as a guide. Ultimately, work force patterns, the creativity and ability of the onsite staff will always be the most important factor in establishing workload parameters.

Howard, Wershbale & Co.

The Hamilton County Board of Commissioners

Hamilton County Tax Levy Review Committee

Final Performance Review Consulting Report
for Hamilton County
Tuberculosis Control Services

April 21, 2006

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The Hamilton County Tax Levy

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IV. Service Delivery and Efficiency

Goals per Scope of Services:

A. How are levy dollars allocated for each service? Who receives and who controls? Review processes and make recommendations.
B. Who provides the ultimate services for each of the levy dollars? How are the service providers selected and monitored?
C. Is there duplication in administrative costs from receipt of levy funds to provision of services?
D. Should there be a merger or sharing of administrative functions among various agencies (MRDD, ADAS, Mental Health, TB Control, etc.)?
E. Should additional systems or contract requirements be put into place to ensure effective and efficient use of levy dollars, including managed care considerations and establishing benchmarks for measurement?
F. Consideration of services provided to Hamilton County residents vs. non-residents and service providers outside of Hamilton County.

A budget is established by the Hamilton County Department of Jobs and Family Services (HCJFS) for the TB program and administered by the HCJFS. The TB program does not receive funds directly and does not maintain a checking account, rather approved invoices are sent to HCJFS for payment through the County Auditor. Based on expenses, an interfund transfer is made from the levy to a revenue account in the General Fund. Any cash received from grants or fees is also forwarded to HCJFS.

Administrative costs are allocated to the TB program based on a county wide allocation formula. There does not appear to be a duplication of administrative costs. However, efficiencies could possibly be gained by combining resources with other communicable disease programs within the county. Specifically, the efficiencies could be gained by combining the services provided by the Epidemiologist, pharmacy, and lab with other programs within the county.

Currently there is not a system in place to measure the TB program on the basis of the efficient use of levy dollars. An annual review of operating expenses and clinic usage statistics should be established for the purpose of measuring the efficient use of levy funds for this program.

Because of the nature of TB as a communicable disease, it is in the interest of all Hamilton County residents to treat any individuals who enter the county, regardless of their status as a county resident.

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April 21, 2006

Hamilton County Tax Levy Review Committee
Hamilton County Board of County Commissioners

Based on our Professional Services Agreement dated January 24, 2006, we submit the accompanying Final Performance Review Consulting Report consisting of the Executive Summary and the detailed Scope of Services.

Our report is based on historical financial, operational and clinical information provided to us by management. We were not requested to, nor did we, audit the accuracy of the information provided. Had we audited the information provided, matters may have come to our attention which may have resulted in different findings and/or recommendations. Accordingly, we take no responsibility for the underlying data presented or relied on for the preparation of this report. Additionally, we have no responsibility to update this report for events or circumstances occurring after the date of the report.

We appreciate the opportunity to be of service to the TLRC and the Board of Commissioners, and we are available to assist related to any of the recommendations in our report.

Very truly yours,

HOWARD, WERSHBALE & CO.

Exhibit J

	Hamilton County	Franklin County
Statistical Comparison:		
Total 2005 Cases	26	77
Clinic Stats 2005		
Skin Tests Given	6,001	10,319
Radiology Services		
Total X-Rays Provided	1,461	3,874
Out-Reach Visits	2,761	9,434
Pharmacy Services		
Total RX Filled	2,546	5,884
Services Provided		
Physician services - Adults	yes	yes
Physician services - Children (2)	yes	sent off site
Pharmacy	yes-in house	yes-in house
Sputum induction	yes-in house	yes-in house
Lab testing	yes-in house	Contracted
Microbiologist	yes-on staff	No
Directly Observed Therapy	yes	yes
X-Rays	yes-in house	sent off site
Epidemiologist (1)	yes-in house	No

(1) the Franklin County TB program works with a epidemiologist that is funded through other agencies within Franklin County.

(2) In Franklin County, children with positive TB skin tests are sent to a Children's Hospital for treatment. The medical costs incurred at the hospital are not funded by the TB program.

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Final Report on Hamilton County Tuberculosis (TB) Control Services

April 21, 2006

Executive Summary and Recommendations

The Hamilton County Tuberculosis Control Clinic is a free-standing 12,320 square foot clinic dedicated to the treatment and control of tuberculosis. When we visited the Clinic, we observed a professionally-run operation set up to administer to patients, provide diagnostic testing, administer X-rays, perform lab testing, process records, and comply with government-mandated reporting requirements. In addition to the clinic operations, nursing staff travel outside the Clinic to perform directly observed therapy (DOT), in order to ensure infected patients take their medicine (This is public policy in Ohio). In addition, the nursing staff perform off-site testing for high-risk populations (foreign students, migrant workers, and county jail populations).

Based on our review of detailed financial data, interviews with clinic staff and management, and the review of available benchmark data, we have provided the financial data and benchmarking information in our report. We did not note any exorbitant or unreasonable costs with respect to the manner in which Hamilton County Tuberculosis Control Clinic operates the full-service, stand-alone Clinic; however, the following observations and recommendations are noted:

Total levy funding appropriated in the budget process has increased from $1,287,112 for 2002 to $1,439,351 for 2005. This represents an approximate 4% annual increase in appropriated funding, while total program expenditures have actually decreased. Direct program expenses have increased moderately, while total program expenses, including indirect costs have decreased (see exhibit A). Therefore, we recommend the budget process be reviewed internally to reflect historical expenditures adjusted for inflation and potential cost saving.

The Clinic does not bill third-party providers (Medicaid, Medicare, and private insurance) for testing, lab fees, pharmacy and physician services because the Clinic does not have the necessary computer equipment or qualified billing personnel required to perform this function. An analysis should be preformed to determine if revenues generated from billings would exceed the cost of billing. During 2006, Franklin County began billing third-party providers; therefore, their success with the billing process should be monitored.

Consideration should be given to contracting with one of the local hospitals, creating a hospital based clinic. A hospital-based model may provide the following benefits: in a hospital setting the billing function would be in place, pharmacy, X-ray, and lab services could be provided by existing hospital-based departments, and care provided to indigent patients in a hospital setting could be eligible to be funded by other indigent care

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Exhibit I

Financial Comparison	Hamilton County 2005 Actual	Franklin County 2006 Budget
Personnel Costs	$ 624,114	$ 1,254,119
Drugs & Supplies	42,912	100,000
Contracted Pharmacist	18,451	87,360
Contracted Physicians	76,540	83,000
Contracted nursing	2,210	-
Radiology	9,040	168,000
Lab Fees (1)	-	36,000
Security	-	50,000
Housing for patients	-	25,000
Computer related	-	11,250
Equipment		6,500
Other	10,438	96,200
	159,591	663,310
Total Direct Costs (2)	$ 783,705	$ 1,917,429
Trend Analysis:		
Total Direct Cost / TB Cases	$ 30,143	$ 24,902
Total Direct Cost / # of Skin Tests	$ 131	$ 186
Total Direct Cost / # of RX Filled	$ 308	$ 326

(1) Hamilton County TB program has a microbiologist on staff, the cost for lab supplies is included in drugs and supplies.

(2) The indirect costs for utilities, building related costs and other indirect costs are not included above for either program.

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programs and funding. The potential benefits of a hospital-based program should be weighed against the current benefit of having a proven program already in place.

Certain functions preformed at the TB Clinic are potential candidates for either out-sourcing or combining with other programs within the county. The functions that should be reviewed are the pharmacy, lab (Hamilton County is the only program in Ohio with its own in-house lab and microbiologist), and epidemiologist. Our analysis does not identify any of these costs as unreasonable in a stand-alone clinic setting; however, the potential for savings may be present through outsourcing or combining with other county programs.

I. History and Background

Goals per Scope of Services:

A. Review levy requirements, including intended usage and populations. What services are mandated by law, which are discretionary?
B. Review prior recommendations from TLRC, prior consultant reports, commissioner directives, etc.
C. Review and analyze strategy plans.
D. Determine systems in place for receipt of levy dollars and usage for intended purposes.
E. Determine if levy requirements and recommendations are being, or have been followed or implemented.
F. Determine if the most recent levy resulted in over- or under-funding of services. If over-funded, what happened with excess funding.

History and Background of Hamilton County Tuberculosis (TB) Control Services

County Commissioners in Ohio have an unfunded mandate that requires the counties to pay for TB control and treatment. County Commissioners are by Ohio law the payers of last resort; however, a large percentage of those infected with TB are indigent, and many of the public heath duties associated with TB are neither reimbursed by Medicaid nor covered by private third-party insurance benefits. In addition, the minimal funding, that has been historically provided by the State, was reduced to zero for the 2006-2007 Ohio budget.

The Ohio Revised Code requires each Board of County Commissioners to provide for a tuberculosis control unit by either designating a county tuberculosis control unit, or by entering into an agreement with one or more other counties under which a district control unit is designated. Ohio law specifies that the entity designated as a county or district tuberculosis control unit must fulfill its duties of preventing and controlling TB within the County. In designating the unit, the Board may select any of the following:

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Based on our analysis so far we believe Franklin County is closest to Hamilton County for benchmarking services. We were able to find significant benchmarking data from Franklin County that is presented in exhibits H through J.

Exhibit H

	Hamilton County	Franklin County
Program structure	**Walk-in Clinic**	**Walk-in Clinic**
	2006 Budget	**2006 Budget**
2006 budgeted expenses:		
Personnel	$ 651,785	$ 1,254,119
Services & Other	253,350	663,310
Total (1)	$ 905,135	$ 1,917,429
	2005 Actual	**2006 Budget**
2005 Actual expenses		
Personnel	$ 624,114	$ 1,254,119
Services & Other	159,591	663,310
Total (1)	$ 783,705	$ 1,917,429
Staffing	FTEs	FTEs
Staff Physician	0.50	0.50
RNs & LPNs	4.00	10.50
Nurse Aides/Assistants	0.00	7.00
Social Worker	0.00	0.60
Office/Reception/Records	3.10	1.45
Epidemiologist	1.00	na
X-Ray Technician	0.80	contracted
Microbiologist	1.00	na
Pharmacist	0.60	contracted
	11.00	20.05
Average personnel cost per FTE	56,738	62,550

(1) Does not include overhead and building related expenses.

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1. A communicable disease control program operated by a board of health of a city or general health district.
2. A tuberculosis program operated by a county that receives existing state funding for the treatment of tuberculosis.
3. A tuberculosis clinic established by a board of county commissioners.
4. A hospital that provides tuberculosis clinic services under contract with a board of county commissioners.

The Hamilton County Board of County Commissioners has established a TB Control Program administered by the Hamilton County Jobs and Family Services (HCJFS). The TB Control Program's purpose is to prevent and control TB in Hamilton County. To understand the nature of what is done at the Hamilton County TB Control Program, it is important to have a basic understanding of TB and the related treatments and issues.

Tuberculosis (TB) – What is it and how is it treated

Tuberculosis (often called TB) is an infectious disease that usually attacks the lungs but can attack almost any part of the body. Tuberculosis is spread from person to person through the air. If another person breathes in these germs, there is a chance they will become infected with tuberculosis. Repeated contact is usually required for infection.

TB was once the leading cause of death in the United States; however, in the 1940s, drugs for the treatment of TB were discovered and subsequently, the U.S. made significant progress eliminating TB as a public heath threat. Currently there are about 10 million Americans infected with the TB bacteria who have the potential to develop active TB in the future.

It is important to understand that there is a difference between being infected with TB and having TB disease. Someone who is infected with TB has the TB germs, or bacteria, in their body. The body's defenses are protecting them from the germs, and they are not sick. Someone with TB disease is sick and can spread the disease to other people. It is not easy to become infected with tuberculosis. Usually a person has to be close to someone with TB disease for an extended period of time. TB is usually spread between family members, close friends, and people who work or live together.

Even if someone becomes infected with tuberculosis, that does not mean they will get TB disease. Most people who become infected do not develop TB disease because their body's defenses protect them. Most active cases of TB disease result from activating an old infection in people with impaired immune systems.

Experts believe that more than 10 million Americans are infected with TB germs. Only about 10 percent of these people will develop TB disease in their lifetime. The other 90 percent will never get sick from the TB germs or be capable of spreading them to other people.

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Some of the benefits of this hospital-based model include:

- The ability to bill third-party providers (Medicaid, Medicare and private insurance) for testing, lab fees, pharmacy, and physician services utilizing the billing system that is in place.

- Pharmacy, x-ray, and lab services can be provided by existing hospital-based departments; however, this does not necessarily mean cost-saving would be realized depending on the systems and cost structure with in the hospital.

- Care provided to indigent patients in a hospital setting could be eligible to be funded by other indigent care programs and funding.

Montgomery County:
Montgomery County's TB program is part of the Montgomery County Health Department. The program has one full-time nurse and two part-time nurses that provide direct observed therapy. In addition the program has one x-ray technician. The program does not have a pharmacy and shares space and resources with other communicable disease programs. Detailed benchmarking data was not available and would not be comparable.

Summit County:
Summit County's TB program is administered by the Akron Health Department and is housed as part of the Adult Clinic at the Morley Heath Center. The TB program is one of a number of programs run out of the clinic, and costs are shared with various other communicable disease control programs housed there. The program has two in-house nurses and one outreach nurse for directly observed therapies. In addition, there is a doctor and pharmacist who provide services to the TB program. The clinic does not bill patients for the services provided, but is exploring possibly billing third-party payers in the future. Detailed benchmarking data was not available and would not be comparable.

Lucas County:
Lucus County's TB program is part of the Lucas County Health Department. The staff and recourses of the Heath Department are used for various communicable diseases. No employees are dedicated 100% to TB. Detailed benchmarking data was not available and would not be comparable.

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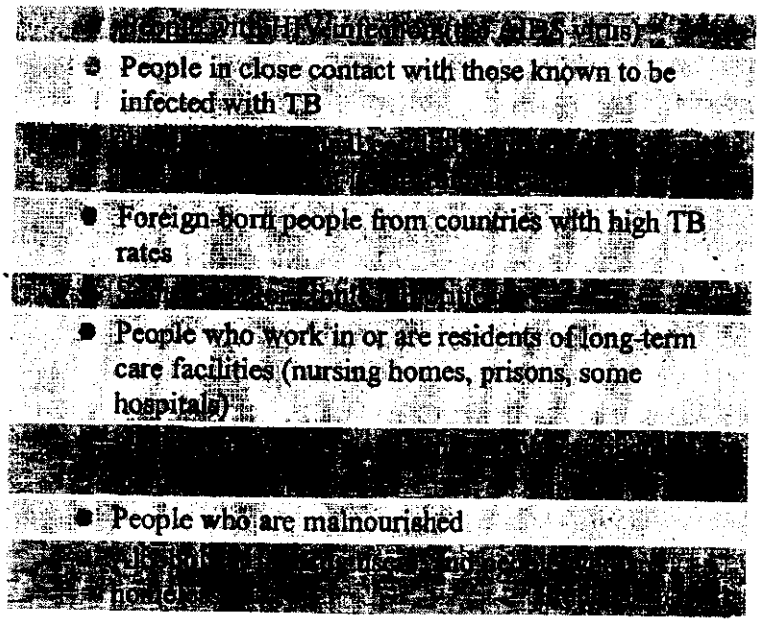
Anyone can get TB; however, some groups are at higher risk to get active TB disease. The groups at high risk include:



The TB skin test is a way to detect if a person has TB infection. Although there is more than one TB skin test, the preferred method of testing is to use the Mantoux test.

For this test, a small amount of testing material is placed just below the top layers of skin, usually on the arm. Two to three days later, a health care worker checks the arm to see if a bump has developed and measures the size of the bump. The significance of the size of the bump is determined in conjunction with risk factors for TB.

Once the doctor knows that a person has TB infection, he or she will want to determine if the person has TB disease. This is done by using several other tests including a chest X-ray and a test of a person's mucus.

Treatment for TB depends on whether a person has TB disease or only TB infection.

A person who has become infected with TB but does not have TB disease may be given preventive therapy. Preventive therapy aims to kill germs that are not doing any damage right now but could break out later.

If a doctor decides a person should have preventive therapy, the usual prescription is a daily dose of isoniazid (also called "INH"), an inexpensive TB medicine. The person takes INH for six-to nine months (up to a year for some patients), with periodic checkups to make sure the medicine is being taken as prescribed.

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In the scope of service five counties are identified as potentially comparable for benchmarking purposes. County populations and reported TB cases are presented in exhibit G.

Exhibit G

	Hamilton County	Franklin County	Cuyahoga County	Montgomery County	Summit County	Lucas County
County Population:						
2004 est.	814,611	1,088,971	1,351,009	550,063	547,314	450,632
Total TB Cases:						
2005	26	77	60	5	8	11
2004	29	55	44	9	7	4
2003	20	61	67	7	8	7
2002	17	59	71	13	na	na
2001	25	75	67	14	na	na

na = data not available

Each county administers its requirement to provide a TB control unit in a different fashion; the following is a summary of each program based on public data and calls to each county's program representative.

Franklin County:
Franklin County operates the Ben Franklin TB Control Program as a walk-in, full-service Clinic. Franklin County has approximately 30% of Ohio's active TB patients due in large part to the influx of foreign-born patients. The Ben Franklin Clinic operates in a similar manner as Hamilton County's TB clinic, except on a larger scale. One difference includes how care is provided for children (defined as 15 years of age or younger). In Franklin County, children testing positive for TB are sent to a children's hospital for care. In Hamilton County children are treated at the TB clinic by contracted pediatricians. Additional differences include use of contracted labs in Franklin versus the use of an in-house lab and staff microbiologist in Hamilton. Franklin County has implemented a billing function in order to summit bills to Medicare, Medicaid and private insurance companies for charges related to physician services, pharmacy and lab charges. The Franklin TB program began this process during 2006 and has not yet determined if the billing function will result in additional revenues in excess of the cost of generating the bills. See Exhibit H for a detailed comparison of Franklin County and Hamilton County's programs.

Cuyahoga County:
Cuyahoga County funds the MetroHealth Center, Tuberculosis Clinic which is a county hospital-based TB clinic. The clinic operates on an approximately $500,000 budget for nursing and pharmacy costs. Physician, lab, and x-ray costs are incurred by the hospital. The hospital bills patients and third-party providers separately based upon which services are provided. Because of this, operating structure, benchmarking data would not be comparable.

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If a person has TB disease the treatment consists of a combination of several drugs (most frequently INH plus two to three others including rifampin, pyrazinamide and ethambutol), usually for nine months. The patient will probably begin to feel better only a few weeks after starting to take the drugs.

It is very important, however, that the patient continue to take the medicine correctly for the full length of treatment. If the medicine is taken incorrectly or stopped, the patient may become sick again and will be able to infect others with TB. As a result, many public health authorities (this is public policy in Ohio) recommend Directly Observed Therapy (DOT), in which a health care worker ensures the patient takes his/her medicine.

If the medicine is taken incorrectly and the patient becomes sick with TB a second time, the TB may be harder to treat because it has become drug resistant. This means the TB germs in the body are unaffected by some drugs used to treat TB. This is referred to as Multi-drug resistant TB. These resistant germs can then cause TB disease. The TB disease they cause is much harder to treat because the drugs do not kill the germs. MDR TB can be spread to others, just like regular TB.

Available Funding for TB Treatment and Control

The Ohio Revised Code requires individuals who receive TB treatment to disclose the identity of any third party (insurance, Medicaid or Medicare) whom the individual has or may have a right of recovery for the treatment provided. The Code specifies that county commissioners are to be the payor of last resort for TB treatment and shall pay for treatment only to the extent that payment is not made through third-party benefits.

For indigent patients, Medicaid will reimburse certain costs associated with treatment, such as TB testing and medications. However, many of the public health duties associated with controlling TB outbreaks required by Ohio law, such as tracking down the people who have come into contact with an active TB patient, making sure active TB patients are taking their medications, reporting requirements, etc., are neither reimbursed by Medicaid nor private third-party insurance benefits. These program and treatment costs will continue to remain a funding liability for counties under current Ohio law. The State of Ohio previously funded a TB treatment budget line item. This was not a significant source of funding for Hamilton County (See Exhibit A.) to help offset the cost of indigent patient treatment, but beginning in 2006, the funding has been eliminated from the State budget.

Expenses for Detention

Under Ohio law, an individual diagnosed with active TB must complete the entire treatment regimen and must not be in any public place in order to protect against spread of the disease. If an individual fails to comply, the TB control unit may apply to the probate court for an injunction. If an individual fails to comply with the injunction, the

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Exhibit F

Exhibit F represents an analysis of levy usage compared to inflation indices.

	2002	2003	2004	2005	Cumulative Increase 2002 through 2005
TB Control Expenditures	1,286,489	1,173,367	1,365,539	1,218,953	
% change	30.2%	-8.8%	16.4%	-10.7%	-5.2%
Consumer Price Index Midwest Urban	1.2%	1.9%	2.4%	3.2%	7.7%

III. Comparisons, Modeling, and Benchmarking

Goals per Scope of Services:

A. Comparison of Hamilton County tax levy and service delivery system to similar counties in Ohio, including Cuyahoga County, Montgomery County, Franklin County, Summit County, and Lucas County.

B. Benchmark Hamilton County dollars utilized for services compared to other counties, including Cuyahoga County, Montgomery County, Franklin County, Summit County, and Lucas County, considering population and other available demographic data specifically correlated to service delivery.

C. Are there other models or approaches that are successful and can be utilized in Hamilton County (including private pay or management care models)?

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TB control unit may request the probate court issue an order granting the unit authority to detain the individual.

Expenses for the detention are to be paid by the individual unless the individual is indigent. Expenses for indigent individuals are to be paid by the board of county commissioners of the county from which the individual was removed. To-date, this has not been an issue in Hamilton County.

History and Background of Levy Requirements

The Hamilton County TB Control Program is funded by proceeds from the health and hospitalization levy (also referred to as Indigent Health Care levy). The purpose of the levy is to supplement the general fund appropriations of Hamilton County, Ohio, to provide health and hospitalization services, including University Hospital, for the fiscal years 2002 through 2006.

TB Control Program services have historically (since 2002) been funded by the levy as follows:

	2002	2003	2004	2005	2006 Budget
Total Tax Levy	$ 53,635,203	$ 54,037,464	$ 54,442,748	$ 54,851,069	$ 55,262,452
Funding appropriated for the TB Control Program	$ 1,287,112	$ 1,173,336	$ 1,365,539	$ 1,439,351	$ 1,419,997
TB Control Expenditures	1,286,489	1,173,367	1,365,539	1,218,953	
As a Percent of Total Levy:					
Appropriated	2.4%	2.2%	2.5%	2.6%	2.6%
Expenditures	2.4%	2.2%	2.5%	2.2%	n/a

We have been advised that there are no prior TLRC recommendations, consulting reports, commissioner directives, or strategy plans related to TB levy funding.

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Exhibit E

Exhibit E represents a five-year analysis of key TB Control Program statistics and associated expense trend analysis.

	2001	2002	2003	2004	2005
Cases of TB disease confirmed	25	17	20	29	26
Clinic Stats					
Skin Tests Given	5,076	5,178	5,888	6,001	6,001
Radiology Services					
Total X-Rays Given	1,963	1,772	1,643	1,660	1,461
Pharmacy Services					
Total RX Filled	5,129	3,690	3,063	3,014	2,546
Laboratory Services					
Cultures Processed	119	109	114	106	120
Chemistries Processed	381	389	196	165	161
Clinic Appointments Kept					
Adult Clinic Doctor	2,322	2,211	1,675	1,612	1,530
Pediatric Clinic Doctor	305	304	239	246	284
Nurse Clinic	2,260	1,545	1,154	1,070	841
Out-Reach Visits	2,900	1,564	1,892	2,415	2,761
Trend Analysis					
X-Ray Technician - staff	$ 28,897	$ 29,269	$ 28,195	$ 28,956	$ 29,104
Radiology Reading - contracted	8,823	8,514	4,800	5,840	9,040
Direct Radiology Expense	$ 37,720	$ 37,783	$ 32,995	$ 34,796	$ 38,144
Direct expense per X-Ray given	$ 19.22	$ 21.32	$ 20.08	$ 20.96	$ 26.11
Pharmacist - staff	$ 45,514	$ 36,464	$ 39,172	$ 40,521	$ 44,424
Pharmacists - contracted	12,278	14,566	12,979	16,471	18,451
	$ 57,792	$ 51,030	$ 52,151	$ 56,992	$ 62,875
Pharmacist expense per RX filled	$ 11.27	$ 13.83	$ 17.03	$ 18.91	$ 24.70
Microbiologist - Staff	$ 48,101	$ 55,962	$ 56,965	$ 57,747	$ 59,172
Microbiologist cost per process	$ 96.20	$ 112.37	$ 183.76	$ 213.09	$ 210.58
Adult Physician - contracted	$ 31,937	$ 28,513	$ 25,016	$ 29,114	$ 32,627
Adult Physician cost per appointment	$ 13.75	$ 12.90	$ 14.93	$ 18.06	$ 21.32
Pediatricians - contracted	$ 3,570	$ 5,833	$ 4,175	$ 3,890	$ 2,913
Pediatrician cost per appointment	$ 11.70	$ 19.19	$ 17.47	$ 15.81	$ 10.26
Nurses (LPN) - Staff Only	$ 109,215	$ 113,871	$ 116,906	$ 118,982	$ 120,319
Less in-house nurse (estimated 1/3)	(36,401)	(37,953)	(38,965)	(39,657)	(40,102)
	$ 72,814	$ 75,918	$ 77,941	$ 79,325	$ 80,217
Nursing cost per out-reach visit (1)	$ 25.11	$ 48.54	$ 48.06	$ 32.85	$ 29.05

The purpose of this analysis is to present a trend analysis only. This analysis does not take into account shared duties within the clinic or all costs associated with each statistic analized.

(1) This does not take into account all duties preformed by the TB program nurses and is for trend analyisis only.

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II. Financial Analysis

Goals per Scope of Services:

A. Provide a financial analysis over the five-year period of the previous levy analyzing revenue, costs, budget and administrative costs.

B. Provide financial comparisons based on service measures such as units, patients (as appropriate to each service).

C. Analyze other sources of revenue in addition to tax levy and affect on tax levy requirements, including determination of usage as payor of last resort, and trend analysis of other revenue sources compared to levy revenues.

D. Analyze levy usage compared to inflation indices.

Exhibit D

Exhibit D represents an analysis of Hamilton County shared and indirect expenses transferred to the TB Control Program administered by HCJFS.

The expenses below are determined by accumulating all shared and indirect Hamilton County expenses and then transferring a portion of these expenses to each department or program by the use of a formula based on number of full time equivalent (FTE) employees that are directly attributable to each program or department. Approximately one-percent of all Hamilton County shared and indirect expenses are transferred to the TB Control program each year.

Shared and indirect expenses transferred to the TB Control Program for 2005 are as follows:

Employee Compensation (1)	$	228,098
Employee Benefits and Taxes (1)		59,716
Office, Travel, Training and Other		15,216
Telephone Service		10,107
Postage		6,341
Advertising		903
Maintenance and repairs		8,398
Utilities		5,493
Building rent (2)		54,303
Miscellaneous contracted services and other indirect expenses, net		46,673
ODJFS Shared and Indirect Expenses	$	435,248

(1) Employee compensation includes two individuals that contribute a significant amount of *time to the TB program, Charles Woods, the Director of Hamilton County Human Services and section chief of Hamilton County TB Control, indicates that he spends 5-10% of his time overseeing the TB program and the office manager at the TB center who has indicated that she spends approximately 90-95% of her time on the TB program. The remainder of shared compensation relates to County and HCJFS executive, administrative, and other indirect employee compensation.*

(2) The Tuberculosis Control Clinic is located at 237 William Howard Taft. The clinic occupies 12,320 square feet of space which is part of a larger building that is leased from *Hamilton County by HCJFS. Because of the way HCJFS allocates rent expense it appears the actual rent attributable would be significantly higher. Actual rent paid to Hamilton county approximates $7.92 per square foot. This multiplied by 12,320 square feet would result in total rent for the TB Control Clinic of $97,575.*

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Exhibit A – Five-Year Financial Analysis

Exhibit A presents a five-year financial analysis, including a breakdown of administrative expenses and a presentation of excess or deficit revenue compared to expenses.

	2001	2002	2003	2004	2005
Total Levy Funding appropriation	$ 1,213,831	$ 1,287,112	$ 1,173,366	$ 1,365,539	$ 1,439,351
Program Revenues:					
Ohio Department of Health	16,995	23,460	22,092	15,111	27,969
Skin Test & X-Ray Fees	19,485	19,590	20,983	21,730	25,745
Miscellaneous	250	375	1,824	653	789
Program Revenues (1)	36,730	43,425	44,899	37,494	54,503
Total Appropriation & Revenues	1,250,561	1,330,537	1,218,265	1,403,033	1,493,854
TB Control Expenses:					
Employee Compensation	$ 370,059	$ 426,714	$ 477,001	$ 483,854	$ 494,993
Employee Benefits and Taxes	80,208	104,352	121,073	125,321	129,121
Contracted Staffing and Services:					
Medical Director	29,675	39,330	38,520	39,790	41,000
Adult Physician	31,937	28,513	25,016	29,114	32,627
Pediatricians	3,570	5,833	4,175	3,890	2,913
Pharmacists	12,278	14,566	12,979	16,471	18,451
Radiology Reading	8,823	8,514	4,800	5,840	9,040
LPN	-	2,253	1,877	2,900	2,210
Transcriptions				931	
Other:	1,461	2,122	2,300	-	3,009
	87,744	101,131	89,667	98,936	109,250
Drugs, Medical Supplies and Program Expenses	79,290	68,303	68,109	40,366	42,912
Office, Travel, Training and Other	177,531	11,212	15,809	8,918	7,429
Direct Expenses (2)	**794,832**	**711,712**	**771,659**	**757,395**	783,705
HCJFS Shared and Indirect Expenses (exhibit D) (3)	353,079	574,777	401,708	608,144	435,248
TB Control Expenditures	1,147,911	1,286,489	1,173,367	1,365,539	1,218,953
Levy and Program Appropriations In Excess of Expenditures	$ 102,650	$ 44,048	$ 44,898	$ 37,494	$ 274,901

(1) *Program revenues are remitted to Hamilton County*

(2) *TB Control direct expenditures reflect actual expenditures by the County that are 100% attributable to the TB control program*

(3) *County shared and indirect expenses attributable to the HCJFS TB control program (see exhibit D)*

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Exhibits B and C

Exhibits B and C present a five-year analysis of hours worked and full-time equivalent FTEs, Wages Paid, and Average Wages for the TB Control Program.

	2001 Hours	2002 Hours	2003 Hours	2004 Hours	2005 Hours
Staff Physician	1,082	1,071	1,076	1,068	1,032
Epidemiology/Analyst	2,141	2,128	2,140	2,122	2,093
Clinic Coordinator		1,061	2,083	2,018	2,057
Microbiologist	1,882	2,129	2,125	2,086	2,123
Nurses (LPN)	6,330	6,392	6,438	6,372	6,296
X-Ray Technician	1,905	1,858	1,747	1,742	1,717
Pharmacist	1,875	1,362	1,306	1,239	1,293
Med Records	2,273	3,178	4,269	4,287	4,254
Student Help		1,867	1,803	1,920	2,029
Totals	17,489	21,046	22,987	22,854	22,894
FTES (1)	8.4	10.1	11.1	11.0	11.0

(1) 2080 hours equals one full time equivalent employee (FTE)

	2001 Wages	2002 Wages	2003 Wages	2004 Wages	2005 Wages
Staff Physician	$ 61,069	$ 62,018	$ 62,351	$ 66,002	$ 65,107
Epidemiology/Analyst	38,540	39,734	40,961	41,954	42,213
Clinic Coordinator		25,273	51,091	51,156	53,189
Microbiologist	48,101	55,962	56,965	57,747	59,172
Nurses (LPN)	109,215	113,871	116,906	118,982	120,319
X-Ray Technician	28,897	29,269	28,195	28,956	29,104
Pharmacist	45,514	36,464	39,172	40,521	44,424
Med Records	33,988	49,184	66,935	63,177	65,231
Student Help		14,938	14,424	15,360	16,234
Totals	$365,324	$426,713	$477,000	$483,855	$494,993
Average Wage Per FTE	43,449	42,173	43,162	44,037	44,972

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The Hamilton County Board of Commissioners

Hamilton County Tax Levy Review Committee

Final Performance Review Consulting Report
on Hamilton County
Alcohol and Drug Addiction Services

April 21, 2006

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The Hamilton County Tax Levy

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April 21, 2006

Hamilton County Tax Levy Review Committee
Hamilton County Board of County Commissioners

Based on our Professional Services Agreement dated January 24, 2006, we submit the accompanying Final Performance Review Consulting Report consisting of the Executive Summary and the detailed Scope of Services.

Our report is based on historical financial, operational and clinical information provided to us by management. We were not requested to, nor did we, audit the accuracy of the information provided. Had we audited the information provided, matters may have come to our attention which may have resulted in different findings and/or recommendations. Accordingly, we take no responsibility for the underlying data presented or relied on for the preparation of this report. Additionally, we have no responsibility to update this report for events or circumstances occurring after the date of the report.

We appreciate the opportunity to be of service to the TLRC and the Board of Commissioners, and would like to thank the Commissioners, County staff and the staff at the agencies being reviewed for their courtesy and cooperation. We are available to assist related to any of the recommendations in our report.

Very truly yours,

HOWARD, WERSHBALE & CO.

Final Report on Hamilton County ADAS

April 21, 2006

Executive Summary and Recommendations

The performance review consulting report provides information to achieve the objectives identified by the Hamilton County Tax Levy Review Committee. The following will highlight the significant items and any recommendations from each of the five sections of the report.

History and Background

This section of the report provides background on Hamilton County ADAS operations, the rules and regulations governing the program and information on the levy funding received. ADAS is responsible for funding and monitoring the providers in Hamilton County who perform substance abuse services. ADAS is part of a system of county boards in Ohio that are funded and monitored by the Ohio Department of Alcohol & Drug Addiction Services (ODADAS).

This section also provides information on unexpended funds related to ADAS operations. ODADAS is responsible for annual reviews of ADAS, including determination of unspent funds. The review during 2004 of ADAS fiscal year 2001 resulted in ADAS returning unspent funds to ODADAS.

ODADAS performed a review of ADAS for fiscal years 2002, 2003 and 2004 in March of 2006. The results of the review, and a determination of potential unspent funds and related payback were not received as of the date of this report.

Exhibit E of the report provides a five-year comparison of revenue received compared to expenditures. Based on this analysis, it appears that County levy funds were spent.

Financial Analysis

Section II of the report provides various Exhibits highlighting the financial performance of ADAS. Many of the questions raised to ADAS have not been addressed as of the date of this report. Highlights of Section II include the following:

- Administrative costs are 5 – 7% of operating expenses over the last five years, which is within ODADAS guidelines. The majority of unexpended funding relates to administrative operations (see Exhibit A).

- The levy has funded an average of 12% of operating revenue and 11% of administrative revenue over a five-year period (see Exhibit B).

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- Operating expenses have decreased over a five-year period, while levy funding has increased. All levy revenue has been expended annually (see Exhibit C).

- Personnel costs have increased annually at an average of approximately 7% over a five-year period (see Exhibit D).

- Exhibit E presents a five-year analysis of revenue by source of funds to related expenditures and provides a cumulative excess or deficit spending by revenue source. As indicated above, it appears that levy funds were spent.

- Provider administrative costs average 3 - 4% of total costs over the last five years (see Exhibit F).

- Exhibit G provides costs and statistical data, including cost per unit for various services. The Exhibit includes significant fluctuations which have not been answered by ADAS as of the date of this report.

- Exhibit H compares units of service provided and number of clients served for providers receiving levy funds over a five-year period. The Exhibit details a decrease in the number of units of service provided and an increase in the cost per unit of service over the five-year period.

- Over the five years, inflation averaged 9.0% while levy funding averaged an increase of 12.6%. Levy funding for administrative board functions had a significant increase from 2001 to 2003, but stabilized in 2004 and 2005 (see Exhibit I).

ADAS should follow up with HCBCC regarding unresolved questions identified in this report. In addition, we recommend ADAS improve their financial reporting by implementing balance sheet reporting for a full set of balanced financials. ADAS does not currently maintain a balance sheet. While departmental-only reporting is common in governmental unit reporting, ADAS has a budget of approximately $20 million, and has had difficulties tracking and reporting unexpended funds. Reporting utilizing a full set of balanced financials will improve financial reporting and monitoring.

ADAS primary purpose is to fund and monitor substance abuse services in Hamilton County. Our conclusion on the financial analysis is that there does not appear to be unreasonable or exorbitant costs in ADAS administrative operations; however, the following should be analyzed: 1. The excess funding related to administrative functions should be examined to determine the appropriate funding levels; 2. The decreased number of services performed by providers receiving levy funding highlighted in Exhibit H; 3. The reason for a decrease in operating expenses over a five-year period while levy funding has increased; and, 4. Annual average personnel cost increases of approximately 7%.

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Comparisons, Modeling, and Benchmarking

The comparisons to other county boards were performed with two distinct groups – the counties that have separate ADAS Boards (Lucas and Cuyahoga) and the counties that have joint ADAS and Mental Health Boards (Franklin, Montgomery and Summit). The comparisons with the separate boards revealed costs that were primarily in line with the other counties.

The comparisons to counties with joint ADAS and Mental Health Boards revealed possible efficiencies derived from a merger of the boards. Section IV of our report provides details of an analysis of the potential merger of ADAS and Mental Health Boards that was done by a Study Group on behalf of Lucas County. The conclusion of the Study Group was that a merger would be beneficial and would improve service delivery.

We recommend Hamilton County investigate the possibility of merging the ADAS and Mental Health Boards.

Service Delivery and Efficiency

The ODADAS funding and billing system is well designed and includes software for electronic billing, tracking of payor sources and monitoring of providers and funding usage.

The ODADAS funding system operates under a cost-based reimbursement system. This system has several inherent flaws. It provides a disincentive for provider efficiency, does not place the provider at risk for cost containment, requires an administratively burdensome cost reconciliation process and penalizes providers for uncompensated care. ODADAS has attempted to implement a fixed fee schedule that reimburses providers at a pre-set rate for each type of service. Implementation of this system has been delayed with no definite date for implementation.

Hamilton County has not historically monitored the funding provided to ADAS. A contract was implemented in 2005 with various requirements, including reporting requirements. Our report provides additional recommendations.

Qualitative Considerations

ODADAS has implemented a system to track quality and treatment issues to attempt to determine where services are most effective and allocate funding to the most beneficial service areas. National performance measures related to prevention and treatment are anticipated to be in place in fiscal year 2008; these requirements will be passed down to states and local boards.

Funding for substance abuse services continues to be a challenge. Funding for non-Medicaid services, such as county levy funds, continues to decline due to the increase in Medicaid services and the state dollars allocated to matching requirements. The ceiling

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rates paid for substance abuse services under ODADAS guidelines have not increased in almost a decade.

I. History and Background

Goals per Scope of Services:

A. Review levy requirements, including intended usage and populations. What services are mandated by law, which are discretionary?
B. Review prior recommendations from TLRC, prior consultant reports, commissioner directives, etc.
C. Review and analyze strategy plans.
D. Determine systems in place for receipt of levy dollars and usage for intended purposes.
E. Determine if levy requirements and recommendations are being, or have been followed or implemented.
F. Determine if the most recent levy resulted in over- or under-funding of services. If over-funded, what happened with excess funding?

History and Background of Hamilton County ADAS

On October 10, 1989, the Governor of Ohio signed into law Amended Substitute House Bill 317, which established the Ohio Department of Alcohol and Drug Addiction Services (ODADAS), a cabinet-level department responsible for chemical dependency prevention and treatment.

House Bill 317 also gave the County Commissioners of Ohio's ten most populous counties the authority to establish separate alcohol and drug addiction services boards. On November 8, 1989, the Hamilton County Board of Commissioners established the Hamilton County Alcohol and Drug Addiction Services (ADAS) Board.

The mission of The Hamilton County Alcohol and Drug Addiction Services Board is to plan, fund and monitor public alcohol and drug treatment, prevention and education services for the citizens of Hamilton County.

The Board, in partnership with the Ohio Department of Alcohol and Drug Services, and the Hamilton County Commissioners, administers funds for local programming. The ADAS Boards are prohibited from providing services to the population. Federal, state and local funds are distributed annually through contracts with a comprehensive network of 14 - 17 alcohol, other drug, and gambling addiction prevention and treatment service provider agencies in Hamilton County. Additional funds are provided for special initiatives.

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Ohio Revised Code (ORC) Chapter 340 mandates that each county have a local authority for alcohol and drug services. Seven counties in Ohio – Butler, Cuyahoga, Hamilton, Lorain, Lucas, Mahoning and Stark, have separate county boards for mental health and alcohol and drug addiction services. The rest of the counties have joint mental health and alcohol and drug boards.

Ohio Revised Code Chapter 340 also provides rules and regulations governing Alcohol, Drug Addiction and Mental Health Services in Ohio. Under the guidelines, local boards are required to submit a "Community Plan" to ODADAS, no later than six months prior to the conclusion of their fiscal year. The plan provides an assessment of community service needs, the facilities and community services that will be providing the needs, and constitutes an application for funds to be distributed by ODADAS. ODADAS reviews the plan and determines the funding to be allocated to local boards during the coming fiscal year.

Section 340.09 of the ORC details the following services in the ODADAS and/or mental health system that shall be provided from funds appropriated for that purpose by the general assembly:

A.	Outpatient
B.	Inpatient
C.	Partial hospitalization
D.	Rehabilitation
E.	Consultation
F.	Mental health education and other preventative services
G.	Emergency
H.	Research
I.	Administrative
J.	Referral and information
K.	Residential
L.	Training
M.	Substance abuse
N.	Service and program evaluation
O.	Community support system
P.	Case management
Q.	Residential housing
R.	Other services approved by the Board and the Director of Mental Health

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History and Background of Levy Requirements

In November 2001, the voters of Hamilton County approved a five-year tax levy to provide health and hospitalization services. ADAS is appropriated funds from this Health and Hospitalization levy. The following represents the amounts appropriated to ADAS.

2001	$ 1,574,746
2002	2,253,161
2003	2,676,654
2004	2,640,328
2005	2,216,536

The 2006 appropriation to ADAS is $2,454,000, which includes $170,930 of unencumbered funds carried over from 2005. Due to identification of unspent reserves by ADAS, the county commissioners reduced the ADAS Board's administrative portion of their Indigent Levy appropriation by $143,250 in 2006. Accumulated reserves and over-funding are addressed later in this section of the report.

The levy requirements do not mandate the provision of services. Historically amounts have been appropriated to ADAS and provided annually without a formal contract. In 2005 the Board of County Commissioners of Hamilton County entered into a Memorandum of Agreement with ADAS for the term January 1, 2005 through December 31, 2009. The contract provides guidelines on the scope of services, including eligibility criteria and allowable services, selection of service providers, availability of funds, reporting and spending requirements, restrictions on use of funds, compliance testing requirements, and various miscellaneous provisions. The contract also requires the levy funds to be used as a payor of last resort.

The allowable services detailed in the contract are consistent with those detailed in ODADAS service categories, as follows:

Assessment	Individual counseling
Group counseling	Case management
Crisis intervention	Laboratory urinalysis
Medication somatic	Methadone and other opiate assisted therapies
Intensive outpatient	Detoxification
Long-term rehabilitation	Short-term rehabilitation
Information and referral	Prevention services

We have been advised that there are no prior TLRC recommendations, consulting reports, commissioner directives, or strategy plans related to ADAS levy funding.

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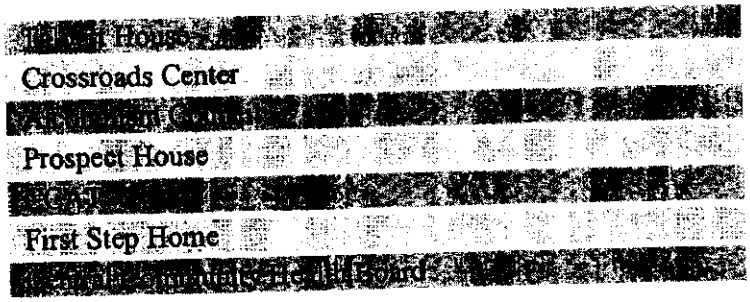
Levy Funding and Usage

The ADAS Board enters into annual or multiple-year contracts, which cover either fiscal year ending June 30 or calendar year ending December 31, with various agencies in Hamilton County for the provisions of services. The contracts include details of amounts allocated to a provider for provision of services by funding source. The service provider determines which funding source will be utilized for each service billed based on the type of service provided and client eligibility criteria. Further information on service delivery is provided in Section IV of this report.

The ADAS Board provides Indigent Levy funds under contract with the following organizations:



The annual contract with these providers contains the amount allocated to them from the Indigent Levy. Since the provider contracts are on a fiscal year and the County levy appropriation is on a calendar year, the contract indicates the amounts are subject to change based on the appropriation for the coming year. Amended contracts are issued if the appropriation changes the funding in the original contract.

ODADAS and the local boards utilize an electronic client information and billing system called MACSIS. The Hamilton County ADAS Board has a separate software system called CMHC which they use to process claims and feed data to MACSIS. Hamilton County ADAS Board funded treatment providers must register all clients in the CMHC system to be eligible for services and payment. All services are entered into the CMHC system and billed through an electronic interface called MACSIS. When a provider enters the information in CMHC to bill for a service, the provider indicates the funding source that should be charged. The ADAS Board accumulates the amounts billed each month to be charged to the Indigent levy and sends an invoice of charges to the County for payment to the provider.

The ADAS Board monitors each provider's charges by funding source during the year compared to the amount in the provider contract. The Board gives each service provider a status report during the year of amounts billed against each funding source in the contract, compared to amounts available and a projection of excess billing or under billing for the year. Amounts billed in excess of the contract amount are not paid to the provider. If a provider does not spend all the funds in their contract and another provider

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performs and bills for services in excess of their contract, the ADAS Board can reallocate unspent funds from one provider to another provider.

Service Funding

The Financial Analysis section of this report provides information on revenues, expenses and over-or-under spending by year.

Each local board is required to be audited annually by ODADAS. ODADAS is several years behind in their audit of the boards, which they refer to Stakeholder Assistance Reviews (SAR). Hamilton County ADAS' last SAR, which was conducted in 2004, was for the fiscal year ended 2001. The SAR report detailed five items of noncompliance and six comments/recommendations that required corrective action. Included in the SAR was an identification of unexpended funds which required repayment. Unexpended funds were identified in the following areas:

• State TASC	$ 15,728
• Cross-Training	1,172
• TANF Treatment	154,464
• DYS After Care	111,214
Total	$ 282,578

An additional $150,459 of the Board Administrative allocation could not be verified against actual expenses.

In February 2005, a check was issued to ODADAS for $433,037 ($282,578 plus $150,459) in repayment of unexpended funds. ADAS has indicated to us that they have since determined that the $282,578 was paid back in error as the funds were expended, and will seek reimbursement from the state. The ADAS most recent projection of unspent amounts held in reserve as of 12/31/05 show the following totals:

• Grants Holding Account	$ 881,221
• Reserve Account	358,460
Total	$1,239,681

Since ODADAS has not yet finalized its SAR review for the fiscal years 2002, 2003, 2004 and 2005, there has not been a determination of unspent funds and required pay back for these years. The ADAS Board has advised us that ODADAS has performed the SAR for the years 2002, 2003 and 2004 the week of March 20, 2006. The final results of the SAR reviews will not be issued until approximately 30 days after the review, at which time ADAS has 15 days to reply to or appeal any findings. In addition, ADAS contends they require reserves set aside to fund future capital improvements for the ADAS Center building owned by ADAS, from which substance abuse programs are operated. The Financial Analysis section of this report provides further analysis on unspent funding.

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II. Financial Analysis

Goals per Scope of Services:

A. Provide a financial analysis over the five-year period of the previous levy analyzing revenue, costs, budget and administrative costs.

B. Provide financial comparisons based on service measures such as units, patients (as appropriate to each service).

C. Analyze other sources of revenue in addition to tax levy and affect on tax levy requirements, including determination of usage as payor of last resort, and trend analysis of other revenue sources compared to levy revenues.

D. Analyze levy usage compared to inflation indices.

Exhibit A – Five-Year Financial Analysis

Exhibit A presents a five-year financial analysis, including a breakdown of administrative expenses and a presentation of excess or deficit revenue compared to expenses. ADAS administration costs range from 5% to 7% of their total costs. ODADAS guidelines dealing with Board Administration provide guidelines that indicate the Board is expected to spend between 7% - 9% of their budget on administrative functions.

The Exhibit details $598,027 in excess funding over a five-year period, with $508,404 of the excess related to funding for administrative operations.

Hamilton County ADAS Board
Exhibit A - 5 year financial analysis

	2005	2004	2003	2002	2001	Total
Operating revenue	17,893,929	18,060,788	18,146,167	18,734,572	19,731,170	92,566,626
Operating expenses	17,987,363	17,276,942	18,292,780	19,024,212	19,895,706	92,477,003
Operating excess (deficit)	(93,434)	783,846	(146,613)	(289,640)	(164,536)	89,623
Admin revenue	1,427,090	1,340,435	1,275,078	1,164,232	1,026,734	6,233,569
Admin expenses:						
Personnel	972,410	933,631	840,343	796,047	740,488	4,282,919
Other	279,488	291,683	258,052	281,322	251,561	1,362,106
Capital	9,185	9,498	20,303	6,470	34,684	80,139
Total Admin expenses	1,261,083	1,234,812	1,118,698	1,083,839	1,026,734	5,725,165
Admin excess (defieit)	166,007	105,623	156,380	80,393	0	508,404
Total excess (defict)	72,573	889,469	9,767	(209,247)	(164,535)	598,027
Admin expense analysis						
Personnel as % of total admin exp	77%	76%	75%	73%	72%	75%
Other as % of total admin exp	22%	24%	23%	26%	25%	24%
Capital as % of total admin exp	1%	1%	2%	1%	3%	1%
	100%	100%	100%	100%	100%	100%
Admin expense as % total cost	7%	7%	6%	5%	5%	6%

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Exhibit B – Indigent Levy Funding Analysis

Exhibit B presents Indigent Levy revenues over a five-year period compared to other funding received by ADAS. The Exhibit also presents the amount of Indigent Levy funding used for administrative costs over a five year period, compared to other revenue utilized for administrative costs.

Exhibit B also compares total Indigent Levy revenue per ADAS financial records to the Indigent Levy revenue per amounts provided by the County. ADAS' financial records are on a fiscal year ended June 30, while the ADAS contract is on a calendar year. We have addressed the differences with ADAS and the amounts have not been reconciled. ADAS believes the amount of 2001 levy funding per their records is in error.

Hamilton County ADAS Board
Exhibit B - Indigent Levy Funding Analysis

	2005	2004	2003	2002	2001	Total
Operating revenue:						
Indigent Levy funding	2,474,644	2,256,723	2,339,267	1,680,344	2,224,582	10,975,560
Other funding	15,419,285	15,804,065	15,806,900	17,054,228	17,506,588	81,591,066
Total operating revenue	17,893,929	18,060,788	18,146,167	18,734,572	19,731,170	92,566,626
Indigent Levy as % of total operating revenue	14%	12%	13%	9%	11%	12%
Admin revenue:						
Indigent levy funding	150,425	156,030	154,500	128,250	106,500	695,705
Other admin funding	1,276,665	1,184,405	1,120,578	1,035,982	920,234	5,537,864
Total admin revenue	1,427,090	1,340,435	1,275,078	1,164,232	1,026,734	6,233,569
Indigent Levy as % of total admin revenue	11%	12%	12%	11%	10%	11%
Total Indigent Levy Funding	2,625,069	2,412,753	2,493,767	1,808,594	2,331,082	11,671,265
Funding per County records	2,216,536	2,640,328	2,676,655	2,253,162	1,574,746	11,361,427
Difference (1)	408,533	(227,575)	(182,888)	(444,568)	756,336	309,838

Notes

(1) Funding per ADAS amounts are on a fiscal year basis, compared to funding per County records which are on a calendar year. The $309,838 cumulative 5 year difference has not been reconciled by ADAS as of the date of this report.

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Exhibit C – Indigent Levy Expense Analysis

Exhibit C presents five years of amounts expended related to the Indigent Levy funding, compared to total operating amounts expended. The Exhibit also compares annual Indigent Levy revenue to expense, and shows all revenues being expended annually.

Hamilton County ADAS Board
Exhibit C - Indigent Levy Expense Analysis

	2005	2004	2003	2002	2001	Total
Operating expenses:						
Indigent levy expenses	2,474,644	2,256,723	2,339,267	1,680,344	2,224,582	10,975,560
Other operating exp	15,512,719	15,020,219	15,953,513	17,343,868	17,671,124	81,501,443
Total operating exp	17,987,363	17,276,942	18,292,780	19,024,212	19,895,706	92,477,003
Indigent Levy as % of total operating expense	14%	13%	13%	9%	11%	12%
Indigent levy:						
Indigent levy revenue	2,474,644	2,256,723	2,339,267	1,680,344	2,224,582	10,975,560
Indigent levy expense	2,474,644	2,256,723	2,339,267	1,680,344	2,224,582	10,975,560
Excess (deficit)	-	-	-	-	-	-

Exhibit D – Personnel Cost Analysis

Exhibit D presents a five-year trend of ADAS total personnel costs, which includes payroll, taxes and benefits. The Exhibit also presents total personnel costs per FTE as well as a comparison of personnel costs and FTE's to ADAS total budget.

Section 340.032 of the Ohio Revised Code details the requirements for Executive Director compensation, expenses and removal, as follows:

- The board of alcohol, drug addiction, and mental health services shall employ a qualified mental health or alcohol or drug addiction services professional with experience in administration or a professional administrator with experience in mental health or alcohol or drug addiction services to serve as executive director of the board and shall prescribe the director's duties.

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- The board shall fix the compensation of the executive director. In addition to such compensation, the director shall be reimbursed for actual and necessary expenses incurred in the performance of his official duties. The board, by majority vote of the full membership, may remove the director for cause, upon written charges, after an opportunity has been afforded him for a hearing before the board on request.

- The board may delegate to its executive director the authority to act on its behalf in the performance of its administrative duties.

Hamilton County ADAS Board
Exhibit D - Personnel Cost Analysis

	2005	2004	2003	2002	2001
Personnel costs	972,410	933,631	840,343	796,047	740,488
Annual increase	38,779	93,288	44,295	55,559	
% increase	4%	11%	6%	8%	
Average # of FTE's	13.2	14.1	13.4	13.3	12.3
Average cost per FTE	73,667	66,215	62,712	59,853	60,202
Annual increase	7,452	3,503	2,859	(349)	
% increase	11%	6%	5%	-1%	
ADAS Total Budget	19,248,446	18,511,754	19,411,478	20,108,051	20,922,439
Personnel costs as % of budget	5%	5%	4%	4%	4%
Budget per FTE	1,458,216	1,312,890	1,448,618	1,511,884	1,701,011
Annual increase	145,325	(135,727)	(63,266)	(189,128)	
% increase	11%	-9%	-4%	-11%	

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Exhibit E – Spending Analysis

Exhibit E, provides a comparison of revenue by funding source compared to the related amounts expended, including whether amounts were unspent or if deficit spending occurred.

Exhibit E, Part 1

Hamilton County ADAS Board
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Funding Source	FY05 Revenues	FY05 Expenses	FY05 Excess (deficit)	FY04 Revenues	FY04 Expenses	FY04 Excess (deficit)	FY03 Revenues	FY03 Expenses	FY03 Excess (deficit)
Drug free schools	305,000	305,000	-	305,000	305,000	-	305,000	305,000	-
Medicaid	2,176,012	1,894,752	281,260	1,559,136	1,673,543	(114,407)	1,888,637	1,890,732	(2,095)
ODRC ADAPT	32,636	32,233	403	32,233	32,233	-	31,427	31,427	-
State per capita	2,245,006	2,363,314	(118,308)	2,712,667	2,400,134	312,533	1,771,088	1,921,088	(150,000)
Fed per capita	2,768,119	2,768,119	-	2,822,108	2,760,290	61,818	3,064,429	3,059,180	5,249
Other Fed SAPT	882,371	882,371	-	856,834	856,833	1	866,833	866,833	-
State GRF	783,655	776,067	7,588	470,967	470,967	-	1,250,605	1,250,605	-
State GRF TCE (Metrocare)	-	-	-	-	-	-	227,776	227,776	-
Womens SAPT	1,348,256	1,348,256	-	1,348,256	1,348,256	-	1,349,256	1,349,256	-
Health Foundation GC	-	-	-	41,610	41,610	-	129,271	114,215	15,056
State womens mcaid match	19,870	142,542	(122,672)	147,842	147,842	-	155,848	155,848	-
State TANF	200,033	202,704	(2,671)	202,704	179,314	23,390	212,852	212,852	-
State youth reentry	350,000	155,749	194,251	350,000	132,370	217,630			
State HB 484 TCE	294,740	294,740	-	295,520	295,520	-	298,239	298,239	-
State FAST 05	24,455	24,474	(19)	-	-	-			-
Property Advisors		3,000	(3,000)			-			-
Ham Cty Drake levy	1,469,187	1,469,187	-	1,482,536	1,482,536	-	1,536,375	1,536,375	-
Ham Coty indigent service levy	2,474,644	2,474,644	-	2,256,723	2,256,723	-	2,339,267	2,339,267	-
Ham Cty ADAPT (JC)	-	-	-	-	-	-			-
Ham Cty family DC	6,000	2,597	3,403	-	-	-			-
JFS impact	1,279,361	1,694,197	(414,836)	1,820,954	1,709,927	111,027	1,679,425	1,586,430	92,995
Ham Cty LLEBG (crime justice)	82,246	82,246	-	100,000	100,000	-	100,000	100,000	-
IDAT	103,473	101,428	2,045	146,621	104,357	42,264	144,338	137,893	6,445
ADAS center/SAMAD	1,048,865	969,743	79,122	1,109,077	979,487	129,590	795,501	909,764	(114,263)
Totals	17,893,929	17,987,363	(93,434)	18,060,788	17,276,942	783,846	18,146,167	18,292,780	(146,613)

Page 2 of 2 of Schedule E provides a five-year cumulative total of revenues compared to expenses by funding source showing excess or deficit funding. The Hamilton County funding presents five-year break-even funding.

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Exhibit E, Part 2

Hamilton County ADAS Board
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Funding Source	FY02			FY01			5 Year Cumulative		
	Revenues	Expenses	Excess (deficit)	Revenues	Expenses	Excess (deficit)	Revenues	Expenses	Excess (deficit)
Drug free schools	305,000	305,000	-	367,336	367,336	-	1,587,336	1,587,336	-
Medicaid	2,811,826	2,374,289	437,537	2,962,733	3,661,608	(698,875)	11,398,344	11,494,924	(96,580)
ODRC ADAPT	34,950	34,950	-	100,000	100,000	-	231,246	230,843	403
State per capita		-	-			-	6,728,761	6,684,536	44,225
Fed per capita	5,436,247	5,317,796	118,451	5,332,609	4,981,192	351,417	19,423,512	18,886,577	536,935
Other Fed SAPT	843,193	843,193	-	1,043,032	1,043,032	-	4,492,263	4,492,262	1
State GRF	1,502,656	2,100,248	(597,592)	1,329,263	907,923	421,340	5,337,146	5,505,810	(168,664)
State GRF TCE (Metrocare)	236,040	239,802	(3,762)	532,138	456,127	76,011	995,954	923,705	72,249
Womens SAPT	1,348,256	1,348,256	-	1,348,256	1,348,256	-	6,742,280	6,742,280	-
Health Foundation GC	158,000	192,681	(34,681)	77,000	7,661	69,339	405,881	356,167	49,714
State womens medd match			-			-	323,560	446,232	(122,672)
State TANF			-			-	615,589	594,870	20,719
State youth reentry			-			-	700,000	288,119	411,881
State HB 484 TCE			-			-	888,499	888,499	-
State FAST 05			-			-	24,455	24,474	(19)
Property Advisors			-			-	-	3,000	(3,000)
Ham Cty Drake levy	1,425,000	1,425,000	-	1,500,000	1,500,000	-	7,413,098	7,413,098	-
Ham Coty indigent service levy	1,680,344	1,680,344	-	2,224,582	2,224,582	-	10,975,560	10,975,560	-
Ham Cty ADAPT (JC)	112,500	112,500	-	125,000	125,000	-	237,500	237,500	-
Ham Cty family DC			-			-	6,000	2,597	3,403
JFS impact	1,793,011	1,793,035	(24)	1,692,236	1,692,236	-	8,264,987	8,475,825	(210,838)
Ham Cty LLEBG (crime justice)			-			-	282,246	282,246	-
IDAT	162,420	175,794	(13,374)	189,880	446,050	(256,170)	746,732	965,522	(218,790)
ADAS center/SAMAD	885,129	1,081,324	(196,195)	907,105	1,034,703	(127,598)	4,745,677	4,975,021	(229,344)
Totals	18,734,572	19,024,212	(289,640)	19,731,170	19,895,706	(164,536)	92,566,626	92,477,003	89,623

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Exhibit F – Uniform Financial Management System Reporting Analysis

Each service provider under contract with ADAS is required to submit an annual Uniform Financial Management System Report (UFMS). The UFMS reports annual costs and units by service type as well as related revenues. It should be noted the UFMS reports capture a provider's entire cost of operating the alcohol and drug program, not just the portion funded by the ADAS Board; therefore, total operating costs reported by ADAS under the UFMS System will exceed total operating expenses in ADAS financial reports.

The ADAS Board is required to summarize the activity from all provider UFMS reports and provide an annual summary report to ODADAS. Reports for fiscal year 2005 have not been completed to-date; therefore, our five-year analysis covers fiscal years 2000 through 2004.

Exhibit F summarizes five years of UFMS cost reporting by service category. Level 1 services include Assessment, Counseling, Case Management, Crisis Intervention, Screening, Lab Urinalysis, Methadone Administration, and Intensive Outpatient services. Community services include Information and Referral, Intervention, Training and Outreach. Prevention services include Information Dissemination, Hotline, Education, Alternative Training, Problem Identification, Environmental and Community-Based Process. Miscellaneous services primarily include services not classified elsewhere.

Questions to ADAS, including the reasons for the decrease in total FY04 costs and significant increase in the miscellaneous category have not been answered as of the date of this report.

Hamilton County ADAS Board
Exhibit F - Uniform Financial Management System Reporting Analysis

	FY04	FY03	FY02	FY01	FY 00
Admininstration	1,008,788	1,216,118	1,164,232	1,026,734	947,129
Level 1 Services	11,114,789	11,409,001	13,116,726	12,892,798	9,673,492
Level 2, Residential	9,531,595	9,421,567	8,684,136	6,416,878	7,229,826
Level 3, Detox	983,782	1,158,971	1,309,287	1,544,901	1,333,040
Community	1,910,117	1,758,094	1,959,975	1,687,987	3,865,488
Prevention	4,919,914	5,740,428	4,249,311	3,705,089	1,763,953
Miscellaneous	644,622	119,062	234,629	122,959	4,329
Total costs	30,113,607	30,823,241	30,718,296	27,397,346	24,817,257
Annual change	(709,634)	104,945	3,320,950	2,580,089	
% change	-2%	0%	12%	10%	
Admin costs to total costs	3%	4%	4%	4%	4%

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Exhibit G – Uniform Financial Management System Units Analysis

Providers bill services based on a unit of service. The unit of service may be defined differently for each service provided. Certain services may measure a unit of service equal to an hour of service. Other services may measure a unit equal to 15 minutes of service. Although units may be measured differently by service, for analysis purposes, consistency of reporting by service is most important (i.e., same measure for a specific service for the periods being reviewed).

Exhibit G presents total units by service category as taken from the annual UFMS reports and provides a comparison to total costs, costs per unit and annual trends. We have questions outstanding with ADAS regarding variations in this schedule, as well as questions regarding the consistency and integrity of the data.

Questions on the data to ADAS have not been answered as of the date of this report, additionally, over the past two years, the State changed the duration for some units of service. This made a significant impact on units reported and explains why there are some significant increases in units and increases in costs. For example, outpatient was reported in 15-minute increments; this was changed to eight-minute increments.

Hamilton County ADAS Board
Exhibit G - Uniform Financial Management System Units Analysis

	FY04	FY03	FY02	FY01	FY 00
Level 1 Services	11,114,789	11,409,001	13,116,726	12,892,798	9,673,492
Units of Service	543,237	272,884	316,068	325,692	224,119
Cost per unit	20.5	41.8	41.5	39.6	43.2
Level 2, Residential	9,531,595	9,421,567	8,684,136	6,416,878	7,229,826
Units of Service	111,580	107,078	114,312	84,881	87,991
Cost per unit	85.4	88.0	76.0	75.6	82.2
Level 3, Detox	983,782	1,158,971	1,309,287	1,544,901	1,333,040
Units of Service	5,157	5,849	5,819	6,988	7,218
Cost per unit	190.8	198.1	225.0	221.1	184.7
Community	1,910,117	1,758,094	1,959,975	1,687,987	3,865,488
Units of Service	40,090	36,171	40,583	40,157	30,642
Cost per unit	47.6	48.6	48.3	42.0	126.1
Prevention	4,919,914	5,740,428	4,249,311	3,705,089	1,763,953
Units of Service	75,621	72,932	77,646	79,675	70,709
Cost per unit	65.1	78.7	54.7	46.5	24.9
Miscellaneous	644,622	119,062	234,629	122,959	4,329
Units of Service	25,066	703	1,234	2,076	2,277
Cost per unit	25.7	169.4	190.1	59.2	1.9
Total Service Expenses	29,104,819	29,607,123	29,554,064	26,370,612	23,870,128
Change in total expenses	(502,304)	53,059	3,183,452	2,500,484	
% change	-2%	0%	12%	10%	
Total Units	800,751	495,617	555,662	539,469	422,956
Change in total units	305,134	(60,045)	16,193	116,513	
% change	62%	-11%	3%	28%	
Total cost per unit	36.3	59.7	53.2	48.9	56.4
Change	(23.4)	6.6	4.3	(7.6)	
% change	-39%	12%	9%	-13%	

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Exhibit H – Indigent Levy Services Funding Analysis

Exhibit H provides an analysis of the providers receiving funding from the Indigent Services Levy. The analysis shows total units of service charged to the levy funding as well as the unique clients served related to the funding. The unique client number eliminates multiple visits or multiple services received by the same person. The Exhibit also provides an analysis of total levy costs compared to units provided and unique clients served.

This Exhibit highlights a decrease in the number of units of service provided and an increase in the cost per unit over the five-year period. Related questions to ADAS have not been answered as of the date of this report.

Hamilton County ADAS Board
Exhibit H - Indigent Levy Services Funding Analysis

	Talbert House	Crossroads Center	Alcoholism Council	Prospect House	CCAT	First Step Home	Central Comm Health Board	Totals		
	Units	Units	Units	Units	Units	Units	Units	Units	Unique clients	Units per unique client
CY01	9,645	11,348	1,087		3,899	7,739	478	34,196	1,094	31.3
CY02	10,068	7,214	766	75	4,235	11,445	900	34,703	1,188	29.2
CY03	9,716	6,323	7,297	1,652	4,526	11,283	2,380	43,177	2,001	21.6
CY04	8,694	3,885	7,522	2,464	4,066	5,651	868	33,150	1,471	22.5
CY05	6,490	3,564	7,400	158	3,820	6,795	114	28,341	1,460	19.4
Total	44,613	32,334	24,072	4,349	20,546	42,913	4,740	173,567		
Unique clients	1,384	1,274	1,845	33	1,332	159	130	6,157	6,157	28.2
Units per unique client	32.2	25.4	13.0	131.8	15.4	269.9	36.5	28.2		

Indigent levy services expenses	Total	Cost per unit	Cost per unq client
2001	1,574,746	46.05	1,439
2002	2,253,162	64.93	1,897
2003	2,676,655	61.99	1,338
2004	2,640,328	79.65	1,795
2005	2,216,535	78.21	1,518
Total	11,361,426	65.46	1,845

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Exhibit I – Inflation Comparisons

Exhibit I provides a comparison of Indigent Levy funding amounts used for services, ADAS administrative and total levy funding compared to annual inflation factors. The inflation benchmark used was the Midwest Urban Consumer Price Index, which was identified in the Hamilton County Tax Levy Review Committee Mission Statement as the preferred inflation benchmark.

Hamilton County ADAS Board
Exhibits to ADAS Progress Report dated March 15, 2006
Exhibit I - Inflation Comparisons

	2005	2004	2003	2002	2001	Total	
Indigent levy funding, services	2,474,644	2,256,723	2,339,267	1,680,344	2,224,582	10,975,560	
% change	9.7%	-3.5%	39.2%	-24.5%		11.2%	*
Indigent levy funding, ADAS admin	150,425	156,030	154,500	128,250	106,500	695,705	
	-3.6%	1.0%	20.5%	20.4%		41.2%	*
Total Indigent Levy Funding	2,625,069	2,412,753	2,493,767	1,808,594	2,331,082	11,671,265	
	8.8%	-3.2%	37.9%	-22.4%		12.6%	*
Consumer Price Index							
Midwest Urban	3.2%	2.4%	1.9%	1.2%	2.7%	9.0%	*

Notes

* - Percentage in the Total column represents the increase from 2001 costs to 2005 costs

Payor of Last Resort

The ADAS Board's contract with the Board of County Commissioners requires that proceeds from the Levy will be used as the "payor of last resort", and that all other allowable sources of payment for individuals shall be used prior to ADAS using Levy funds.

Per our review of ADAS' various funding sources, we identified three additional sources that require their funds to be used as "payment of last resort", including Medicaid. ADAS believes there are six different sources that require "payment of last resort."

Section IV of this report expands on service delivery and efficiency of services. We will provide more details on service delivery and the systems ADAS utilizes to attempt to meet the payor of last resort requirements, including the effectiveness of those systems.

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III. Comparisons, Modeling, and Benchmarking

Goals per Scope of Services:

A. Comparison of Hamilton County tax levy and service delivery system to similar counties in Ohio, including Cuyahoga County, Montgomery County, Franklin County, Summit County and Lucas County.

B. Benchmark Hamilton County dollars utilized for services compared to other counties, including Cuyahoga County, Montgomery County, Franklin County, Summit County and Lucas County, considering population and other available demographic data specifically correlated to service delivery.

C. Are there other models or approaches that are successful that can be utilized in Hamilton County (including private pay or management care models).

The Ohio Department of Alcohol and Drug Addiction Services (ODADAS) is responsible for planning and coordinating the system of service delivery for substance abuse services in Ohio. ODADAS by statute (Am. Sub. H.B. 317) coordinates the alcohol and other drug services of state departments, the criminal justice system, law enforcement, the legislature, local programs and treatment/prevention professionals. ODADAS has approximately 100 employees and a budget of $172 million.

ODADAS coordinates the provision of services by contracting with local boards in each county to coordinate and monitor the delivery services in each county. The county boards contract with service providers to provide services within the county. Seven counties – Butler, Cuyahoga, Hamilton, Lorain, Lucas, Mahoning and Stark, have separate county boards for mental health and alcohol and drug addiction services. The rest of the counties have joint mental health and alcohol and drug boards.

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Exhibit J - Benchmarking

Exhibit J provides Hamilton County data compared to the two other counties identified in the above Scope of Services that have separate Alcohol and Drug Boards – Cuyahoga and Lucas.

Hamilton County ADAS Board
Exhibit J - Benchmarking

	Cuyahoga	Lucas	Hamilton
Revenue	39,388,968	11,458,628	19,321,019
Expenditures	42,941,113	10,297,086	19,248,446
FTE's employed by the Board	34	8	13
Revenue per FTE	1,158,499	1,432,329	1,486,232
Expense per FTE	1,262,974	1,287,136	1,480,650
Population	1,351,009	450,632	814,611
Revenue per person	29	25	24
Expense per person	32	23	24
Population per FTE	39,736	56,329	62,662
Persons served	8,684	(1)	5,926
Revenue per person served	4,536		3,260
Expense per person served	4,945		3,248
Persons served per FTE	255		456
Board operations	2,522,626	539,659	1,261,083
Board operations to total expenditures	6%	5%	7%
Board operations per FTE	74,195	67,457	97,006

Notes

(1) Data not available

The comparison highlights the following:

- The revenue and expense per FTE board employees in Hamilton is comparable to the smaller Lucas County and larger than Cuyahoga, indicating that more volume is handled per employee in Hamilton compared to Cuyahoga.
- The revenue and expense based on county population is comparable between the three counties.

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- The population per FTE indicates Hamilton ADAS is handling a larger amount of population per FTE than the other two counties.
- Cuyahoga spends more per person served than Hamilton
- Hamilton services almost twice as many people per FTE as compared to Cuyahoga.
- Hamilton's 7% of board operations (i.e. administration) costs to total expenditures is comparable to Cuyahoga and in excess of Lucas.
- Hamilton has a higher board operations cost per FTE

Exhibit K - Benchmarking

The other three counties listed in the Scope of Services have combined mental health and alcohol and drug boards. Although a comparison to Hamilton County ADAS will yield variations, we felt conclusions could be reached based on the comparison in Exhibit K.

Hamilton County ADAS Board
Exhibit K - Benchmarking

	Franklin	Summit	Montgomery	Hamilton
Revenue	112,471,787	59,579,683	55,149,967	19,321,019
Expenditures	118,197,303	59,579,683	55,149,967	19,248,446
FTE's employed by the Board	63	27	34	13
Revenue per FTE	1,785,266	2,206,655	1,622,058	1,486,232
Expense per FTE	1,876,148	2,206,655	1,622,058	1,480,650
Population	1,088,971	547,314	550,063	814,611
Revenue per person	103	109	100	24
Expense per person	109	109	100	24
Population per FTE	17,285	20,271	16,178	62,662
Persons served	35,000	17,878	15,830	5,926
Revenue per person served	3,213	3,333	3,484	3,260
Expense per person served	3,377	3,333	3,484	3,248
Persons served per FTE	556	662	466	456
Board operations	6,046,729	2,453,264	3,095,120	1,261,083
Board operations to total expenditures	5%	4%	6%	7%
Board operations per FTE	95,980	90,862	91,033	97,006

The comparison highlights the following:

- A larger amount of revenue and expense volume is handled per FTE in the counties with joint boards.

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- More revenue and expense per person based on county population is provided in the counties with joint boards, which would be expected since the amounts include mental health services.
- The board operations costs to total expenditures is generally lower (ranging from 4% to 6%) in the counties with joint boards compared to 7% for Hamilton County ADAS.

Issues regarding efficiency in service delivery, combination of mental health and ADAS boards and other related items are addressed in Section IV, Service Delivery and Efficiency.

IV. Service Delivery and Efficiency

Goals per Scope of Services:

A. How are levy dollars allocated for each service? Who receives and who controls. Review processes and make recommendations.
B. Who provides the ultimate services for each of the levy dollars? How are the service providers selected and monitored?
C. Is there duplication in administrative costs from receipt of levy funds to provision of services?
D. Should there be a merger or sharing of administrative functions among various agencies (MRDD, ADAS, Mental Health, TB Control, etc.)?
E. Should additional systems or contract requirements be put into place to ensure effective and efficient use of levy dollars, including managed care considerations and establishing benchmarks for measurement?
F. Consideration of services provided to Hamilton County residents versus non-residents and service providers outside of Hamilton County.

Allocation of Funding and Service Delivery

Funding for ADAS services originates from the ODADAS and consists of Medicaid and non-Medicaid funding. The non-Medicaid funds consist of various Federal and State funds, including funds necessary to meet Medicaid match requirements. The county boards also obtain county source funding. Hamilton ADAS has approximately 20 funding sources.

Each fund source contains requirements for usage of funds and eligibility requirements. Service providers contract annually with the county ADAS boards. The contracts contain the annual amount of funding and source of funds.

Rates paid for services are established under a prospective cost-based system with retrospective cost reconciliation. Providers submit budgets at the beginning of each year that set rates for services provided, subject to a maximum reimbursement rate ceiling for

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each service. At the end of each fiscal year providers submit cost reports, which reconcile their actual cost to provide service with the budgeted cost. If actual cost is less than budgeted cost, the provider must return the difference. If actual cost exceeds the budgeted amount, no additional amount is paid to the provider.

Historically Hamilton County levy dollars have been appropriated to ADAS without a formal contract. An agreement was entered into on April 13, 2005 between the Board of County Commissioners of Hamilton County (BCCHC) and the Hamilton County ADAS Board. The contract provides guidelines on use of levy funds including, scope of services, availability of funds, reporting and spending requirements, restriction on use of funds, compliance testing requirements, as well as various miscellaneous provisions. The allowable services detailed in the contract are consistent with those detailed in ODADAS service categories.

Levy dollars are allocated to providers who provide the services that meet the requirements of the levy contract, the primary requirement being the funds must support those who are medically indigent. Exhibit H provides a five-year summary of service providers who received levy dollars and the related units of service provided.

Hamilton County ADAS selects, contracts with, and monitors the service providers who receive levy funds. The primary method county boards utilize to monitor financial performance of the providers is through compliance with ODADAS regulations. ODADAS regulations contain financial and compliance audit guidelines which providers must follow under contract. Depending on the level of annual funding received, service providers must either obtain an audit or agreed-upon procedures report from an independent public accountant (IPA), in accordance with ODADAS financial and compliance audit guidelines. These reports are received by the ADAS Board, including required corrective action and follow-up to any findings identified in the reports.

Contracts with service providers are on a fee-for-service basis. Services are billed based on budgeted rates using a billing system called MACSIS. The Board monitors the billing and compares to available funds per the provider contract. The Board gives each service provider a status report during the year of amounts billed against each funding source in the contract, compared to amounts available and a projection of excess billing or under billing for the year. Amounts billed in excess of the contract amount are not paid to the provider. If a provider does not spend all the funds in their contract and another provider performs and bills for services in excess of their contract, the ADAS Board can reallocate unspent funds from one provider to another provider.

Payor of Last Resort

The agreement between BCCHC and ADAS requires the levy funds to be used as the "payor of last resort" and that all other allowable sources of payment for individuals shall be used prior to ADAS using levy funds.

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Per our review of ADAS' funding sources, we identified three additional sources that require their funds to be used as "payment of last resort", including Medicaid. ADAS has indicated they believe there are six sources requiring "payment of last resort."

In addition to conflicting payment of last resort requirements from various sources, the current billing and monitoring systems are not designed to effectively track and regulate the payment of last resort condition.

Providers are required to follow the payment of last resort requirements. They bill on a fee-for-service basis and designate the funding source for which the services provided will be utilized. The electronic billing is submitted to ODADAS through the county boards. The primary determination of payment is whether the services are provided to Medicaid or non-Medicaid clients. This determination is handled through ODADAS systems. If the services are provided to a non-Medicaid beneficiary, the source of non-Medicaid funding is determined.

The dilemma in the substance abuse services industry has been similar to other health care industries, the increasing level of Medicaid services. The level of Medicaid services provided annually is not capped, as long as the services meet the various eligibility and other service requirements. Since Medicaid services require a state match, the increase in the level of Medicaid services has resulted in more of the state funding being utilized as Medicaid match and less available for non-Medicaid service beneficiaries.

Since non-Medicaid services are capped, most providers typically reach the annual non-Medicaid limits established in their contracts and exhaust non-Medicaid sources of funding, thereby potentially meeting payor of last resort requirements.

The other mechanism in place for review of payor of last resort requirements is the annual IPA audit engagement. However, the ODADAS financial and compliance audit guidelines concentrate on meeting the payor of last resort Medicaid requirements; therefore, it is not likely that the levy payor of last resort requirements would be addressed.

In conclusion, the current systems do not adequately track and monitor the levy requirements of payor of last resort, however, based on the funding environment, it is likely the payor of last resort requirement is being met. In addition, since the levy dollars are being utilized for the medically indigent population, it is not likely that significant dollars could be obtained from self-pay or private insurance.

Administrative Costs

Exhibit A provides an analysis of ADAS administrative costs, which range from 5% to 7% of total costs over a five-year period. ODADAS guidelines dealing with Board Administration provide guidelines that indicate the Board is expected to spend between 7 - 9% of their budget on administrative functions.

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Exhibit F shows the administrative costs of providers to be 3% to 4% of total costs over a five year period.

Exhibits J and K provide a comparison of Hamilton County ADAS administrative (board operations) costs compared to other county boards.

Administrative costs do not appear to be extravagant; however, we believe there is an opportunity in efficiency by merging the County ADAS and Mental Health Boards, which we address in the next section.

Merger

In November, 1989, the State legislature gave the ten highest populated counties the authority to decide if they wanted separate or combined boards in their areas to deliver mental health and alcohol and other drug services. County governments were given the authority to decide if there would be separate or combined Boards in their areas. Hamilton County was one of seven counties that chose to have separate boards. Over the years, the boards, government officials, key stakeholders, providers, etc., have begun to rethink whether this approach offers optimal efficiency or service delivery for consumers or the community.

In September, 2005, the County Boards of Mental Health and Alcohol and Drug Addiction Services formed a Study Group composed of four members from each board, their respective Executive Directors, and the County Administrator, whose role was advisory. A facilitator was hired to ensure a process that was inclusive and focused on exploring whether a collaborative effort or merger would be in the best interest of the consumer and best serve the community. The Study Group has discussed similarities and differences in board philosophies, structure, staffing pattern, funding needs, and local and state environmental factors that could impact the boards and/or affect decision- making. The following position statements have been developed by the Study Group (as excerpted from the Study Group report dated December 15, 2005 on behalf of Lucas County).

- **Common Purpose:** The goal of a combined board would be to create a seamless system of care committed in its programs and services to improving the quality of life for the AOD consumer and persons with mental illness.

- **Allows for a Systematic Approach to Planning:** The boards share consumers and providers, relate to the same key stakeholders, and have essentially the same statutory mandates of planning, funding, monitoring, and evaluation functions. In this respect, the boards have more in common than there are differences.

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- **Enhanced Quality of Care, Services, and Supports:** A combined board would provide the structure for the development of a systemic or integrated approach to care, particularly as it affects persons with co-existing disorders of mental illness and substance use. Combining human and financial resources would facilitate the development of a more expensive continuum of care based upon best practices and research-based data.

- **Eliminate Unnecessary Duplication:** The seamless system of care would reduce unnecessary duplication in services, programs, and administrative functions. Under the combined structure, the gaps in the separate systems could be addressed systemically, rather than in a compartmentalized manner. Conversely, the strengths of each system could be engaged to strengthen the other system.

- **Leverage Prevention and Early Intervention Initiatives:** A combined board would be able to focus enhanced attention on the critical importance of prevention and early intervention in mental illness episodes that would bring appropriate services to those in need before more intensive services would be necessary. In addition, working with youth and families to help promote healthier lifestyles and better choices with respect to alcohol and other drugs, would continue to be a key emphasis of a combined board. This focus on prevention and early intervention programming would lead to a reduction in the use of high cost treatment services in the future.

- **Local Control and Governance:** The Group believes that combining the boards is the right thing to do, regardless of a change in governance at the State level or whether the Ohio Departments of Mental Health and Alcohol and Drug Addiction Services are merged; however, should this happen, the next logical step would be to merge boards at the local level. Regardless of either of these events occurring, the boards believe that local systems should be in control of shaping the parameters of change, including the structure of combined board.

- **Combined Focus on Reducing Stigma:** The need for mental health services has much wider community support than does the need for alcohol and other drug treatment services. The lower level of public support for AOD treatment services harms both systems since a growing number of consumers have co-existing illnesses, boards are forced to 'choose' within populations who need care, which to treat and/or to acknowledge.

As a result of re-examination of purpose, mission, similarities, and differences in the boards, and that this scrutiny of issues has taken place in an environment of candor and mutual respect, the Study Group has concluded that the Boards should continue to develop the next steps necessary to form a combined Board.

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Monitoring Levy Funds

A contract between HCBCC and ADAS was entered into in 2005. Previously, funding was appropriated without a contract. The contract includes the following annual reporting requirements:

- Details of expenditure of levy funds by type of service provided
- Administrative expenses of ADAS
- Number of individuals receiving services
- Treatment outcomes
- Reports of service provider reviews conducted

We believe the annual reporting would be an effective monitoring tool and recommend in addition to the above that the annual units of service performed by each provider receiving levy funds and the number of unique clients served should be reported and monitored.

Non-resident Services

The ODADAS system requires identification of county of residence for each person receiving services within the system. If an out-of-county resident receives services in Hamilton County, the services are billed to the county of residence.

V. Qualitative Considerations

Goals per Scope of Services:

A. How are quality of care and necessity of services measured in each service area?
B. What are the projected requirements for future funding based on demographic data and service needs?
C. Review existing customer satisfaction surveys and results.
D. How does the above compare to other counties in Ohio and national trends?

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Quality of Care, Service Necessity and Satisfaction

Background

In October, 2001, the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) spearheaded the Outcome Framework Initiative (OFI). The OFI is designed to be a continuous quality improvement (CQI) mechanism that offers both investor and implementer approaches to achieving targeted results (outcomes) and learning from these results to improve customer outcomes (planning). The OFI generates learning and best practices approaches, provides an information and database for State and local strategic planning processes, and allows for the integration of outcomes and monitoring activities into contract management. Since the inception of this initiative, the Department has acquired other planning and outcome-related responsibilities. To manage these responsibilities, the Department is aligning Federal, State, and local planning processes using outcome measurement as the means to link these planning processes within a CQI framework.

National Performance Outcome Measures

The Federal Substance Abuse and Mental Health Services Administration (SAMHSA) is developing a state-reporting system for alcohol and other drug (AOD) prevention and treatment outcomes. SAMSHA plans to hold states accountable to these measures by the Federal Fiscal Year (FFY) 2008 application period, which means a system to collect and report these outcomes must be in place by SFY2007. SAMHSA believes these measures can show the effectiveness or impact of AOD services. The National Performance Outcome Measures (NOMS) will serve as the basis for the Substance Abuse Prevention and Treatment (SAPT) Block Grant.

Community Plans

Community Plans are the Alcohol Drug Addiction and Mental Health Services (ADAMHS) and Alcohol and Drug Addiction Services (ADAS) Boards application for funding through ODADAS. There are fifty ADAMHS/ADAS Boards in Ohio. House Bill 317, which established ODADAS, requires Boards to make an application every two years, with updates required for the in-between year. The Community Plan Guidelines for SFY 2006 and 2007 were modified to reflect the Governor's Shareholders Group recommendations and to align the application to reflect a performance-based and CQI focus as a means to facilitate local planning.

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Hamilton County ADAS

ADAS has implemented the CQI Model to track outcomes to determine effectiveness of services and plan for future service needs by tracking the following measures:

- Whether or not treatment is completed
- Abstinence during treatment
- Legal involvement of clients
- Employment or education of clients
- Client's living situation

In addition, ADAS requires service providers to maintain client satisfaction surveys and report the survey results to ADAS. ADAS provides a satisfaction survey request form to providers whereby providers can evaluate ADAS performance.

Funding

The funding trend for substance abuse services is similar to many of the other health care services – an increased need for services without an increase in funding. There has been an increase in Medicaid funded services in the last five years. The increase in Medicaid services has resulted in more of the State funds previously allocated to provide non-Medicaid services, being allocated to Medicaid match requirements. This has resulted in a smaller pool of funding available for non-Medicaid funded services, such as Hamilton County levy funds.

An additional funding challenge is the maximum reimbursement rates for substance abuse services have not increased for almost ten years.

The National Center of Addiction and Substance Abuses at Columbia University provided a report in January, 2001 entitled, "Shoveling Up: The Impact on Substance Abuse on State Budgets." The report detailed Ohio as 34th in the substance abuse prevention, treatment, and research spending by State, out of the 47 states surveyed. Ohio spent .147% of the State budget on substance abuse services, the average of the 47 states was .485%.

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REPORT OF THE HAMILTON COUNTY TAX LEVY REVIEW COMMITTEE FOR THE CHILDREN'S SERVICES LEVY

The Hamilton County Department of Jobs and Family Services (JFS) has requested that the Board of County Commissioners place on the November 2006 ballot, a renewal of the Children's Services Levy to generate $41,554,224 per year over the five year period.

The Children's Services Levy provides resources for services provided directly by JFS and by county departments, including Juvenile Court, the Guardian Ad Litem Program, and legal services of the Prosecutor. In addition, the levy provides resources for services provided indirectly by subcontract with third-party providers. The levy funds support the following non-exhaustive list of key JFS services: the placement of children in need of protective, temporary, or permanent custody through Juvenile Court; recruiting and training foster families; preparing children for adoption; assistance to families, including drug abuse treatment, emergency housing, mental health counseling, and parent training; and the operation of 241-KIDS, the County's 24-hour phone line for reporting suspected abuse and neglect.

The subcommittee of the TLRC assigned to the Children's Services Levy included Scott McIntyre, Virginia Wojtowicz, Daniel Unger, and Michael Mercurio. Two private government consulting firms were interviewed and Maximus was selected to conduct a review of Children's Services Operations and Finances. The Maximus reports are attached as Exhibit A. The responses of Children's Services to the Maximus reports are attached as Exhibit B.

The TLRC reviewed budgetary and program information submitted by Children's Services, as well as the TLRC report from 2001. In addition, the TLRC reviewed the Report from the 241-KIDS panel appointed by the BOCC in 2004 (Exhibit C), as well as a report from the Ohio Supreme Court Advisory Committee on Children, Families & the Court.

The TLRC inquired extensively of JFS and County staff about the status of the state audit of JFS and the effect its findings would have on funding needs and, therefore, the 2006 levy. We were told that no information was available on this issue, and no accurate predictions could be made about the monies owing to the state as a result of the audit findings. As a result, based upon the specific advice from JFS staff, no additional monies were included in the following recommendation to accommodate audit findings.

Various people and organizations presented relevant information to the TLRC concerning this levy and JFS operating procedure. The TLRC benefitted from numerous presentations from JFS, and the subcommittee toured JFS facilities and met with staff on numerous occasions. The subcommittee also visited Hillcrest, Talbert House, Beech Acres, and attended a "summit" of Children's Services stakeholders. The subcommittee also visited ProKids and the Family and Children First Council. In addition, the TLRC heard presentations from the United Way, and the subcommittee met with concerned citizens, groups, and families expressing both positive and negative sentiments regarding

JFS. The TLRC held a "Question and Answer" session on May 30, 2006. A public hearing was also held on June 6, 2006. Throughout the process, the TLRC has reminded JFS of its obligation to not use public money to fund a levy campaign.

Based upon the foregoing, a preponderance of the testimony and evidence supports the need for the various services funded by this tax levy. The TLRC is impressed with the professionalism of agency leadership and personnel, as well as the collaboration and dedication of third-party providers.

Accordingly, the TLRC recommends that the County Commissioners place on the November 2006 ballot a tax levy to support Children's Services in the amount of $43,354, 224 per year over the five year period. In addition, the TLRC recommends that the County Commissioners direct JFS to institute the following operational reforms:

1. JFS should track use of levy funds by specific source (federal, state, or local dollars) and track specific expenditures on a continuing basis. JFS should additionally provide monthly accounting reports to the County Office of Budget and Strategic Initiatives with a mutually agreeable coding system so that the use of funds by source and by expenditure may be transparent. JFS should continue to develop a fiscal plan to promote cost-savings and budget without presuming that levy funding will increase.

2. JFS should continue steps already underway to shift Child Support Legal Services In-House. The County Prosecutor and JFS Director support this change, which will result in a smaller but more specialized legal staff. Maximus projects that this will result in net savings to the County of approximately $380,000 per year, for each year of the levy.

3. The Children Services Levy should provide the $1,800,000 estimated annual funding to meet federal funding requirements for Children with Medical Handicaps: Due to proposed cuts in the "indigent care levy," this funding should flow from the Children's Services Levy. The County has historically spent approximately $1 million per year for this mandate and any unspent funding shall be returned to the general fund at the end of each levy year.

4. JFS, the Commissioners, and County administration should exhaust all efforts to recoup IV-E funding from the State of Ohio.

5. We endorse JFS's plan to increase the salary for line managers to assist in recruitment and retention of qualified management, in light of a new Masters Degree requirement for these employees. Maximus anticipates that such salary increases will result in a higher retention rate among JFS managers.

6. In accordance with BOCC policy, JFS should exhaust all efforts to ensure that levy dollars are spent for Hamilton County residents only. JFS should continue to refer non-residents of the County to the JFS office in the County of their residence. Any services provided to non-residents of Hamilton County should be funded by leveraged state or federal dollars only.

7. In response to federal mandates, the State of Ohio has recently implemented SACWIS, statewide uniform reporting requirements for each county Children Services Agency. SACWIS has categorized specific benchmarks allowing for the comparison and evaluation of the performance of each county Children Services Agency. JFS staff has met with various children services stakeholders to review the new statewide SACWIS reporting requirements and have agreed that the following benchmarks are particularly relevant to Hamilton County:

A. Ensuring that investigations are completed promptly – within 30 days;
B. Monitoring the proportion of children removed from homes;
C. A reduction in the incidents of abuse/neglect to children placed in care;
D. Monitoring the number of days children remain in care; and,
E. Monitoring the amount of time children previously placed are placed in a new living arrangement.

Accordingly, these identified criteria will be particularly important points of comparison, along with the other SACWIS measures. With the assistance of SACWIS, JFS has agreed to develop outcome-based criteria to justify funding levels, analogous to the criteria required by the Greater Cincinnati United Way as a condition to social service funding. The United Way has further agreed to assist JFS with implementing this initiative. The SACWIS criteria and other benchmarks will be reviewed by the TLRC at the midpoint review period and in connection with future requests to place a Children's Services levy on the ballot. These criteria should be used, in part, to evaluate the performance of JFS relative to other Ohio counties.

8. One of the functions of JFS is the removal of children for situations of abuse or neglect. The TLRC recognizes that this is an important and necessary role that must be undertaken with a proper balance between protecting the child on the one hand and the parents' (or other legal guardians') rights on the other hand. This is an invariably difficult position for the agency. The TLRC heard from multiple parents wrestling with what they perceive to be over-zealous enforcement by the Agency. Obviously, the TLRC did not undertake, and could not undertake (for several reasons, including time and privacy issues), a thorough analysis of any of these allegations. Rather, the TLRC considered what structural reforms could be instituted to assure that the proper balance is struck to protect children at risk and to respect parental rights, as well as promote local government responsiveness to taxpayer concerns. We recommend the following:

a. Citizens' Review Panel. The public raised the issue as to whether JFS and the County were fulfilling a federal funding mandate to institute a Citizens Review Panel (CRP). After reviewing this issue, it appears (based upon staff and prosecutor's opinions) that the County is not required to form this body. In considering whether it is nonetheless advisable to form such a review panel, the TLRC is certainly cognizant that removal involves an adversarial process before a judge and that JFS has an internal complaint procedure in place. However, taxpayer complaints with agency conduct or personnel may not be fully aired at the Court or Agency proceeding, and an internal process may

not fully inspire confidence in an objective and vigorous review of agency conduct or personnel.

Therefore, the TLRC recommends that the County promptly empower and empanel an independent volunteer CRP to: (i) provide taxpayer oversight of the policies, training, procedures and practices employed by the agency generally in the removal of children from homes; and (ii) receive and hear taxpayer complaints about improper actions by agency personnel. We recommend that this panel: (i) be appointed by the County Commission; (ii) not include or be staffed by JFS personnel (but rather by BOCC staff); and (iii) consist of at least one attorney who practices regularly in civil rights law. The CRP should advise the Commissioners of recommended policy changes and personnel actions arising from agency decisions impacting children and/or the liberty interests of parents or families.

b. Recommendations of 241-KIDS Panel. The TLRC reviewed the recommendations of the 241-KIDS panel convened by the County Commission and entered into Commission record December 15, 2004. The Commission adopted the 241-KIDS panel recommendations, including the recommendation calling for JFS to report to the Prosecutor repeated knowingly false charges, or a false report with malicious intent, made through the 241-KIDS hotline. We note that since this policy was adopted on December 15, 2004, not a single instance of a false call has been reported to the Prosecutor nor have any false calls been prosecuted. We recommend that: (i) the Commissioners assure the agency's vigilance in referring repeated false reports or a false report made with malicious intent for prosecution; (ii) the Commissioners take all appropriate steps to implement the additional recommendations of the 241-KIDS panel; and (iii) to the extent consistent with privacy and confidentiality rights, the CRP be empowered to hear complaints from citizens as to repeated false reports, or a false report made with malicious intent, and to make recommendations for prosecution directly to the Prosecutor.

c. Standard for Removal. The TLRC reviewed a report from the Ohio Supreme Court Advisory Committee on Children, Families, and the Courts, which opined that the standards for removal of children in Ohio provide "ambiguous" guidance (See Report, p. 18) and calling for "clearer and more comprehensive definition(s) of the circumstances in which the State may intervene in a family in order to protect a child." (*Id.* p. 5). We also heard conflicting testimony from agency staff and parents concerning the actual policy for removal of children from a home period. The TLRC recognizes the considerable and ultimate discretion exercised by the County Prosecutor and Juvenile Court Judges throughout this important process. The removal process is initiated, however, by JFS personnel. The TLRC heard testimony regarding the drastic consequences to a family that can result from the government substituting its judgment for a parent in matters of discipline and initiating a removal process that is ultimately found to be without cause. (*Id.* at p. 75, "It is clear to nearly everyone involved with child protection issues that situations in which a child's removal or the termination of parental rights is imminent require full respect for parents' constitutional rights. However, what is less universally acknowledged is that these rights attach at *all* states of child welfare proceedings, from

the initial response to a report of child maltreatment through a final case disposition."). Further, the TLRC considered the recommendations of the 241-KIDS Panel and noted that it sought changes in state law relative to the removal of children from their homes. Those changes appear not to have yet been implemented.

Accordingly, we recommend that, to the extent allowed by law, (i) the agency staff, under the careful oversight of the County Commission, consider the standards for removal of children from their home; (ii) that the County implement the changes of the 241-KIDS Panel before formal adoption into state law; and (iii) the Commission instruct the agency to weigh heavily a criminal acquittal of an accused parent in any "risk assessment" involving that child. Further, we recommend that the Commissioners, through the CRP, ensure that JFS personnel continue to receive adequate training on federal and state law impacting their jobs, including updated training to reflect changing Court rulings interpreting the liberty interests of parents and families that attach at the beginning of any report of any child maltreatment.

The above report was unanimously adopted by the Tax Levy Review Committee on July 14, 2006.

Respectfully submitted,

Chris Finney/pk

Christopher P. Finney, Chairman

HAMILTON COUNTY, OHIO

CHILDREN'S SERVICES

OPERATIONS AND TAX LEVY REVIEW: FINAL REPORT

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I. INTRODUCTION

This report is an analysis of the County operations and finances associated with Children's Services Levy. The Children's Services Levy is managed by the Hamilton County Department of Job and Family Services (JFS or Department) and provides resources for services provided directly by the Department, indirectly by subcontract with third-party providers, and directly through services provided by associated County Departments. MAXIMUS has conducted this analysis under contract to the Hamilton County Tax Levy Review Committee as part of the Committee's responsibility for reviewing the County operations and finances associated with the Children's Services Levy and for providing a recommendation to the Hamilton County Board of County Commissioners regarding future tax levy support for children's services activities.

A. PROJECT SCOPE AND ACTIVITY

The scope of the review of children's services, as requested by the Tax Levy Review Committee initially included the following principal areas:

- Develop understanding of the services funded by levy resources by category of services and identify associated legal mandates for services.
- Develop understanding of the services provided by levy resources, considering the relative service cost in terms of client, day and year.
- Develop understanding of the quality of services provided through levy resources, including determining the number of clients served during the previous levy period, client waiting lists for services, and service recipient feedback. Conduct limited case file review for completeness and accuracy.
- Compare levy-funded services with similar services provided by other governmental agencies and private providers (if available).
- Evaluate financial results of CS operations over the past five years, including analysis of variances from budget and comparison of financial trends with services delivered over the same time.

- Conduct historical review of Children's Services budget and projections, as well as role of strategic / tactical planning in organization operations.
- Analyze any alternative sources of funding as well as organization policies / practices to ensure that any of these sources of funding are being utilized first.
- Report and analyze CS compliance with previous recommendations / directives from TLRC and recommendations / directives by Commissioners and previous recommendations by any other public entity.
- Prepare Final Report including summary of principal observations and recommendations. Analysis of corporate structure

Under current agency projections, the County may confront a significant gap between current operating revenues from the Children's Services Levy and related expenditures over the next five years. For this reason, with the concurrence of the Tax Levy Review Committee and the Hamilton County project manager, MAXIMUS has also developed recommendations designed to reduce that gap as much as possible.

In conducting this analysis, the MAXIMUS project team has undertaken the following work steps:

- We conducted interviews with all principal JFS managers associated with Children's Services, including the executive staff, department directors, key managers and supervisors.
- We collected and reviewed significant volumes of data pertaining to operations and finance.
- We conducted a peer comparative data review, comparing the performance of children's services program components to those in Clermont, Cuyahoga, Franklin, Lucas, Montgomery, and Summit Counties. The data for these comparisons was drawn from three principal sources: 1) individual county agencies providing comparable children's services; 2) existing comparative data developed by Hamilton County JFS; and 3) Public Children Services Association of Ohio (PCSAO) 2005-2006 PCSAO Factbook.
- In addition to our interviews with Hamilton County JFS management and staff, we have conducted interviews with the representatives from other County agencies making regular and significant use of Children's Services Levy resources including Juvenile Court – Hillcrest Center for Youth, Juvenile Court – Dependency, Guardian Ad Litem – Youth Advocates, and Legal Services of the Prosecutor.

- We interviewed and developed operating and financial information relating to social service providers receiving regular and significant Children's Services Levy resources. Organizations interviewed included Multi County Systems Agencies (MCSA – Hamilton Choices), St. Joseph Orphanage, Lighthouse Youth Services, Kelly Youth Services, and Children's Hospital Medical Center. Additional information was also developed for Lifeway for Youth, St. Aloysius Orphanage, Beech Acres, and the Ohio Youth Advocate Program.
- We reviewed JFS and associated County agency operating and financial processes.
- We examined and modeled projected revenues and expenditures, including cost reduction and revenue enhancement strategies.
- We provided a mid-point project status report to the Tax Levy Review Committee, identifying progress and identifying tentative issues to consider during development of the final report.

B. Overview of County Children's Services and Programs[1]

Hamilton County provides children's services through a collaborative effort including formal and informal coordination between a variety of County agencies and social service providers. This programmatic review includes agencies provided access to Children's Services Levy resources in order to serve the needs of children from Hamilton County.

Hamilton County Children's Services Division in Hamilton County Job & Family Services is the local organization legally responsible for taking reports of child abuse, neglect and dependency. Following investigation of those reports, the agency acts to protect children. Key services of the HCJFS Children's Service Division includes:

- Operates 241-KIDS, Hamilton County's 24-hour telephone line for reporting suspected abuse and neglect.
- Investigates allegations and transfers cases to Family Services – Ongoing units when children are found to be at significant risk of serious harm.
- Involves families and community partners in making decisions affecting children.

[1] Due to the expedited project timetable, MAXIMUS has made extensive use in this report of background, policy, operations and financial material previously developed by Hamilton County JFS. All observations, conclusions and associated recommendations are based on our underlying assumption that this material is both reliable and accurate.

- Provides services to help families including drug abuse treatment, emergency housing, mental health counseling, and parent training.
- Places children who cannot be safe in their homes in temporary care with relatives, foster parents or institutional settings.
- Seeks protective, temporary or permanent custody of children through Juvenile Court.
- Recruits and trains foster and adoptive families.
- Provides support to foster homes.
- Prepares children for adoption and arranges for post-adoption services to families.
- Provides training in independent living skills for older teens.

The following provides additional detail on significant program / organization components of the Children's Service Division. These program areas include:

- Children's Services Administration – The program provides on-going casework and case management to families and children. It is required to resolve child abuse and neglect cases quickly by either safely reunifying children with their families or moving them toward adoption, if reunification is not possible. The Southwest Ohio Regional Training Center, funds by ODJFS, provides the required child welfare training to all staff in eight counties. Caseworlers are required to complete 90 hours of training in their first year of service and 36 hours annually thereafter. Child welfare supervisors are required to complete 60 hours of training during their first year as supervisor and 30 hours annually thereafter. Provides Case Staffing / Family conferences as decision making process to prevent placement of the child and to insure reasonable efforts / appropriate services are made available. Case reviews (SARs - semi-annual reviews) are conducted to insure that permanency options for children are explored and to insure case plan objectives are met.
- Children's Services Intake – Children's Services Intake maintains a system to receive and respond to reports of child abuse / neglect / dependency 24-hours a day, 7-days a week. Reports are investigated, family risk assessments completed, and emergency services provided.
- Children's Services Case Management / Administration – Function provides access, casework, and monitoring of placement services. Contract with institutional, therapeutic foster care, congregate care and independent living placement agencies. Serve through social work services and transition those planned placements in DJFS and therapeutic foster care homes. Provide independent living skills training programs and supporting services to children 16 years and older. Program

administration of drug / alcohol service contract. Provides administrative support by processing Title XX and Title IV-E data that are income producing. Completes custody investigations for Juvenile Court and home studies for Interstate Compact. Assume responsibility for progressively increasing clinical managed care functions. The foster care unit also provides training for Children's Services new hires as well as policy / child welfare training for all casework staff.

- Adoptions / Family Services – The program provides case management to families and children. Adoptive services are provided by HCJFS and contracted providers in order to secure permanent homes for children in need. This includes approval of adoptive families, case management of children waiting for adoption, pre-finalization services to stabilize the placement and post-finalization services to prevent disruption of the adoptive status. The foster care unit certifies and supports JFS foster homes. Foster care unit is an integral part of supporting foster care placements as well as foster home adoptions.
- Multi-County System Agencies (MCSA) – Hamilton County agencies (Multi County System Agencies, MCSA) including JFS, Juvenile Court, MRDD, MHB, and ADAS have pooled resources to improve the quality and scope of social services to multi-system youth and their families. A contract with Choices, Inc. became effective November1, 2002 and was amended effective July 1, 2004.
- Children's Services Quality Assurance – The primary objective of Children's Services Performance Improvement is to provide support and encourage best practice in child welfare, thus keeping children safe and ensuring that quality services are provided. This is done through policy design and development, program and process analysis and special projects. The Multi ethnic Placement Act (MEPA) Monitor provides oversight to agency child placing activities and ensures compliance with MEPA and the provisions or the Federal Court ordered consent decree in Doe vs. Hamilton County. The Adoption Match Coordinator facilitates the matching of eligible children with prospective adoptive families. The Out-of-Home Care (OHC) Investigation Unit investigates abuse / neglect in specialized settings.

The following provides additional detail on significant program / organization components of the Child Support Enforcement Division. These program areas include:

- Child Support Administration – This function is responsible for: training of Child Support new employees and current staff, writing and issuing of Policy Letters, providing consistent technical / policy information to all staff and appropriate external entities, assisting in incentive-based initiatives, Audits and Distributions required by workers, Courts / Prosecutors, consumers; attachment of lump sums; IV-D contract program compliance; cashier's office function (fiscal agent). Also

responsible for posting payments, performing financial corrections, establishing and maintaining recoupment accounts, locating and releasing funds to child support consumers.

- Child Support Paternity – The Child Support Enforcement program fulfills state and federal law requiring enforcement, establishment and collection of child support orders. This function is responsible for paternity and support establishment activities, location efforts, conducting Administrative Hearings for Paternity / Support establishment and order modification. This function is also responsible for creating new cases in SETS (Support Enforcement Tracking System).
- Child Support / Interstate / Call Center – The Child Support Services Call Center and Enforcement function fulfills state and federal law requiring enforcement of local interstate childe support orders. Investigative activities include but are not limited to the following processes: locating and verifying residences of custodial and non-custodial parents, locating income and assets of non-custodial parents, issuing income withholdings, and conducting case investigations on non-custodial parents in default to determine appropriate actions such as contempt motions and driver's license suspension. The function also reviews orders for modifications due to emancipating children and requests for financial adjustment of orders. These activities are carried out using SETS (Support Enforcement Tracking System). The Call Center serves as the gatekeeper for Child Support phone calls.

In addition to the Children's Services Division and the Child Support Enforcement Division at Hamilton County JFS, other County agencies receive Children's Services Levy resources to provide services to children in need. These agencies include the following:

- Juvenile Court Hillcrest Training School – The School is operated by Hamilton County Juvenile Court to treat adolescents with a history of juvenile delinquency including misdemeanors and felonies. Most youth placed at Hillcrest have had at least one felony adjudication. The Hillcrest treatment program consists of a residential and aftercare phase, each being approximately six months. Although Hillcrest receives revenue from several sources, the bulk is made up of reimbursement for services provided by the Children's Services Levy. The Hillcrest Training School treatment program consists of three tracks: youthful offenders who have sexually abused others; youthful offenders who have abused alcohol and other drugs; and, youthful offenders who have disruptive behavior disorders. The campus is divided by these three program tracks. Cottage assignments are based upon security and treatment needs. The majority of the treatment programming is cognitive / behavioral in nature. The programs' focus is on changing thoughts, beliefs, values and attitudes that will, in turn, impact behavior. The treatment programs are empirically based and have been evaluated

and sanctioned by outside experts. Although Hillcrest receives revenue from several sources, the bulk is made up of reimbursement for services provided by the Children's Services Levy.

- Juvenile Court Dependency – Appointed Magistrates make recommendations to Judges. Eight magistrates appointed by Hamilton County Juvenile Court Judges preside over child abuse, neglect, and dependency cases. Magistrates conduct hearings and make decisions. A party may challenge the Magistrate's decision by filing objections requesting a judge to review the decision.
- Guardian Ad Litem - Youth Advocates – Child abuse, neglect and dependency cases begin in Hamilton County Juvenile Court on the day the complaint is filed. A Guardian Ad Litem from the Hamilton County Public Defender's Office represents the child in the proceedings. Function also includes Social Workers.
- Legal Services of the Prosecutor – Assistant prosecuting attorneys advise Children's Services. The Hamilton County Prosecuting Attorney's Office has assigned 13 attorneys to handle Children's Services cases for Hamilton County Job and Family Services (HCJFS).

The following tables provide detail concerning the organizational / functional areas discussed above including respective human resources (headcount), financial resources, as well as some measures for comparison of the respective operation over time.

Hamilton County Job & Family Services

Program: Children's Service Administration - 1202

	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Budget	% Change 2001-2006	% Change 2005-2006
FTE	270.00	263.00	264.00	263.00	254.00	249.00	-7.8%	-2.0%
Personnel	$ 10,503,391	$ 10,569,361	$ 9,655,197	$ 9,206,582	$ 8,718,199	$ 10,168,971	-3.2%	16.6%
Other	$ 459,488	$ 480,485	$ 496,823	$ 506,783	$ 452,122	$ 274,150	-40.3%	-39.4%
Capital	$ 2,806	$ 14,692	$ 20,666	$ 407	$ -	$ -	-100.0%	NA
TOTAL	$ 10,965,685	$ 11,064,538	$ 10,172,686	$ 9,713,772	$ 9,170,321	$ 10,443,121	-4.8%	13.9%

Measure	2001	2002	2003	2004	2005
Children Served in Year	18,608	17,758	18,584	16,108	15,679
Cost per Child	$ 589.30	$ 623.07	$ 547.39	$ 603.04	$ 584.88
Children per Staff	69	68	70	61	62
Families Served in Year	8,986	8,025	8,862	8,266	8,266
Cost per Family	$ 1,220.31	$ 1,378.76	$ 1,147.90	$ 1,175.15	$ 1,109.40
Families per Staff	33	31	34	31	33

Hamilton County Job & Family Services

Program: Children's Services Intake - 1204

	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Approved	% Change 2001-2006	% Change 2005-2006
FTE	86.00	108.00	93.50	91.50	48.00	54.00	-37.2%	-37.2%
Personnel	$ 4,850,690	$ 4,617,968	$ 4,128,191	$ 3,841,336	$ 4,020,324	$ 4,667,499	-3.8%	-3.8%
Other	$ 112,727	$ 241,608	$ 124,821	$ 93,046	$ 104,156	$ 44,225	-60.8%	-60.8%
Capital	$ 2,980	$ 3,663	$ 3,964	$ 2,765	$ -	$ -	-100.0%	-100.0%
TOTAL	$ 4,966,397	$ 4,863,239	$ 4,256,976	$ 3,937,147	$ 4,124,480	$ 4,711,724	-5.1%	-5.1%

Measure	2001	2002	2003	2004	2005
Investigations Completed by Intake	5,822	5,580	5,018	5,012	5,094
Cost per Investigation	$ 853.04	$ 871.55	$ 848.34	$ 785.54	$ 809.67
Investigations per Staff	67.7	51.7	53.7	54.8	106.1
Cases Opened / Reopened During Year	6,645	5,411	5,105	5,895	5,895
Cost per Case Open / Reopen	$ 747.39	$ 898.77	$ 833.88	$ 667.88	$ 699.66
Cases Open / Reopen per Staff	77.3	50.1	54.6	64.4	122.8

Hamilton County Job & Family Services

Program: Children's Services RT / Administration - 1203

	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Budget	% Change 2001-2006	% Change 2005-2006
FTE	114.00	168.00	167.50	152.50	156.50	203.50	78.5%	78.5%
Personnel	$ 5,210,015	$ 2,910,090	$ 7,495,602	$ 6,939,365	$ 7,000,794	$ 8,309,453	59.5%	59.5%
Other	$ 33,009,702	$ 61,091,766	$ 41,226,230	$ 11,934,188	$ 5,106,328	$ 5,980,325	-81.9%	-81.9%
Capital	$ 13,087	$ 1,397	$ 15,401	$ 412	$ -	$ -	-100.0%	-100.0%
TOTAL	$ 38,232,804	$ 64,003,253	$ 48,737,233	$ 18,873,965	$ 12,107,122	$ 14,289,778	-62.6%	-62.6%

Measure	2001	2002	2003	2004	2005
Total Children in Out-of-Home Placement	2,278	2,326	2,233	2,155	2,057
Staff Cost per Child	$ 2,287.10	$ 1,251.11	$ 3,356.74	$ 3,220.12	$ 3,403.40
Total Cost per Child	$ 16,783.50	$ 27,516.45	$ 21,825.90	$ 8,758.22	$ 5,885.82
Children per Staff	20.0	13.8	13.3	14.1	13.1

Hamilton County Job & Family Services

Program: Adoptions / Family Services - 1205

	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Budget	% Change 2001-2006	% Change 2005-2006
FTE	0.00	0.00	0.00	0.00	0.00	0.00	NA	NA
Personnel	$ -	$ -	$ -	$ -	$ -	$ -	NA	NA
Other	$ 3,938,503	$ 3,924,123	$ 5,677,608	$ 5,393,897	$ 4,869,991	$ 7,720,000	96.0%	58.5%
Capital	$ -	$ -	$ -	$ -	$ -	$ -	NA	NA
TOTAL	$ 3,938,503	$ 3,924,123	$ 5,677,608	$ 5,393,897	$ 4,869,991	$ 7,720,000	36.0%	58.5%

Measure	2001	2002	2003	2004	2005
Adoptions Finalized			85	119	76
Adoptions Finalized within 12 Months			30	39	17
% Completed within 12 Months			35.3%	32.8%	22.4%

Hamilton County Job & Family Services

Program: Multi-County System Agencies (MCSA) - 1235

	2003 Actual	2004 Actual	2005 Estimate	2006 Approved	% Change 2003-2006	% Change 2005-2006
FTE	0.00	3.00	3.00	3.00	NA	0.0%
Personnel	$ -	$ 118,604	$ 216,099	$ 252,011	NA	16.6%
Other	$ -	$ 8,808,004	$ 11,440,804	$ 90,300	NA	-99.2%
Capital	$ -	$ -	$ -	$ -	NA	NA
TOTAL	$ -	$ 8,926,608	$ 11,656,903	$ 342,311	NA	-97.1%

Measure	2003	2004	2005
Total Enrolled Days (children x days)	90,895	92,105	90,956
Number of Days in Residential Treatment	19,300	14,943	16,962
Total Cost per Day RT	NA	$ 597.38	$ 687.24

Hamilton County Job & Family Services

Program: Child Support Administration - 1227

	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Estimate	2006 Budget	% Change 2003-2006	% Change 2005-2006
FTE			61.00	63.50	41.00	39.00	-36.1%	-4.9%
Personnel	$ 730,567	$ 1,233,673	$ 2,409,590	$ 2,763,931	$ 1,864,497	$ 1,982,218	-17.7%	6.3%
Other	$ 4,070	$ 4,124	$ 16,746	$ 33,840	$ 43,105	$ 210,416	1156.5%	388.1%
Capital	$ -	$ -	$ 5,149	$ -	$ -	$ -	-100.0%	NA
TOTAL	$ 734,637	$ 1,237,797	$ 2,431,485	$ 2,797,771	$ 1,907,602	$ 2,192,634	-9.8%	14.9%

Measure	2001	2002	2003	2004	2005
Total Cases	82,858	85,994	94,277	94,356	90,960
Cost per Case	$ 8.87	$ 14.39	$ 25.79	$ 29.65	$ 20.97
Cases per Staff			1,546	1,486	2,219

Hamilton County Job & Family Services

Program: Child Support Paternity - 1234

	2002 Actual	2003 Actual	2004 Actual	2005 Estimate	2006 Budget	% Change 2002-2006	% Change 2005-2006
FTE	61.00	61.00	66.00	65.50	65.50	7.4%	0.0%
Personnel	$ 935,572	$ 2,290,051	$ 2,729,757	$ 2,491,045	$ 2,824,363	201.9%	13.4%
Other	$ 3,595	$ 17,205	$ 27,663	$ 23,831	$ 54,625	1419.5%	129.2%
Capital	$ -	$ 5,449	$ -	$ -	$ -	NA	NA
TOTAL	$ 939,167	$ 2,312,705	$ 2,757,420	$ 2,514,876	$ 2,878,988	24.5%	14.5%

Measure	2002	2003	2004	2005
Children in Caseload	54,519	58,206	64,107	65,102
Paternities Established	38,326	39,396	40,401	45,751
Performance %	70.30%	67.68%	63.02%	70.28%

Hamilton County Job & Family Services

Program: Child Support / Interstate / Call Center - 1226

	2003 Actual	2004 Actual	2005 Actual	2006 Budget	% Change 2003-2006	% Change 2005-2006
FTE	108.00	106.00	122.00	133.00	23.1%	9.0%
Personnel	$ 3,872,453	$ 3,662,695	$ 4,830,304	$ 5,577,343	44.0%	15.5%
Other	$ 24,064	$ 19,865	$ 34,933	$ 70,200	191.7%	101.0%
Capital	$ 20,377	$ 762	$ -	$ -	-100.0%	NA
TOTAL	$ 3,916,894	$ 3,683,322	$ 4,865,237	$ 5,647,543	44.2%	16.1%

Measure				
Total Current Support	$ 105,032,472	$ 105,483,038	$ 105,478,358	$ 110,840,000
Collected and Disbursed Current Support $	$ 193,440	$ 139,528	$ 139,521	$ 146,613
Collected per Worker per Month				
Total Cases with Arrearages Collected per Worker per Month	57.2	42.0	46.0	48.0
Total Incoming Calls	NA	201,871	292,637	292,637
Total Incoming Calls Answered	NA	161,473	278,005	278,005
Incoming Calls Answered per Worker per Month	NA	897	799	799

Hamilton County Job & Family Services

Program: Juvenile Court - Hillcrest Center for Youth

	2001 Expense	2002 Expense	2003 Expense	2004 Expense	2005 Expense	% Change Expense 2001-2006	% Change Expense 2005-2006
FTE	170.00	170.00	170.00	170.00	170.00	NA	0.0%
Personnel	$ 7,389,838	$ 7,935,153	$ 7,950,718	$ 8,370,053	$ 8,440,328	14.2%	0.8%
Other	$ 1,670,760	$ 1,683,844	$ 1,593,395	$ 1,978,002	$ 1,639,973	-1.8%	-17.1%
Capital	$ 85,679	$ 217,681	$ 111,325	$ 167,382	$ -	-100.0%	-100.0%
TOTAL	$ 9,146,277	$ 9,836,678	$ 9,655,438	$ 10,515,437	$ 10,080,301	10.2%	-4.1%

Measures	2002	2003	2004	2005	2002-2006	2005-2006
Admissions	229	209	197	209	-8.7%	6.1%
Number of Youths Served	354	340	315	344	-2.8%	9.2%
Days of Care Provided	39,590	30,895	32,350	38,530	-2.7%	19.1%
Cost per Admission	$ 42,955	$ 46,198	$ 53,378	$ 48,231	12.3%	-9.6%
Cost per Youth Served	$ 27,787	$ 28,398	$ 33,382	$ 29,303	5.5%	-12.2%
Cost oer Day of Care	$ 248	$ 313	$ 325	$ 262	5.3%	-19.5%

Hamilton County Job & Family Services

Program: Juvenile Court - Dependency

	2001 Expense	2002 Expense	2003 Expense	2004 Expense	2005 Expense	% Change Expense 2001-2006	% Change Expense 2005-2006
FTE	18.92	18.00	21.00	21.00	23.34	23.3%	11.1%
Personnel	$ 1,058,624	$ 1,006,146	$ 1,020,291	$ 1,096,552	$ 1,228,896	16.1%	12.1%
Other	$ 225,994	$ 296,273	$ 192,425	$ 205,406	$ 225,553	-0.2%	9.8%
Capital	$ -	$ -	$ -	$ -	$ -	NA	NA
TOTAL	$ 1,284,618	$ 1,302,419	$ 1,212,716	$ 1,301,958	$ 1,454,449	13.2%	11.7%

Measures	2001	2002	2003	2004	2005	2001-2006	2005-2006
New Filings - Complaints	622	527	452	417	444	-28.6%	6.5%
New Filings - Children	1,107	893	810	712	728	-34.2%	2.2%
New Filings - Total	1,729	1,420	1,262	1,129	1,172	-32.2%	3.8%
Cost per Filing	$ 743	$ 917	$ 961	$ 1,153	$ 1,241	67.0%	7.6%
New Filings per Staff	91.4	78.9	60.1	53.8	50.2	-45.0%	-6.6%

Hamilton County Job & Family Services

Program: Guardian Ad Litem - Youth Advocates

	2001 Expense	2002 Expense	2003 Expense	2004 Expense	2005 Expense	% Change Expense 2002-2006	% Change Expense 2005-2006
FTE	NA	27.00	27.00	27.00	27.00	0.0%	0.0%
Personnel	NA	$ 801,348	$ 941,629	$ 951,320	$ 907,796	13.3%	-4.6%
Other	NA	$ 154,816	$ 142,922	$ 159,546	$ 244,595	58.0%	53.3%
Capital	NA	$ -	$ -	$ -	$ -	NA	NA
TOTAL	$ -	$ 956,164	$ 1,084,551	$ 1,110,866	$ 1,152,391	20.5%	3.7%

Measures	2001	2002	2003	2004	2005	2001-2006	2005-2006
Children Under Agency Custody	1,757	1,709	1,748	1,539	1,449	-15.2%	-5.8%
Cost per Child	NA	$ 559	$ 620	$ 722	$ 795	42.1%	10.2%
Children per Staff	NA	63.3	64.7	57.0	53.7	-15.2%	-5.8%

Hamilton County Job & Family Services

Program: Legal Services of the Prosecutor

	2001 Expense	2002 Expense	2003 Expense	2004 Expense	2005 Expense	% Change Expense 2002-2006	% Change Expense 2005-2006
FTE	13.00	13.00	13.00	13.00	13.00	0.0%	0.0%
Personnel	$ 1,012,632	$ 1,085,118	$ 1,137,166	$ 1,206,763	$ 1,228,970	13.3%	1.8%
Other	$ 30,005	$ 55,064	$ 56,658	$ 55,042	$ 51,550	-6.4%	-6.3%
Capital	$ 10,758	$ 5,292	$ 8,288	$ 3,454	$ 5,844	10.4%	69.2%
TOTAL	$ 1,053,395	$ 1,145,474	$ 1,202,112	$ 1,265,259	$ 1,286,364	12.3%	1.7%

Measures	2001	2002	2003	2004	2005	2001-2006	2005-2006
Requests for Complaints	608	438	421	376	445	1.6%	18.4%
Cost Per Complaint	$ 1,733	$ 2,615	$ 2,855	$ 3,365	$ 2,891	10.5%	-14.1%
Complaints per Staff	46.8	33.7	32.4	28.9	34.2	1.6%	18.4%

C. Principal Observations

Our review of children's services in Hamilton County yields the following principal observations, which are discussed in greater detail in the body of this report. These include:

- We are impressed with the coordination and operation of children's services in Hamilton County. JFS and associated agency personnel appear to be very professional in demeanor, conduct, and performance. There is an appropriate focus on client service, accompanied by concern for the proper use of public funds.
- The agency has recently received a renewed professional certification from the Council on Accreditation.
- The Job and Family Services Department awaits finalization of State Auditor and State Job and Family Services audits. Although the current budget makes no appropriation for settlement of any audit findings, sizable cash balances will be available across several funds should appropriations be necessary.
- As a means of helping to balance the Health and Hospitalization levy, the Children with Medical Handicaps Program has been moved to the Children's Services levy. The current levy period expires in 2006.
- JFS appears to be diligent in securing and using state and federal funds prior to the expenditure of local monies. All expenditures are coded centrally to ensure use of the maximum amount of non-local funds prior to use of levy and other local funds.
- Financial management in the Department does not currently track use of levy funds or any other funding source on a continuing basis. Management is instead focused on maximizing the amount of non-local resources available by leveraging local funds. The inability to track and account for levy fund use proved problematic in this review and is a continuing concern to the Project Team.

D. Summary of Suggested Adjustments

MAXIMUS has identified specific adjustments that have significant financial impact on the operation of the children's services agencies. We discuss each in a following section of this report. Together, these adjustments will reduce the gap between revenues and expenditures that the children's services agencies face over the next levy period. These adjustments combined with the proposed increase in the effective levy millage rate will allow Hamilton County to operate with an adequate working capital balance and end the levy period with a "zero-growth" capital balance in the Children's Service Fund. This is a variation of BOCC policy necessitated by the inability of the Department to accurately and consistently track use of levy resources and the available levy balance. In actuality, our proposed financial plan yields a Children's Services Fund balance decrease of approximately $2.4 million over the proposed levy period.

Working capital balances should be sufficient for the agencies to meet their respective payroll, contract, and other financial obligations and to avoid deficit spending, coupled with the ability to obtain tax levy advances from the Hamilton County Auditor, if needed.

The financial adjustments include:

Rec. No.	Adjustments	Value over Levy Period (in thousands)		
		Increased (Reduced) Revenue	Reduced (Increased) Expense	Net Benefit to Budget
1	Bring Child Support Legal Service in-house	$0	$1,900,000	$1,900,000
2	Provide Funding for Children with Medical Handicaps	$0	($5,000,000)	($5,000,000)
3	Acknowledge Protect Ohio Waiver Termination	$0	$20,000,000	$20,000,000
4	Develop Salary Adjustment Pool for Line Managers	$0	($2,242,034)	($2,242,034)
	Totals	**$0**	**$14,657,966**	**$14,657,966**

II. RESPONSIBILTY AND QUALITY

In this chapter, we review the scope of responsibility for children's services as well as the quality of service provided in Hamilton County.

A. MANDATES

Children's services and child protection in Hamilton County are provided pursuant to mandates for service arising from the Federal government, State government, as well as federal, state and county courts. We present brief descriptions of the major mandates for service below[2].

- Adoption Assistance and Child Welfare Act of 1980 (Public Law 96-272) details the national child welfare legal system. The law requires states to: provide in-home supportive services to prevent separation of children from their families (family preservation); make reasonable efforts to reunify children in placement with their primary families; and, place children into other permanent placements, with relatives of adoptive families, as quickly as possible. When placed outside their primary families, children must be in the least restrictive, most family-like setting in keeping with their needs. Parents have rights of due process if children are removed. The permanency planning mandated by this law was a major impetus to developing more intensive, home-based and family-centered child protection services. Federal funds may be withheld from states that don't meet this mandate.
- Adoption and Safe Families Act (Public Law 105-89) requires states to move children more quickly through foster care into permanent homes. The act is a package of reforms modifying the Adoption Assistance and Child Welfare Act of 1980. The new law clarifies the intent of the "reasonable efforts" clause by stressing that the child's health and safety shall be the paramount concern in determining what is reasonably required to keep a family intact. "Reasonable efforts" to keep a family together may be waived in circumstances such as sever physical abuse, abandonment, torture, chronic abuse, or sexual abuse. The statute also clarifies that foster care should be temporary. Absent compelling reasons, child protection agencies must file a court motion to terminate parental rights if a

[2] Material excerpted from Children's Services Fact Sheet, "Guide to Children's Services Legal Mandates", Hamilton County Job & Family Services.

child has been in temporary custody of the agency for at least 12 of the last 22 consecutive months.

- Ohio Law 5153.16 establishes the authority and responsibilities of a county public children's services agency. It also provides caseworkers with authority to conduct investigations, accept custody of children from the court and provide services.
- Ohio Law 5153.17 makes Children's Services case records confidential.
- Ohio Law 2151.421 requires professionals such as doctors, lawyers, teachers, and psychologists to report suspected cases of abuse or neglect. Also mandates that reports and investigations remain confidential.
- Ohio Revised Code (ORC) Chapter 2151 outlines Juvenile Court, defines juvenile court jurisdiction, defines abuse, neglect and dependency, creates Juvenile Court procedures upon filing complaints in court, taking children into custody and reviewing case plans.
- Ohio Department of Human Services Rules 5101:2-34 to 5101:2-42 sets out rules covering various provisions dealing with key aspects of child welfare practices. They detail procedures for handling abuse reports, providing services and documenting actions. Provides guidelines for placing children with relatives or friends. Also provides precise definitions of abuse and neglect terms ranging from "abused child" to "verified report".
- Ohio Department of Job and Family Services Rule 5101:2-34-38 makes child abuse and neglect reports and investigations confidential. It also tells when information may be shared by parties such as law enforcement officials and service providers.
- Ohio Department of Human Services Rule 5101:1-1-03 protects privacy of public assistance applicants, recipients and former recipients.
- Federal Court Consent Decree in Roe v. Titus requires notification of fathers before removal by agreement of the mother, unless this is impractical or an emergency basis.
- Federal Court Consent Decree in Roe v. Thomas establishes strict criteria for removal and return of children and mandated implementation of pre-placement prevention services, training of casework staff, internal review procedures and planning responsibilities.
- Doe v. Hamilton County, et al. establishes a court-appointed monitor-to-monitor HCJFS's compliance with federal and state laws and the consent decree.

The following table presents JFS program areas and identifies specific mandates for service:

Children's Service Program Description	Mandate Citiation(s)	Minimum / Maximum Levels	Current Budget		FTE
			Revenue	Expenditure	
Children's Services Administration The program provides on-going casework and case management to families and children. It is required to resolve child abuse and neglect cases quickly by either safely reunifying children with their families or moving them toward adoption, if reunification is not possible. The Southwest Ohio Regional Training Center, funds by ODJFS, provides the required child welfare training to all staff in eight counties. Caseworkers are required to complete 90 hours of training in their first year of service and 36 hours annually thereafter. Child welfare supervisors are required to complete 60 hours of training during their first year as supervisor and 30 hours annually thereafter.	ORC 5101:2-48-01 ORC 5101.2-42-051 OAC 5101:2-42-05 OAC 5101:2-39-07		$ 4,667,361	$ 23,469,946	218.0
Children's Services Intake Children's Services Intake maintains a system to receive and respond to reports of child abuse / neglect / dependency 24-hours a day, 7-days a week. Reports are investigated, family risk assessments completed, and emergency services provided.	OAC 5101:2-34-32		$ -	$ 4,861,724	91.5
Children's Services Residential Treatment (RT) / Administration Function provides access, casework, and monitoring of placement services. Contract with institutional, therapeutic foster care, congregate care and independent living placement agencies. Serve through social work services and transition those planned placements in DJFS and therapeutic foster care homes. Provide independent living skills training programs and supporting services to children 16 years and older. Program administration of drug / alcohol service contract. Provides administrative support by processing Title XX and Title IV-E data that are income producing. Completes custody investigations for Juvenile Court and home studies for Interstate Compact. Assume responsibility for progressively increasing clinical managed care functions.	OAC 5101:2-42-05		$ 534,514	$ 37,579,124	173.0
Adoptions / Family Services The program provides case management to families and children. Adoptive services are provided by HCJFS and contracted providers in order to secure permanent homes for children in need. This includes approval of adoptive families, case management of children waiting for adoption, pre-finalization services to stabilize the placement and post-finalization services to prevent disruption of the adoptive status. The foster care unit certifies and supports JFS foster homes. Foster care unit is an integral part of supporting foster care placements as well as foster home adoptions. The foster care unit also provides training for Children's Services new hires as well as policy / child welfare training for all casework staff. Provides Case Staffings / Family conferences as decision making process to prevent placement of the child and to insure reasonable efforts / appropriate services are made available. Case reviews (SARs - semi-annual reviews) are conducted to insure that permanency options for children are explored and to insure case plan objectives are met.	ORC 5101:2-48-01 ORC 5101:2-42-051		$ -	$ 7,720,000	
Multi-County System Agencies (MCSA) Hamilton County agencies (Multi County System Agencies, MCSA) including JFS, Juvenile Court, MRDD, MHB, and ADAS have pooled resources to improve the quality and scope of social services to multi-system youth and their families. A contract with Choices, Inc. became effective November1, 2002 and was amended effective July 1, 2004	OAC 5101:2-42-05		$ -	$ 342,311	3.0
Children's Services Quality Assurance The primary objective of Children's Services Performance Improvement is to provide support and encourage best practice in child welfare, thus keeping children safe and ensuring that quality services are provided. This is done through policy design and development, program and process analysis and special projects. The Multi ethnic Placement Act (MEPA) Monitor provides oversight to agency child placing activities and ensures compliance with MEPA and the provisions of the Federal Court ordered consent decree in Doe vs. Hamilton County. The Adoption Match Coordinator facilitates the matching of eligible children with prospective adoptive families. The Out-of-Home Care (OHC) Investigation Unit investigates abuse / neglect in specialized settings.			$ -	$ 9,708,896	15.0

Children's Service Program Description	Mandate Citiation(s)	Minimum / Maximum Levels	Current Budget		FTE
			Revenue	Expenditure	
Child Support Administration This function is responsible for: training of Child Support new employees and current staff, writing and issuing of Policy Letters, providing consistent technical / policy information to all staff and appropriate external entities, assisting in incentive-based initiatives, Audits and Distributions required by workers, Courts / Prosecutors, consumers; attachment of lump sums; IV-D contract program compliance; cashier's office function (fiscal agent). Also responsible for posting payments, performing financial corrections, establishing and maintaining recoupment accounts, locating and releasing funds to child support consumers.	OAC 5101:1-31-42 OAC 5101:1-32		$ -	$ 2,233,998	39.0
Child Support Paternity The Child Support Enforcement program fulfills state and federal law requiring enforcement, establishment and collection of child support orders. This function is responsible for paternity and support establishment activities, location efforts, conducting Administrative Hearings for Paternity / Support establishment and order modification. This function is also responsible for creating new cases in SETS (Support Enforcement Tracking System).	OAC 5101:1		$ -	$ 2,833,583	65.5
Child Support Interstate Call Center The Child Support Services Call Center and Enforcement function fulfills state and federal law requiring enforcement of local interstate childe support orders. Investigative activities include but are not limited to the following processes: locating and verifying residences of custodial and non-custodial parents, locating income and assets of non-custodial parents, issuing income withholdings, and conducting case investigations on non-custodial parents in default to determine appropriate actions such as contempt motions and driver's license suspension. The function also reviews orders for modifications due to emancipating children and requests for financial adjustment of orders. These activities are carried out using SETS (Support Enforcement Tracking System). The Call Center serves as the gatekeeper for Child Support phone calls.	OAC 5101:1-32		$ -	$ 5,647,543	133.0
Juvenile Court - Hillcrest Training School The School is operated by Hamilton County Juvenile Court to treat adolescents with a history of juvenile delinquency including misdemeanors and felonies. Most youth placed at Hillcrest have had at least one felony adjudication. The Hillcrest treatment program consists of a residential and aftercare phase, each being approximately six months. The Hillcrest Training School treatment program consists of three tracks: youthful offenders who have sexually abused others; youthful offenders who have abused alcohol and other drugs; and, youthful offenders who have disruptive behavior disorders. The campus is divided by these three program tracks. Cottage assignments are based upon security and treatment needs. The majority of the treatment programming is cognitive / behavioral in nature. The programs' focus is on changing thoughts, beliefs, values and attitudes that will, in turn, impact behavior. The treatment programs are empirically based and have been evaluated and sanctioned by outside experts. Although Hillcrest receives revenue from several source			$ 12,601,388	$ 10,080,301	170.0
Juvenile Court Dependency Appointed Magistrates make recommendations to Judges. Eight magistrates appointed by Hamilton County Juvenile Court Judges preside over child abuse, neglect, and dependency cases. Magistrates conduct hearings and make decisions. A party may challenge the Magistrate's decision by filing objections requesting a judge to review the decision.	Juvenile Court - Juvenile Rules		$ -	$ 1,454,448	21.0
Guardian Ad Litem - Youth Advocates Child abuse, neglect and dependency cases begin in Hamilton County Juvenile Court on the day the complaint is filed. A Guardian Ad Litem from the Hamilton County Public Defender's Office represents the child in the proceedings. Function also includes Social Workers.	Juvenile Court - Juvenile Rules		$ 484,358	$ 1,200,957	28.0
Legal Services of the Prosecutor Assistant prosecuting attorneys advise Children's Services. The Hamilton County Prosecuting Attorney's Office has assigned 13 attorneys to handle Children's Services cases for Hamilton County Job and Family Services (HCJFS).	Juvenile Court - Juvenile Rules		$ -	$ 1,270,274	13.0

B. Quality of Services

Children's services are provided through a collaborative and cooperative arrangement between Jobs and Family Services, associated County agencies and private social service providers. Job and Family Services has made a considerable investment in development and maintenance of policies and procedures generally, and quality assurance processes specifically. The agency is accredited by the Council on Accreditation and dedicates staff resources to continuous quality assessments of both internally and externally provided services.

The Project Team investigated the incidence and use of waiting lists for children's services. JFS staff members relate that the heavily regulated service area requires compliance with specific timeframes for service, mitigating the need or desirability of waiting lists. Staff members related some very limited, ad hoc use of waiting lists associated with particular educational or public programming. However, clients in major service areas can expect assistance / intervention within established time periods.

The project team undertook a review of case files from the Child Support and Child Protection portions of the Hamilton County Department of Jobs and Family Services. The review took place over a two-day period, April 6 and 7, 2006 at the Taft Building (Child Support) and the Department's building on Central Parkway (Child Protection). The goal of the review was to determine the content of the interaction between the Department and client(s) and the timeliness of the Department's response.

The sample size was twenty-five (25) files with fifteen (15) from Child Protection and ten (10) from Child Support. Files were selected randomly. For the selection of the Child Protection files, the Information Services Department randomly selected fifty (50) files from the universe of Child Protection files. The project team then selected fifteen from the fifty based upon selecting every fifth file without replacement. The selection process for Support Services required taking five files from the site's two filing rooms. Selection of the five from each room was based on taking two files from the rows in the

middle of each room and the remaining three from the files lining the perimeter of each room.

The ten files selected from Child Support were evaluated in accordance with 5101: 1-29-05 Title D Case Record Requirements, Title IV-D and non IV-D Case Characteristics and Spousal Support as Part of IV-D Case. These statutes primarily govern the closure of a IV-D case and the disposition of the file thereafter.

Of the ten cases, all but two were the result of the applicant's involvement with other social programs such as ADC and WIC. In all cases but one, the applicant was female. Seven of the files were active two to five years while two ran for ten and seventeen years, respectively. One case was filed for information only and involved a felony investigation against a child's stepparent.

Five of the ten cases remain open and active. One case is the earlier referenced probable felony investigation. Two cases involve subjects who are paying arrearages that involve substantial amounts. Two cases are ordinary cases. In one case the subject parent continues to pay support, while the other is an interstate case in which the subject has attempted to avoid payment over a number of years and is presently on assistance in another state and unable to make payments. Since the subject has not been deemed permanently disabled, he is still required to make payments when he is able. These files are all open and active in accordance with the statute.

Three cases closed in 1995, 1996 and 1998 are closed and were eligible for destruction, but remain on file. In particular, the 1998 case leaves little doubt that this file can and should be destroyed since one of the two children involved had been emancipated and the second child was living with the parent that had been paying support and has reached or surpassed the age for emancipation. This case was done during the time that a private contractor had operated parts of the Child Support function. Staff stated that the files that were stored by that firm are now being disposed of in accordance with the statute. Of the two remaining cases, both became eligible for closure in 2009.

Therefore, nine of the ten files were complete and had been managed in accordance with the governing statute.

The contents of the fifteen Child Protection files are governed by a number of statutory requirements that require actions and responses on the part of JFS case workers. The structure and contents of the files themselves have undergone significant changes in the last ten years primarily as the tools used by the case workers have evolved. Going forward, OAC 5101:2-39-02 allows the Department to maintain portions of a case record in a location other than the case record if there is a written policy that states where the information can be found. The Department has such a policy in place that allows storage of case record information on the FACTS or OnBase systems.

Administratively, there were several problems with the case records. In all cases, these files had the mother's name and social security number written on the folder cover rather than the file folder's tab. In the several multi-file case records, there were cases record files with materials that made the file surpass the 3.5-inch width. Only two of the folders had photographs or computer disks that required storage in envelopes attached to the rear of the folder. This practice was used in both cases, but the envelopes were not labeled as required by the policy with the case name and family ID number nor were the photographs marked with the family ID number or marked as photo 1 of 10 or the like.

The older cases did not have the segregating files required by current policy, but the records were typically compiled in such a manner as to achieve that goal. In two cases, this was a problem that required more time than normal in making sense of the case record contents.

The case record contents were complete. The allegation and assessments were in place as were the typically clear accounts of the alleged incident and interviews with the person who suspected or observed the alleged behavior or the relatives or other parties related to the alleged victim or perpetrator. Of the fifteen case records selected, two involved pre and post adoption issues that required follow up to home assessments rather than allegations of abuse. Of the remaining thirteen cases, there was an average of 3.5

III. OPERATIONS AND FINANCIAL ANALYSIS

In this Chapter, we review the operations of children's services as coordinated through JFS and financial planning used to secure, manage and account for programmatic resources. We also evaluate the quality of the agency's five-year strategic planning effort. In the following chapter, we review children's services finances by program.

A. REVIEW OF OPERATIONS

The Department of Job and Family Services employs standard service procurement processes as allowed under County rules and State law. JFS uses a structured Request for Proposals (RFP) process to identify, qualify and contract for services through third-party vendors. The example RFP provided for review appears adequate and appropriate, and includes provisions for vendor participation in quality assessment activities as determined by the Department. Although grouped together in the Shared Services organization, the Contract Services and Program Quality Assurance units respectively comprise the cross-connection between administrative activity and service delivery since their responsibilities relate to provider service delivery activity.

The Project Team reviewed use of third-party providers in 2004 and 2005. This information is presented in the table below.

	2004 Invoiced & Paid	2005 Invoiced & Paid	2004 Clients Served (Unduplicated)	2005 Clients Served (Unduplicated)	2004 Average Cost	2005 Average Cost
Hamilton County	$ 10,486,534.14	$ 12,159,266.26	987	985	$ 10,624.65	$ 12,344.43
Ohio	$ 4,302,896.37	$ 5,975,664.21	369	423	$ 11,660.97	$ 14,126.87
Out-of-State	$ 1,094,117.04	$ 1,331,445.06	31	41	$ 35,294.10	$ 32,474.27

There is an opportunity to bring some of this work back to Hamilton County. However, the severity of the individual case as well as the relative level of regulation in other jurisdictions mitigates this. Both factors impact service price and competitiveness.

Typically, out-of-state service providers are taking on the toughest cases to place; the agency goes there because they have no alternatives, regardless of price. There is no reason to suspect that these cases can be handled more effectively locally except for the elimination of certain logistics and travel issues. In addition, the State of Ohio is relatively well regulated in terms of treatment and care of children and youths. Operations located in areas of the country with relatively less-regulated environments may operate with a competitive advantage and provide services for lower cost.

The following table provides basic operating activity information in an historical perspective. This information was the basis for comparisons made in following sections of this report.

Children's Services in Hamilton County, Ohio
Hamilton County Job & Family Services
1995 through 2005

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	Change 1995-2005	Change 2001-2005
Children Served	19,702	19,577	19,847	19,528	17,686	18,447	18,608	17,758	18,584	16,108	15,679	(4,023)	(2,929)
Annual % Change	-2.8%	-0.6%	1.4%	-1.6%	-9.4%	4.3%	0.9%	-4.6%	4.7%	-13.3%	-2.7%	-20.4%	-15.7%
Proportion of Children	1 in 11	1 in 11	1 in 11	1 in 11	1 in 12	1 in 12	1 in 12	1 in 11	1 in 12	1 in 13	1 in 14		
Families Served	8,626	8,585	8,733	8,658	7,938	8,796	8,986	8,025	8,862	8,266	8,146	(480)	(840)
Annual % Change	-4.0%	-0.5%	1.7%	-0.9%	-8.3%	10.8%	2.2%	-10.7%	10.4%	-6.7%	-1.5%	-5.6%	-9.3%
Investigations of Child Abuse/Neglect	8,117	8,811	8,795	8,494	7,380	6,685	6,786	6,667	5,496	5,569	5,661	(2,456)	(1,125)
Annual % Change	-6.4%	8.5%	-0.2%	-3.4%	-13.1%	-9.4%	1.5%	-1.8%	-17.6%	1.3%	1.7%	-30.3%	-16.6%
Cases Opened or Reopened						6,459	6,645	5,411	5,105	5,895	5,543	NA	(1,102)
Annual % Change	NA	NA	NA	NA	NA	NA	2.9%	-18.6%	-5.7%	15.5%	-6.0%	NA	-16.6%
Cases New to JFS	3,130	3,062	6,270	3,009	2,547	2,383	2,428	2,283	2,089	2,029	2,172	(958)	(256)
Annual % Change	82.6%	-2.2%	104.8%	-52.0%	-15.4%	-6.4%	1.9%	-6.0%	-8.5%	-2.9%	7.0%	-30.6%	-10.5%
Total Children Out-of-Home Placements	2,258	2,271	2,150	2,152	2,135	2,186	2,278	2,326	2,233	2,155	2,057	(201)	(221)
Annual % Change	7.4%	0.6%	-5.3%	0.1%	-0.8%	2.4%	4.2%	2.1%	-4.0%	-3.5%	-4.5%	-8.9%	-9.7%
Cases Closed						6,666	6,194	6,612	6,064	5,440	5,434	NA	(760)
Annual % Change	NA	NA	NA	NA	NA	NA	-7.1%	6.7%	-8.3%	-10.3%	-0.1%	NA	-12.3%
Children Placed (HCJFS Custody) Average per Month							2,278	2,204	1,508	1,481	1,279	NA	(999)
Annual % Change	NA	NA	NA	NA	NA	NA	NA	-3.2%	-31.6%	-1.8%	-13.6%	NA	-43.9%

B. Review of Strategic Plan

The MAXIMUS project team conducted a review of the JFS strategic planning process and its current three-year strategic plan. Our observations are as follows:

- The planning process used by JFS is consistent with customer based strategic plans. The JFS process included management, staff, contractor providers, and families being served by the agency.
- The structure of the strategic plan is consistent in most respects with typical planning documents in that it describes current conditions, identifies challenges to be met, and future opportunities. Each strategic goal is accompanied by relevant objectives and essential performance metrics. Implementation responsibility is implied with the division of the plan among the principal service areas.
- The plan has been adopted by the agency and serves as a guidepost for annual planning by management and staff during the budget preparation process.

There is, however, a key deficiency in the agency's strategic plan, which MAXIMUS recommends be rectified in the next planning cycle. The agency's Strategic Plan does not include a financial element. It is typical for a strategic plan to include the identification of financial needs and potential resources required for plan implementation. This serves two roles. First, by applying an evaluation of costs of implementation, the financial component serves as a constraint against unrealistic planning. Second, it establishes work responsibility for securing the necessary financial resources. We recommend that the agency initiate a revised strategic planning process during the coming year, connecting financial requirements and resources to desired activities during the planning process. This will enable the agency to assess more precisely its capacity over the next five years and to identify financial resources necessary to undertake any growth in programs.

C. Review of Financial Structures and Processing

The agency operates with a relatively complex financial system. The Children's Services Levy is one of several funding sources supporting the Children's Services Fund. The resources in the CS Fund are supplemented with resources from the Public Assistance Fund.

The financial flow diagram presented on the following page summarizes the movement of funds through the financial system in support of children's services.

The agency has established procedures for coding expenses appropriately. The general policy of the agency is to use all other funds before tax levy funds. The agency maintains control through the use of State Coding Procedures.

Every transaction processed in the agency must consist of two different sets of accounting codes. These two sets are independent of each other with each major fund identified with a unique code.

The OCA and object level 3 codes are charged against the County's budget and do not indicate the ultimate funding source. The County budget displays spending authority granted by the BOCC.

The user codes are the state accounting codes that tie revenues and expenditures to a funding source. These codes are handled or checked by Fiscal staff members. User code 1 indicates which federal / state / local program and user code 2 indicates the classification of the expense or revenue. Coding adjustments for the OCA and Object Level 3 may be in the Performance system. User code adjustments should be made in Performance but do not have to be.

There are two different types of State expenses: costs that are coded to cost pools and direct program expenses. The current external audits are determining whether an expense is coded to a cost pool or a direct program expense. Cost pool expenses include employee salaries, operating expenses for employees, administrative contracts, etc. Direct program expenses are usually contracts with providers that are performing program functions. If a contractor is providing services that are related to multiple programs then the cost must be divided and coded to the separate programs.

The shared cost pool is divided into the other three pools (CSEA, Social Services, and IM) by FTE percentages on a quarterly basis. The three program cost pools are divided into program expense by RMS percentages on a quarterly basis. Before a quarter begins, Fiscal requests an advance on the funds that will be spent. At the end of the quarter when expenses have been reported, ODJFS will perform a reconciliation of the funds

advanced and expenses reported. ODJFS will then adjust the next quarter's advance by the amounts identified in the reconciliation.

IV. FINANCIAL AND COMPLIANCE REVIEW

A. HISTORICAL REVIEW OF CS BUDGET AND PROJECTIONS

The table on the following page presents a comparison of the prior CS Levy Plan and the actual experience during the levy period. Significant variances in relative revenues and expenditures should be disregarded due to the necessity of approaching the levy calculation from a different perspective. As mentioned earlier, The Department lacks the capability to accurately track and calculate the status of levy funds supporting Children's Services. Because we have not been able to determine the use of levy funds and the resulting levy balance at the end of the levy period. We have elected to work from a relative perspective that considers the relative level and changes to Children's Service Fund balance.

In this perspective, we propose a policy complementary to the BOCC policy of a proposed levy driving to a "zero balance" at the end of the levy period. The significant difference is our acknowledgement that we cannot determine the true levy balance due to co-mingling of funds and must support the BOCC goal of revenue control through a "zero growth" approach that ensures that the fund balance at the start of the levy period is matched by an equal or lesser fund balance after five years. In discussions with the Department, we agreed on the retention of an approximate balance of $9 million at the end of the levy period. This value matches historical fund balances in the Children's Services Fund.

Children's Services Fund

Levy Plan	Year 1 2002	Year 2 2003	Year 3 2004	Year 4 2005	Year 5 2006
Beginning Balance	$ 1,210,198	$ 1,796,238	$ 1,638,075	$ 1,769,317	$ 1,721,338
Revenues					
Tax Levy	$ 40,195,846	$ 40,410,938	$ 40,626,030	$ 40,841,123	$ 41,056,215
Other	$ 13,943,740	$ 9,032,052	$ 11,223,014	$ 11,516,704	$ 11,862,205
Total	$ 54,139,586	$ 49,442,990	$ 51,849,044	$ 52,357,827	$ 52,918,420
Expenditures					
Expenditures	$ 53,553,546	$ 49,601,153	$ 51,717,802	$ 52,405,806	$ 53,167,549
Ending Balance	$ 1,796,238	$ 1,638,075	$ 1,769,317	$ 1,721,338	$ 1,472,209

Levy Actual / Estimated	Year 1 2002	Year 2 2003	Year 3 2004	Year 4 2005	Year 5 2006
Beginning Balance	$ 7,697,428	$ 8,630,482	$ 11,667,586	$ 7,720,340	$ 9,647,150
Revenues					
Tax Levy	$ 41,294,561	$ 41,020,946	$ 41,202,368	$ 41,239,706	$ 41,678,767
Other	$ 97,557,350	$ 83,619,605	$ 69,171,067	$ 65,245,703	$ 69,687,990
Total	$ 138,851,911	$ 124,640,551	$ 110,373,435	$ 106,485,409	$ 111,366,757
Expenditures					
Expenditures	$ 137,918,857	$ 121,603,447	$ 114,320,681	$ 104,558,599	$ 109,723,311
Ending Balance	$ 8,630,482	$ 11,667,586	$ 7,720,340	$ 9,647,150	$ 11,290,596

Levy Plan Variance	Year 1 2002	Year 2 2003	Year 3 2004	Year 4 2005	Year 5 2006
Beginning Balance	$ 6,487,230	$ 6,834,244	$ 10,029,511	$ 5,951,023	$ 7,925,812
Revenues					
Tax Levy	$ 1,098,715	$ 610,008	$ 576,338	$ 398,583	$ 622,552
Other	$ 83,613,610	$ 74,587,553	$ 57,948,053	$ 53,728,999	$ 57,825,785
Total	$ 84,712,325	$ 75,197,561	$ 58,524,391	$ 54,127,582	$ 58,448,337
Expenditures					
Expenditures	$ 84,365,311	$ 72,002,294	$ 62,602,879	$ 52,152,793	$ 56,555,762
Ending Balance	$ 6,834,244	$ 10,029,511	$ 5,951,023	$ 7,925,812	$ 9,818,387

The significant variance between levy plan and actual is primarily explained by a larger than expected beginning balance rolling into the subsequent levy period. This alone accounts for more than 2/3 of the eventual projected variance. The balance of the variance can be explained by higher than expected tax levy receipts.

B. CS Revenue, Budget and Levy Forecast

The following tables present our financial forecasts and recommended Children's Services levy to support County operations related to child protection. We have employed the "zero growth" balance approach as discussed earlier. In our recommended scenario, Children's Services fund balance is driven down approximately $2.4 million to reflect the previously agreed upon $9 million ending fund balance at the end of the levy period.

The following tables are based on the following assumptions:

- Reduction at the end of period to approximately $9 million (historical Children's Service levy fund balance).
- Constant levy revenue dollars.
- Standardized Hamilton County inflation projection except as noted on the bales.
- Adjustments as presented earlier in this report.

The net effect of this projection would require an increase in revenue from some source of $1,226,484 in each of the levy period years.

It should be noted that previous tax levy studies we observed that the County uses a 2.1% factor in growth of levy revenue at a constant millage rate. The impact of the

application of such an increment in this case would eliminate the need for additional revenues and allow offsets to some of the proposed adjustments.

Hamilton County Childrens Services
Five Year Forecast for Fiscal Years 2007-2011
Levy Revenue Constant

Line Item Description	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Estimated 2006	Forecast 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011
Beginning Operating Cash Balance	$ 13,596,341	$ 7,697,428	$ 8,630,482	$ 11,667,586	$ 7,720,340	$ 9,647,150	$ 11,290,596	$ 13,260,981	$ 13,576,439	$ 12,988,888	$ 11,407,655
Plus: Total Operating Revenue	$ 113,603,848	$ 138,851,911	$ 124,640,551	$ 110,373,435	$ 106,485,409	$ 111,366,757	$ 109,473,223	$ 110,769,373	$ 112,907,275	$ 115,047,408	$ 117,341,514
Plus: Additional Revenue	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,226,484	$ 1,226,484	$ 1,226,484	$ 1,226,484	$ 1,226,484
Subtotal	$ 127,200,190	$ 146,549,339	$ 133,271,033	$ 122,041,021	$ 114,205,749	$ 121,013,907	$ 121,990,303	$ 125,256,839	$ 127,710,198	$ 129,262,780	$ 129,975,653
Less: Total Operating Expenditures	$ 119,502,762	$ 137,918,857	$ 121,603,447	$ 114,320,681	$ 104,558,599	$ 109,723,311	$ 108,729,322	$ 111,680,400	$ 114,721,309	$ 117,855,126	$ 121,085,057
Ending Operating Cash Balance	$ 7,697,428	$ 8,630,482	$ 11,667,586	$ 7,720,340	$ 9,647,150	$ 11,290,596	$ 13,260,981	$ 13,576,439	$ 12,988,888	$ 11,407,655	$ 8,890,596
ADDITIONAL REVENUE NEED							$ (743,902)	$ 911,026	$ 1,814,034	$ 2,807,717	$ 3,743,543
AVERAGE ADD'L ANNUAL RESOURCE NEED							$ 1,226,484	$ 1,226,484	$ 1,226,484	$ 1,226,484	$ 1,226,484

Hamilton County Childrens Services
Five Year Revenue Forecast for Fiscal Years 2007-2011
Levy Revenue Constant

Line Item Description	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Estimated 2006	Forecast 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011
Local Revenue											
Real Estate & Public Utilities	$ 30,566,711	$ 30,651,450	$ 31,248,708	$ 31,141,958	$ 31,456,267	$ 31,322,635	$ 31,322,635	$ 31,322,635	$ 31,322,635	$ 31,322,635	$ 31,322,635
Real Estate Trailer Tax	24,656	25,299	23,054	15,209	20,000	35,504	35,504	35,504	35,504	35,504	35,504
Personal Property Tangible	5,427,388	5,523,367	4,871,448	4,980,316	4,570,200	5,016,329	5,016,329	5,016,329	5,016,329	5,016,329	5,016,329
10k PP Reimbursement	278,891	268,418	-	246,436	210,136	210,136	210,136	210,136	210,136	210,136	210,136
Rollback & Homestead	3,760,195	3,853,212	3,904,921	3,845,635	4,010,286	3,921,348	3,921,348	3,921,348	3,921,348	3,921,348	3,921,348
Public Utility Reimbursement	-	972,815	972,815	972,815	972,817	972,815	972,815	972,815	972,815	972,815	972,815
Interest	-	-	-	-	-	200,000	200,000	200,000	200,000	200,000	200,000
Subtotal Tax Levies	$ 40,057,841	$ 41,294,561	$ 41,020,946	$ 41,202,368	$ 41,239,706	$ 41,678,767	$ 41,678,767	$ 41,678,767	$ 41,678,767	$ 41,678,767	$ 41,678,767
Average Annual Rate of Increase		3.1%	-0.7%	0.4%	0.1%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Indigent Health Care Levy for Medical Handicaps	$ -	$ 1,285,062	$ 1,348,082	$ 941,771	$ 656,121	$ -	$ -	$ -	$ -	$ -	$ -
MCSA Partners	-	2,835,887	4,887,248	6,179,283	4,481,394	4,667,361	5,110,600	5,161,706	5,213,323	5,265,456	5,318,111
MRDD	-	2,494,661	1,476,750	-	-	-	-	-	-	-	-
Misc. Rev(SSA, VA,Child Support)	1,764,227	2,504,673	2,937,451	2,956,354	2,645,794	2,910,374	2,910,374	2,968,581	3,027,953	3,088,512	3,150,282
TOTAL LOCAL	$ 41,822,068	$ 50,414,844	$ 51,670,477	$ 51,279,775	$ 49,023,015	$ 49,256,502	$ 49,699,740	$ 49,809,054	$ 49,920,043	$ 50,032,735	$ 50,147,160
Average Annual Rate of Increase		20.5%	2.5%	-0.8%	-4.4%	0.5%	0.9%	0.2%	0.2%	0.2%	0.2%
	$ 1,764,227	$ 9,120,283	$ 10,649,531	$ 10,077,407	$ 7,783,309	$ 7,577,735	$ 8,020,974	$ 8,130,287	$ 8,241,276	$ 8,353,968	$ 8,468,393
State and Federal Revenue											
IV-E Waiver / Reimbursements	$ 16,863,720	$ 15,347,299	$ 17,522,624	$ 14,704,525	$ 17,250,880	$ 14,000,000	$ 12,344,550	$ 12,714,887	$ 13,096,333	$ 13,489,223	$ 13,893,900
IV-E Admin. & Training	11,040,051	22,331,803	23,871,184	15,178,332	8,087,714	13,000,000	13,650,000	14,469,000	15,337,140	16,257,368	17,232,811
IV-E Contracts	792,049	1,119,041	2,112,316	1,746,297	1,637,508	1,790,869	750,000	750,000	750,000	750,000	750,000
Title IV-B	701,746	667,510	676,707	689,529	776,404	1,095,946	1,095,946	1,095,946	1,095,946	1,205,541	1,205,541
State Child Protective Allocation	3,997,148	4,185,492	4,130,228	4,227,783	4,065,190	4,065,190	4,100,000	4,100,000	4,305,000	4,305,000	4,305,000
Chafee(Independent Living)	435,837	481,761	773,859	608,678	632,834	475,027	475,027	475,027	498,778	498,778	498,778
Other allocation (grant) amounts	370,066	914,265	1,042,745	948,747	147,231	453,224	750,000	787,500	826,875	868,219	911,630
Funding Derived in the Administrative Fund	37,581,163	43,389,896	22,840,410	20,989,770	24,864,633	27,230,000	27,227,960	27,187,960	27,697,160	28,260,544	29,016,696
TOTAL STATE AND FEDERAL	$ 71,781,780	$ 88,437,067	$ 72,970,074	$ 59,093,660	$ 57,462,394	$ 62,110,256	$ 60,393,483	$ 61,580,320	$ 63,607,232	$ 65,634,673	$ 67,814,355
Average Annual Rate of Increase		23.2%	-17.5%	-19.0%	-2.8%	8.1%	-2.8%	2.0%	3.3%	3.2%	3.3%
TOTAL CURRENT OPERATING REVENUE	$ 113,603,848	$ 138,851,911	$ 124,640,551	$ 110,373,435	$ 106,485,409	$ 111,366,757	$ 110,093,223	$ 111,389,373	$ 113,527,275	$ 115,667,408	$ 117,961,514
Average Annual Rate of Increase		22.2%	-10.2%	-11.4%	-3.5%	4.6%	-1.1%	1.2%	1.9%	1.9%	2.0%

REVENUE NOTES:	This plan is the compilation of services for children, regardless of the funding source or expensing fund. Some Expenses and revenues never touched the CS Fund or a Tax Levy dollar, but are represented here for illustration purposes.
Local Revenue	
Real Estate & Public Utilities	Hold constant at 2006 level.
Real Estate Trailer Tax	Hold constant at 2006 level.
Personal Property Tangible	Hold constant at 2006 level.
10k PP Reimbursement	Hold constant at 2006 level.
Rollback & Homestead	Hold constant at 2006 level.
Public Utility Reimbursement	Hold constant at 2006 level.
Interest	Hold constant at 2006 level.
Indigent Health Care Levy for Medical Handicaps	Children With Medical Handicaps: went to Indigent Care Levy in 2002 and returned to JFS 2006.
MCSA Partners	Calculated at 46% of total MCSA/Beech Acres-Choices Services Only (based on 2005 experience).
MRDD	
Misc. Rev(SSA, VA,Child Support)	Inflate 2% annually from estimated 2007 level.
State and Federal Revenue	
IV-E Waiver / Reimbursements	Decrease - Out of Waiver in March 2006. Formula (2007 on) = Out-of-home Care Including Managed Care x 0.85 x 0.6
IV-E Admin. & Training	Low in 2005 as a result of coding adjustment subsequent to audit. 2007 inflates 5%; 2008 on inflates 6%.
IV-E Contracts	IV-E contracts lower as some contracts are projected to be moved to levy only - not continuing use of federal resources.
Title IV-B	Hold constant at 2006; inflates 10% 2010.
State Child Protective Allocation	Hold steady at 2006; inflates 5% 2009.
Chafee(Independent Living)	Hold steady at 2006; inflates 5% 2009.
Other allocation (grant) amounts	Inflate 5% annually from 2007 estimate.
Funding Derived in the Administrative Fund	Plug to reach CS Fund Balances (actual and projected).

JOB & FAMILY SERVICES

MAXIMUS
HELPING GOVERNMENT SERVE THE PEOPLE

Hamilton County Childrens Services
Five Year Expenditure Forecast for Fiscal Years 2007-2011

Line Item Description	Actual 2001	Actual 2002	Actual 2003	Actual 2004	Actual 2005	Estimated 2006	Forecast 2007	Forecast 2008	Forecast 2009	Forecast 2010	Forecast 2011
Expenditures											
CS Staff Salary & Benefits	$ 20,616,893	$ 21,105,348	$ 21,278,992	$ 20,138,876	$ 19,893,116	$ 21,114,863	$ 21,748,309	$ 22,400,759	$ 23,072,781	$ 23,764,965	$ 24,477,914
CS Operating	3,062,445	1,603,929	867,682	796,428	745,565	536,200	552,286	568,855	585,920	603,498	621,603
Childrens Services (Transfer to PA Fund)	$ 23,679,338	$ 22,709,278	$ 22,146,674	$ 20,935,303	$ 20,638,681	$ 21,651,063	$ 22,300,595	$ 22,969,613	$ 23,658,702	$ 24,368,463	$ 25,099,516
Average Annual Rate of Increase		-4.1%	-2.5%	-5.5%	-1.4%	4.9%	3.0%	3.0%	3.0%	3.0%	3.0%
Mandated Share Transfer	$ -	$ 3,626,020	$ 3,531,838	$ 3,531,838	$ 3,531,838	$ 3,531,838	$ 3,531,838	$ 3,531,838	$ 3,531,838	$ 3,531,838	$ 3,531,838
CSEA Transfer	5,929,291	4,654,465	6,706,000	7,765,000	1,425,000	5,845,000	5,845,000	6,020,350	6,200,961	6,386,989	6,578,599
Hillcrest	6,957,906	14,250,513	8,785,188	8,542,234	10,141,842	9,550,000	9,836,500	10,131,595	10,435,543	10,748,609	11,071,067
Dependency	1,100,000	1,300,000	1,300,000	1,037,284	1,554,377	1,400,000	1,421,000	1,442,315	1,463,950	1,485,909	1,508,198
Guardian Ad Litem	843,205	1,073,953	1,107,570	1,175,752	1,273,013	1,250,000	1,268,750	1,287,781	1,307,098	1,326,704	1,346,605
Children Services Legal Services	1,136,480	1,280,468	1,264,113	1,195,747	1,188,735	1,195,410	1,213,341	1,231,541	1,250,014	1,268,765	1,287,796
Children with medical handicaps	1,365,792	1,358,641	1,348,082	941,771	656,121	-	-	-	-	-	-
Out Of Home Care, incl managed care	26,480,005	30,760,086	28,165,970	25,483,353	23,580,538	23,500,000	24,205,000	24,931,150	25,679,085	26,449,457	27,242,941
Medical, Food, Rent, Utilities, Furniture, Etc.	2,742,563	1,625,263	554,525	582,099	555,337	650,000	650,000	682,500	716,625	752,456	790,079
Kinship Care Programs	1,750,347	2,213,689	1,089,539	867,968	1,128,535	500,000	550,000	605,000	665,500	732,050	805,255
Post Adoption Services	1,985,375	2,065,911	2,193,027	2,059,111	1,994,876	2,300,000	2,300,000	2,369,000	2,440,070	2,513,272	2,588,670
MCSA/Beech Acres-Choices Services Only	7,696,691	12,193,459	11,872,849	12,265,276	10,420,891	11,000,000	11,110,000	11,221,100	11,333,311	11,446,644	11,561,111
Independent Living Services	27,757	54,755	102,464	131,250	213,275	200,000	200,000	200,000	200,000	200,000	200,000
Tax Settlement Fee	-	-	-	507,773	546,640	500,000	505,000	510,050	515,151	520,302	525,505
Family and Children First Dues	-	-	-	-	650,000	650,000	650,000	650,000	650,000	650,000	650,000
Approx Social Services Shared Costs	21,114,741	27,514,756	23,527,382	18,128,279	17,333,317	18,000,000	18,540,000	19,096,200	19,669,086	20,259,159	20,866,933
Service Contracts	13,509,565	8,976,429	7,523,954	5,999,737	5,850,584	6,000,000	6,180,000	6,365,400	6,556,362	6,753,053	6,955,644
Contribution to Mental Health	1,917,695	2,261,171	384,273	3,170,907	1,875,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Juvenile Court Special Projects	1,266,012	-	-	-	-	-	-	-	-	-	-
Other Expenditures	$ 95,823,424	$ 115,209,580	$ 99,456,773	$ 93,385,378	$ 83,919,918	$ 88,072,248	$ 90,006,429	$ 92,275,821	$ 94,614,592	$ 97,025,207	$ 99,510,242
Average Annual Rate of Increase		20.2%	-13.7%	-6.1%	-10.1%	4.9%	2.2%	2.5%	2.5%	2.5%	2.6%
TOTAL EXPENDITURES	$ 119,502,762	$ 137,918,857	$ 121,603,447	$ 114,320,681	$ 104,558,599	$ 109,723,311	$ 112,307,024	$ 115,245,434	$ 118,273,294	$ 121,393,670	$ 124,609,758
Average Annual Rate of Increase		15.4%	-11.8%	-6.0%	-8.5%	4.9%	2.4%	2.6%	2.6%	2.6%	2.6%

FACTORS:

General Inflation	3.00%

EXPENDITURE NOTES:

This plan is the compilation of services for children, regardless of the funding source or expensing fund. Some Expenses and revenues never touched the CS Fund or a Tax Levy dollar, but are represented here for illustration purposes.

Expenditure

CS Staff Salary & Benefits	Children's Services typically runs a 15 % vacancy, 15% calculated. Benefits represent 22% and Salary 78% of total Salary and Benefit line In 2003, additional CS staff were added to assume duties previously performed via managed care Inflate at general rate annually.
CS Operating	Inflate at general rate annually.
Mandated Share Transfer	State mandated local share of ABC, TANF based on formula (flat)
CSEA Transfer	Inflate at general rate annually from 2007 level. Actual '04 transfer was high, offset in 2005. The Transfer increased due to the greater Share of Shared Costs
Hillcrest	Inflate at general rate annually.
Dependency	Inflate at 1/2 general rate annually (CS is payor of last resort).
Guardian Ad Litem	Inflate at 1/2 general rate annually (CS is payor of last resort).
Children Services Legal Services	Inflate at 1/2 general rate annually (CS is payor of last resort).
Children with medical handicaps	Funding from Indigent Care Levy in 2002 and returned to JFS 2006. Commitment set at 1% of CS millage. Calculated at 0.044% of levy yield.
Out Of Home Care, incl managed care	Inflates at general rate. Determines IV-E Waiver & Reimbursements Formula (2007 on) = Out-of-home Care Including Managed Care x 0.85 x 0.6 Agency operated managed care contract until CY 2004 which included administrative dollars
Medical, Food, Rent, Utilities, Furniture, Etc.	Inflate at 5% annually from 2007 level to reflect impact of medical supply / service cost increases.
Kinship Care Programs	Assume 10% annual growth from lower base. State implemented new program in '06 which will replace kingapp. Future is childcare only.
Post Adoption Services	Inflate at general rate annually from 2007 level.
MCSA/Beech Acres-Choices Services Only	Inflate at 1% annually. Determines MSCA Partner revenue at 46% of total (based on 2005).
Independent Living Services	Hold constant at 2006 level.
Tax Settlement Fee	Inflate at 1% annually.
Family and Children First Dues	In 2000, agency prepaid 3 years of dues. Hold constant at 2005 / 2006 level.
Approx Social Services Shared Costs	CSEA staff increased by 64 positions in 2003. Thus a greater share of Shared Costs are distributed to CSEA. Inflate at general rate annually.
Service Contracts	Assume program increases will be funded by increase in PA Fund allocations as most contracts are TANF eligible services. Inflate at general rate annually.
Contribution to Mental Health	Services were paid through Managed Care contract until 2004. Part of 2003 was paid in 2004. Hold at 2006 level.
Juvenile Court Special Projects	

Hamilton County Childrens Services
Five Year Forecast for Fiscal Years 2007-2011
Levy Revenue Constant

Line Item Description		Estimated 2006	Forecast 2007	2008	2009	2010	2011
TOTAL OPERATING REVENUE		$ 111,366,757	$ 110,093,223	$ 111,389,373	$ 113,527,275	$ 115,667,408	$ 117,961,514
TOTAL EXPENDITURES		$ 109,723,311	$ 112,307,024	$ 115,245,434	$ 118,273,294	$ 121,393,670	$ 124,609,758
ANNUAL CASHFLOWS		$ 1,643,446	$ (2,213,801)	$ (3,856,060)	$ (4,746,019)	$ (5,726,262)	$ (6,648,244)
CUMULATIVE CASHFLOWS			$ (2,213,801)	$ (6,069,861)	$ (10,815,880)	$ (16,542,142)	$ (23,190,386)
ACTION IMPACTS (NET ADJUSTMENTS)							
(From Listing Below)	Revenue	$ -	$ (620,000)	$ (620,000)	$ (620,000)	$ (620,000)	$ (620,000)
	Expense	$ 1,000,000	$ (3,577,703)	$ (3,565,034)	$ (3,551,985)	$ (3,538,544)	$ (3,524,701)
REVISED ANNUAL CASHFLOWS		$ 643,446	$ 743,902	$ (911,026)	$ (1,814,034)	$ (2,807,717)	$ (3,743,543)
REVISED CUMULATIVE CASHFLOWS			$ 743,902	$ (167,125)	$ (1,981,159)	$ (4,788,876)	$ (8,532,419)
Action 1 Bring Child Support Legal In-house							
Parties involved have agreed to end contracted provision of legal services from Prosecutor's Office and creation of an in-house legal service team. Management extimates net savings of approximately $380,000 per year.	Revenue	$ -	$ (620,000)	$ (620,000)	$ (620,000)	$ (620,000)	$ (620,000)
	Expense	$ -	$ (1,000,000)	$ (1,000,000)	$ (1,000,000)	$ (1,000,000)	$ (1,000,000)
Action 2 Children with Medical Handicaps							
County has ended provision of resources from Indigent Health Care Levy. County has directed that JFS will provide support for program. County Finance staff suggest $1 million annual amount representing continuing support (removed from ongoing expenditure sheet).	Revenue	$ -	$ -	$ -	$ -	$ -	$ -
	Expense	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000	$ 1,000,000
Action 3 Termination of Protect Ohio IV-E Waiver							
The County and State could not reach agreement on continuation of waiver due to additional State requirements and waiver has lapsed. Fiscal staff estimate the net impact due to revised funding stream to result in loss of approximately $4 million annually in revenue. MAXIMUS recommends an operating reduction equal to this amount annually to reflect diminished financial capacity.	Revenue	$ -	$ -	$ -	$ -	$ -	$ -
	Expense	$ -	$ (4,000,000)	$ (4,000,000)	$ (4,000,000)	$ (4,000,000)	$ (4,000,000)
Action 4 Line Manager Salary & Benefit Adjustment							
JFS expanded line manager position requirements to include a masters degree without commensurate change in compensation, negatively impacting ability to attract and retain qualified managers. Recommend additional 10% salary pool (calculated from 20% of total salaries) inflated annually to adjust line manager salaries.	Revenue	$ -	$ -	$ -	$ -	$ -	$ -
	Expense	$ -	$ 422,297	$ 434,966	$ 448,015	$ 461,456	$ 475,299

FACTORS:

General Inflation	3.00%

EXPENDITURE NOTES:

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Expenditure

CS Staff Salary & Benefits	Children's Services typically runs a 15 % vacancy, 15% calculated. Benefits represent 22% and Salary 78% of total Salary and Benefit line
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	Inflate at general rate annually.
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	Agency operated managed care contract until CY 2004 which included administrative dollars
Medical, Food, Rent, Utilities, Furniture, Etc.	Inflate at 5% annually from 2007 level to reflect impact of medical supply / service cost increases.
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Service Contracts	Assume program increases will be funded by increase in PA Fund allocations as most contracts are TANF eligible services. Inflate at general rate annually.
Contribution to Mental Health	Services were paid through Managed Care contract until 2004. Part of 2003 was paid in 2004. Hold at 2006 level.
Juvenile Court Special Projects	

V. COMPARISON OF CHILDREN'S SERVICES IN OTHER OHIO COUNTIES

MAXIMUS reviewed performance metrics regarding operations of children's services for a peer group of seven Ohio counties. The peer group included the following counties: Clermont, Cuyahoga, Franklin, Hamilton, Lucas, Montgomery, and Summit. These metrics included measures of work volume (clients served), and financial position (program revenues and expenses). The Project Team contacted representatives of discrete children's services agencies in the respective counties in an attempt to mirror the comprehensive service offering supported by the Children's Services Levy in Hamilton County. A survey instrument was provided to each representative with additional instructions on project methodology and objectives.

The Project Team also accessed composite information developed and presented by the Public Children Services Association of Ohio (PCSAO). This information provided a basis for consistent comparison, albeit across a limited range of measures. We have accepted this information as the most definitive available, accepting whatever adjustments or data smoothing may have occurred at the local level. Where possible, comparisons are made using scaled metrics measuring relative effort (i.e. spending per capita or clients served per program staff member).

The peer group varies significantly in terms of relative county population and organizational structure supporting children's services. Detail data sheets presenting PCSAO derived information are presented as Attachment A to this report. Detail data sheets presenting raw data developed through direct contact with the peer counties are presented as Attachment B to this report.

A. Governance & Organization

The State of Ohio provides a menu of organizational options concerning provision of children's services through the counties. Our peer group sample illustrates these variable organizations.

- Only Clermont County shares the same organizational option as Hamilton County. This is generally referred to as a "triple-combined" option because of the range of primary responsibility areas in the organization.
- With the exception of Cuyahoga County, all of the counties in our peer group make use of a separate Children's Services levy.
- Cases per worker staffing ratios vary across the counties as well as across time. Hamilton County provides staff resources in line with Public Children Services Association of Ohio standards and is in line with peer group averages.
- Based on volume and types of issues / cases encountered, Hamilton County children's services appears to be most closely aligned with similar operations in Cuyahoga County and Franklin County.

Various comparison tables appear on the following pages highlighting governance and organization issues.

Children's Services Organizational Structure	Clermont	Cuyahoga	Franklin	Hamilton	Lucas	Montgomery	Summit
County Department of Job and Family Services (CDJFS) Child Support Enforcement Agency (CSEA) Public Children Services Agency (PSCA)		X	X		X	X	X
Combined CDJFS/CSEA Combined CDJFS/PCSA Combined CDJFS/CSEA/PCSA							
Workforce Development Agency Combined Workforce Development Agency/CDJFS Combined Workforce Development Agency/CDJFS/CSEA							
Combined Workforce Development Agency/CDJFS/PCSA Combined Workforce Development Agency/CDJFS/CSEA/PCSA	X			X			

Children's Services Children's Services Levy Use	Clermont	Cuyahoga	Franklin	Hamilton	Lucas	Montgomery	Summit
Do you use a separate Children's Services levy to finance Children's Services? (Y / N)	YES	NO	YES	YES	YES	YES	YES

Children's Services Staffing	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
New Investigations per Worker (PCSAO Standard = 12)	8	8	8	13	18	11	12	11	11	9	10	8	18	7	12	10
Ongoing Cases per Worker (PCSAO Standard = 13)	11	15	29	14	18	15	14	15	14	16	21	15	12	16	17	15

Children's Services Additional Metrics	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Total # of Adoptions Finalized	37	9	580	733	243	350	91	89	136	133	133	129	95	96	188	220
Median Number of Days for Adoption Finalization	343	157	633	517	483	523	527	427	384	299	465	460	714	586	507	424
Total Awards of Legal Custody to Relatives	16	23	460	486	538	672	222	159	160	233	136	132	153	259	241	281
Total # of Children Placed Out-of-County	90	127	1,556	1,010	1,158	1,199	247	215	111	109	399	329	213	519	539	501
Total # of Placement Days	NA	99,956	NA	1,800,000	NA	1,300,000	NA	302,505	NA	294,993	NA	420,581	NA	622,000	NA	691,434
Median Number of Days Stay in Out-of-Home Care	331	283	367	464	127	194	230	242	285	279	383	464	168	189	270	302
Total # of Children Reunified w/ Parents / Legal Guardian	50	81	1,242	1,114	1,651	1,420	321	303	184	201	321	267	564	802	619	598

B. Work Volume

We have developed and presented comparison tables relating to type of work and workload. These tables appear on the following pages. Some point to note include:

- Hamilton County has the third highest caseload in the peer group behind Cuyahoga County and Franklin County.
- Hamilton County sends relatively fewer of its wards out of the county for services compared to the peer group.
- Hamilton County has a relatively larger share of older children in its custody compared to the peer group.
- The racial composition of Hamilton County clients is closest to that found in Cuyahoga County. This is also true for Children in Custody by Years in Custody.

Children's Services Out-of-County Placement	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Total Children in Custody During Year	328	441	9,228	7,196	5,984	6,316	3,167	2,233	1,342	1,380	2,006	1,756	2,211	2,314	3,467	3,091
Total # of Children Placed Out-of-County	90	127	1,556	1,010	1,158	1,199	247	215	111	109	399	329	213	519	539	501
Out-of-County as % of Total	27.4%	28.8%	16.9%	14.0%	19.4%	19.0%	7.8%	9.6%	8.3%	7.9%	19.9%	18.7%	9.6%	22.4%	15.6%	16.2%

Children's Services Children in Custody (Date Specific)	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal Count																
Temporary Custody	112	229	3,696	2,171	2,295	2,427	913	798	489	460	588	533	824	694	1,274	1,045
Permanent Custody	49	47	1,937	1,494	584	388	315	328	227	221	296	232	284	268	527	425
Planned Permanent Living Arrangement (PPLA)	36	31	603	556	493	597	424	406	48	55	380	253	165	175	307	296
TOTAL	197	307	6,236	4,221	3,372	3,412	1,652	1,532	764	736	1,264	1,018	1,273	1,137	2,108	1,766
Percentage																
Temporary Custody	56.9%	74.6%	59.3%	51.4%	68.1%	71.1%	55.3%	52.1%	64.0%	62.5%	46.5%	52.4%	64.7%	61.0%	60.4%	59.1%
Permanent Custody	24.9%	15.3%	31.1%	35.4%	17.3%	11.4%	19.1%	21.4%	29.7%	30.0%	23.4%	22.8%	22.3%	23.6%	25.0%	24.1%
Planned Permanent Living Arrangement (PPLA)	18.3%	10.1%	9.7%	13.2%	14.6%	17.5%	25.7%	26.5%	6.3%	7.5%	30.1%	24.9%	13.0%	15.4%	14.6%	16.8%

Children's Services Children in Custody By Age (Date Specific)	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal Count																
0 - 5	74	108	2,118	1,349	891	886	395	375	330	316	314	278	379	434	643	535
6 - 11	39	69	1,814	1,070	987	750	399	358	178	172	314	212	355	292	584	418
12 +	84	130	2,304	1,801	1,470	1,776	859	798	255	248	634	530	539	412	878	814
TOTAL	197	307	6,236	4,220	3,348	3,412	1,653	1,531	763	736	1,262	1,020	1,273	1,138	2,105	1,766
Percentage																
0 - 5	37.6%	35.2%	34.0%	32.0%	26.6%	26.0%	23.9%	24.5%	43.3%	42.9%	24.9%	27.3%	29.8%	38.1%	30.6%	30.3%
6 - 11	19.8%	22.5%	29.1%	25.4%	29.5%	22.0%	24.1%	23.4%	23.3%	23.4%	24.9%	20.8%	27.9%	25.7%	27.7%	23.6%
12 +	42.6%	42.3%	36.9%	42.7%	43.9%	52.1%	52.0%	52.1%	33.4%	33.7%	50.2%	52.0%	42.3%	36.2%	41.7%	46.1%

Children's Services Children in Custody By Race (Date Specific)	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal Count																
Caucasian	194	301	1,480	1,042	1,521	1,564	414	459	350	359	492	392	612	537	723	665
African American	2	3	4,619	3,073	1,795	1,814	1,063	987	381	357	768	590	641	585	1,324	1,058
Other	1	2	136	106	57	34	175	87	32	20	4	37	19	16	61	43
TOTAL	197	306	6,235	4,221	3,373	3,412	1,652	1,533	763	736	1,264	1,019	1,272	1,138	2,108	1,766
Percentage																
Caucasian	98.5%	98.4%	23.7%	24.7%	45.1%	45.8%	25.1%	29.9%	45.9%	48.8%	38.9%	38.5%	48.1%	47.2%	34.3%	37.6%
African American	1.0%	1.0%	74.1%	72.8%	53.2%	53.2%	64.3%	64.4%	49.9%	48.5%	60.8%	57.9%	50.4%	51.4%	62.8%	59.9%
Other	0.5%	0.7%	2.2%	2.5%	1.7%	1.0%	10.6%	5.7%	4.2%	2.7%	0.3%	3.6%	1.5%	1.4%	2.9%	2.4%

Children's Services Children in Custody By Years in Custody (Date Specific)	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal Count																
0 - 2	130	241	3,925	2,321	2,363	2,423	1,023	846	573	524	724	559	819	741	1,365	1,094
2 - 4	45	39	1,224	1,004	580	583	316	364	137	136	258	214	174	215	391	365
4 +	22	27	1,087	896	430	405	312	322	54	76	283	244	280	181	353	307
TOTAL	197	307	6,236	4,221	3,373	3,411	1,651	1,532	764	736	1,265	1,017	1,273	1,137	2,108	1,766
Percentage																
0 - 2	66.0%	78.5%	62.9%	55.0%	70.1%	71.0%	62.0%	55.2%	75.0%	71.2%	57.2%	55.0%	64.3%	65.2%	64.8%	61.9%
2 - 4	22.8%	12.7%	19.6%	23.8%	17.2%	17.1%	19.1%	23.8%	17.9%	18.5%	20.4%	21.0%	13.7%	16.9%	18.5%	20.7%
4 +	11.2%	8.8%	17.4%	21.2%	12.7%	11.9%	18.9%	21.0%	7.1%	10.3%	22.4%	24.0%	22.0%	15.9%	16.7%	17.4%

Children's Services Children in Custody By Court Rationale for Placement	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal Count																
Physical Abuse	47	89	3,643	2,313	1,124	954	436	424	436	411	318	219	413	238	917	664
Neglect	82	108	708	469	1,193	986	598	538	110	119	669	561	338	340	528	446
Sexual Abuse	10	11	579	364	385	344	213	192	78	74	94	76	105	106	209	167
Emotional Maltreatment	2	3	137	132	200	132	57	73	23	14	33	21	46	36	71	59
Dependency / Other	56	96	1,170	942	469	997	348	305	118	120	151	142	371	419	383	432
TOTAL	197	307	6,237	4,220	3,371	3,413	1,652	1,532	765	738	1,265	1,019	1,273	1,139	2,109	1,767
Percentage																
Physical Abuse	23.9%	29.0%	58.4%	54.8%	33.3%	28.0%	26.4%	27.7%	57.0%	55.7%	25.1%	21.5%	32.4%	20.9%	43.5%	37.6%
Neglect	41.6%	35.2%	11.4%	11.1%	35.4%	28.9%	36.2%	35.1%	14.4%	16.1%	52.9%	55.1%	26.6%	29.9%	25.1%	25.2%
Sexual Abuse	5.1%	3.6%	9.3%	8.6%	11.4%	10.1%	12.9%	12.5%	10.2%	10.0%	7.4%	7.5%	8.2%	9.3%	9.9%	9.4%
Emotional Maltreatment	1.0%	1.0%	2.2%	3.1%	5.9%	3.9%	3.5%	4.8%	3.0%	1.9%	2.6%	2.1%	3.6%	3.2%	3.4%	3.3%
Dependency / Other	28.4%	31.3%	18.8%	22.3%	13.9%	29.2%	21.1%	19.9%	15.4%	16.3%	11.9%	13.9%	29.1%	36.8%	18.2%	24.4%

Children's Services Children in Custody By Placement Type (Date Specific)	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal Count																
Family Foster Home	124	184	3,414	2,448	2,003	1,970	1,013	910	407	472	1,015	800	450	454	1,204	1,034
Relative / Kinship Home	29	51	1,739	982	639	647	263	213	269	192	22	14	432	355	485	351
Froup Home / Residential Care	28	47	613	436	550	619	199	175	29	36	124	99	189	215	247	232
Adoptive	10	3	271	179	105	70	35	49	23	11	27	26	23	29	71	52
Independent Living / Other	6	21	217	176	77	107	141	185	37	24	77	82	180	84	105	97
TOTAL	197	306	6,254	4,221	3,374	3,413	1,651	1,532	765	735	1,265	1,021	1,274	1,137	2,111	1,766
Percentage																
Family Foster Home	62.9%	60.1%	54.6%	58.0%	59.4%	57.7%	61.4%	59.4%	53.2%	64.2%	80.2%	78.4%	35.3%	39.9%	57.0%	58.5%
Relative / Kinship Home	14.7%	16.7%	27.8%	23.3%	18.9%	19.0%	15.9%	13.9%	35.2%	26.1%	1.7%	1.4%	33.9%	31.2%	23.0%	19.8%
Froup Home / Residential Care	14.2%	15.4%	9.8%	10.3%	16.3%	18.1%	12.1%	11.4%	3.8%	4.9%	9.8%	9.7%	14.8%	18.9%	11.7%	13.2%
Adoptive	5.1%	1.0%	4.3%	4.2%	3.1%	2.1%	2.1%	3.2%	3.0%	1.5%	2.1%	2.5%	1.8%	2.6%	3.3%	3.0%
Independent Living / Other	3.0%	6.9%	3.5%	4.2%	2.3%	3.1%	8.5%	12.1%	4.8%	3.3%	6.1%	8.0%	14.1%	7.4%	5.0%	5.5%

C. FINANCE

It is difficult to make meaningful financial comparisons across such divergent organizations. We have limited our review to data available from PCSAO in order to benefit from consistency in data treatment and aggregation. We are still working with the State to develop more robust comparative information

- Hamilton County falls within expected ranges in terms of financing sources and relative rates of reliance.
- Hamilton County has a high total cost per child in custody relative to the other members of the peer group. This information must be qualified by the following factors:
  - This information is based on two data points, the most recent of which is three years old.
  - There are issues surrounding this data including nature of the counts (duplicated / unduplicated).

Children's Services Expenditures	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Nominal $																
Federal	$ 2,578,357	$ 2,135,331	$ 72,492,920	$ 37,525,492	$ 44,059,131	$ 53,387,261	$ 28,984,781	$ 38,108,136	$ 14,150,135	$ 13,886,633	$ 30,879,996	$ 21,674,618	$ 15,973,533	$ 14,169,922	$ 29,874,122	$ 25,841,056
State	$ 774,918	$ 752,119	$ 8,965,884	$ 10,228,653	$ 5,515,047	$ 5,580,295	$ 6,316,668	$ 7,351,456	$ 3,505,464	$ 3,342,156	$ 3,894,804	$ 4,348,047	$ 3,803,222	$ 3,204,893	$ 4,839,715	$ 4,972,517
Local	$ 4,048,949	$ 2,976,444	$ 115,360,308	$ 73,774,515	$ 82,616,807	$ 94,746,253	$ 60,262,105	$ 37,261,565	$ 17,155,494	$ 18,829,052	$ 15,151,052	$ 25,103,264	$ 18,255,467	$ 26,467,766	$ 44,692,883	$ 39,880,123
TOTAL	$ 7,402,224	$ 5,863,894	$ 197,819,112	$ 121,528,660	$ 132,190,985	$ 153,715,809	$ 95,565,554	$ 82,721,157	$ 34,811,093	$ 36,057,841	$ 50,025,852	$ 51,125,929	$ 38,032,222	$ 43,842,581	$ 79,406,720	$ 70,693,696
Percentage																
Federal	34.8%	36.4%	36.6%	30.9%	33.3%	34.7%	30.3%	46.1%	40.6%	38.5%	61.7%	42.4%	42.0%	32.3%	37.6%	36.6%
State	10.5%	12.8%	5.0%	8.4%	4.2%	3.6%	6.6%	8.9%	10.1%	9.3%	8.0%	8.5%	10.0%	7.3%	6.1%	7.0%
Local	54.7%	50.8%	58.3%	60.7%	62.5%	61.6%	63.1%	45.0%	49.3%	52.2%	30.3%	49.1%	48.0%	60.4%	56.3%	56.4%

Children's Services Cost per Child in Custody	Clermont		Cuyahoga		Franklin		Hamilton		Lucas		Montgomery		Summit		AVERAGE	
	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003	2001	2003
Total Agency Expenditures	$ 7,402,224	$ 5,863,894	$ 197,819,112	$ 121,528,660	$ 132,190,985	$ 153,715,809	$ 95,565,554	$ 82,721,157	$ 34,811,093	$ 36,057,841	$ 50,025,852	$ 51,125,929	$ 38,032,222	$ 43,842,581	$ 79,406,720	$ 70,693,696
Total Children in Custody	328	441	9,228	7,196	5,984	6,316	3,167	2,233	1,342	1,380	2,006	1,756	2,211	2,314	3,467	3,091
Cost per Child in Custody	$ 22,568	$ 13,297	$ 21,437	$ 16,888	$ 22,091	$ 24,338	$ 30,175	$ 37,045	$ 25,940	$ 26,129	$ 24,938	$ 29,115	$ 17,201	$ 18,947	$ 22,906	$ 22,672

VI. RECOMMENDATIONS

In this chapter, MAXIMUS addresses recommendations designed to enable the County to continue to provide children's services at as close to current service levels as possible while meeting the financial constraints of the next five years. This analysis is based on the forecast of a financial gap during the projected levy period. Without adjustments to revenues and expenditure, we project an accumulated cash flow short fall of $23,190,386 million over the next five-year levy period. This gap is based on Hamilton County's projections of a fixed levy yield and 3.0% inflationary increase, compounded, over the next five-year levy period.

If Hamilton County accepts the recommendations included in this report, the operating gap will be reduced to $8,532,419 million over the five-year levy period, with an overall decrease in fund balance of approximately $2.4 million.

Our recommendations are calculated and detailed in previous section. These same recommendations are described as follows:

1. Bring Child Support Legal Services In-House

Staff members have developed this idea and it is currently in implementation following the agreement of the JFS Director and the County Prosecutor. Staff anticipate savings resulting from smaller, more focused legal staff with targeted leadership / management. Net savings to the County are estimated at approximately $380,000 per year. Given the current state of development and agreement of the major parties, we believe that this will yield a full savings impact in Year 2007, as well as each year thereafter.

2. Provide Funding for Children with Medical Handicaps

The County previously provided resources for this program from the Indigent Health Care Levy. Executive County management elected to shift funding for this program to the Children's Services levy. The financing plan would provide approximately $1.8 million per year for program purposes. County Financial Management has directed us to use a $1.0 million commitment annually during the forecast levy period.

3. Acknowledge Protect Ohio Waiver Termination

Hamilton County previously served as a demonstration county regarding the development of innovative practices in the IV-E program. The resulting waiver provided the County with additional revenues as well as flexibility in the use of the funds.

The County and State recently failed to reach an agreement to continue the waiver because of new State requirements. JFS Fiscal staff estimate that the net impact of the changed financial program will yield approximately $4.0 million less in revenue each year. Fiscal staff embers have already made the revenue adjustment and this is incorporated in our Revenue sheet. However, staff have mad no move to reduce their operating budget by a like amount in recognition that the funding stream has changed.

4. Develop Salary Adjustment Pool for Line Managers

JFS recently expanded the requirements it places on its line management employees for new and continued employment. Employees must earn a Masters degree for promotion or retention of line management positions.

We recommend funding this initiative because of the issues confronting the agency regarding recruitment and retention of qualified management staff. The base amount is

calculated at 20% x salary and benefit lines x 10% (pool amount). The net impact totals approximately $422,000 in year 1 and grows to $475,000 by year five.

5. Improved Tracking of Levy Funds

A recurring problem throughout this analysis was that the Department does not track levy fund use. Although this may not qualify as a management issue, we feel that it poses a significant reporting issue.

Attachment

Peer Data Comparison Sheets

Clermont County Childrens Services Comparisons	2001								2003							
	General Measure		Temporary Custody		Permanent Custody		PPLA (1)		General Measure		Temporary Custody		Permanent Custody		PPLA (1)	
	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent
1 Measures																
A Total # of Adoptions Finalized	37								9							
B Median Number of Days for Adoption Finalization from	343								157							
C Total Awards of Legal Custody to Relatives	16								23							
D Total # of Children Placed Out-of-	90								127							
E Total # of Placement Days									99,956							
F Median Number of Days for Length of Stay in Out-of-Home	331								283							
G Total # of Children Reunified with Parents or Legal Guardian	50								81							
2 New Reports of Abuse / Neglect	1,327	100%							974	100%						
A Physical Abuse	376	28%							293	30%						
B Neglect	630	47%							423	43%						
C Sexual Abuse	219	17%							180	19%						
D Emotional Maltreatment	81	6%							65	7%						
E Dependency / Other	21	2%							13	1%						
3 Total Children in Custody During Year	328								441							
4 Children in Custody (Date Specific)	197	100%	112	100%	49	100%	36	100%	307	100%	229	100%	47	100%	31	100%
A By Age																
0 - 5	74	38%	53	47%	21	43%	0	0%	108	35%	85	37%	23	49%	0	0%
6 - 11	39	20%	18	16%	17	35%	4	11%	69	22%	57	25%	11	23%	1	3%
12 +	84	43%	41	37%	11	22%	32	89%	130	42%	87	38%	13	28%	30	97%
B By Race																
Caucasian	194	98%	111	99%	48	98%	35	97%	301	98%	224	98%	47	100%	30	97%
African American	2	1%	0	0%	1	2%	1	3%	3	1%	2	1%	0	0%	1	3%
Other	1	1%	1	1%	0	0%	0	0%	2	1%	2	1%	0	0%	0	0%
C By Total Years in Custody																
0 - 2	130	66%	110	98%	14	29%	6	17%	241	79%	220	96%	15	32%	6	19%
2 - 4	45	23%	1	1%	23	47%	21	58%	39	13%	7	3%	20	43%	12	39%
4 +	22	11%	1	1%	12	24%	9	25%	27	9%	2	1%	12	25%	13	42%
D By Court Rationale for Placement																
Physical Abuse	47	24%	31	28%	12	25%	4	11%	89	29%	73	32%	14	30%	2	6%
Neglect	82	42%	30	27%	35	71%	17	47%	108	35%	71	31%	19	40%	18	58%
Sexual Abuse	10	5%	7	6%	0	0%	3	9%	11	4%	7	3%	1	2%	3	10%
Emotional Maltreatment	2	1%	1	1%	1	2%	0	0%	3	1%	2	1%	1	2%	0	0%
Dependency / Other	56	28%	43	38%	1	2%	12	33%	96	31%	76	33%	12	26%	8	26%
E By Placement Type																
Family Foster Home	124	63%	72	64%	24	49%	28	78%	184	60%	137	60%	32	68%	15	48%
Relative / Kinship Home	29	15%	20	18%	9	18%	0	0%	51	17%	50	22%	1	2%	0	0%
Group Home / Residential Care	28	14%	17	15%	5	10%	6	17%	47	15%	30	13%	2	4%	15	49%
Adoptive	10	5%	0	0%	10	21%	0	0%	3	1%	0	0%	3	7%	0	0%
Independent Living / Other	6	3%	3	3%	1	2%	2	5%	21	7%	11	5%	9	19%	1	3%
5 Purchase of Services																
Out-of-Home Care	197	60%	106	54%	43	22%	47	24%	260	59%	182	70%	42	16%	36	14%
6 Staffing																
A New Investigations per Worker	8								8							
B PCSAO Standard	12								12							
C Ongoing Cases per Worker	11								15							
D PCSAO Standard	13								13							
7 Expenditures	$ 7,402,224	100%							$ 5,863,894	100%						
A Federal	$ 2,578,357	35%							$ 2,135,331	36%						
B State	$ 774,918	10%							$ 752,119	13%						
C Local	$ 4,048,949	55%							$ 2,976,444	51%						
8 Population	177,977	100%							183,352	100%						
A Caucasian	172,638	97%							176,018	96%						
B African American	1,760	1%							1,834	1%						
C Hispanic	0								1,834	1%						
D Other	3,560	2%							3,667	2%						
9 Population Under 18	49,834	28%							50,049	27%						
10 Households with Two Parents		38%								38%						
11 Grandparents Raising Grandchildren	1,541								1,541							
12 Unemployment Rate		3.9%								5.5%						
13 Per capita Income	$ 29,106								$ 29,638							
14 High School Graduation Rate		81%								84%						

Notes

1 PPLA = Planned Permanent Living Arrangement

2 Nominal counts are estimates based on published percentages of total.

Cuyahoga County Childrens Services Comparisons	2001								2003							
	General Measure		Temporary Custody		Permanent Custody		PPLA (1)		General Measure		Temporary Custody		Permanent Custody		PPLA (1)	
	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent
1 Measures																
A Total # of Adoptions Finalized	580								733							
B Median Number of Days for Adoption Finalization from	633								517							
C Total Awards of Legal Custody to Relatives	460								486							
D Total # of Children Placed Out-of-Home	1,556								1,010							
E Total # of Placement Days									1,800,000							
F Median Number of Days for Length of Stay in Out-of-Home	367								464							
G Total # of Children Reunified with Parents or Legal Guardian	1,242								1,114							
2 New Reports of Abuse / Neglect	14,667	100%							15,809	100%						
A Physical Abuse	4,047	28%							3,847	24%						
B Neglect	7,531	51%							7,454	47%						
C Sexual Abuse	1,790	12%							1,714	11%						
D Emotional Maltreatment	1,253	9%							1,344	9%						
E Dependency / Other	46	0%							1,450	9%						
3 Total Children in Custody During Year	9,228								7,196							
4 Children in Custody (Date Specific)	6,236	100%	3,696	100%	1,937	100%	603	100%	4,221	100%	2,171	100%	1,494	100%	556	100%
A By Age																
0 - 5	2,118	34%	1,588	43%	523	27%	6	1%	1,349	32%	955	44%	388	26%	6	1%
6 - 11	1,814	29%	1,146	31%	620	32%	48	8%	1,070	25%	606	28%	418	28%	44	8%
12 +	2,304	37%	961	26%	794	41%	549	91%	1,801	43%	608	28%	687	46%	506	91%
B By Race																
Caucasian	1,480	24%	924	25%	387	20%	169	28%	1,042	25%	608	28%	284	19%	150	27%
African American	4,619	74%	2,661	72%	1,530	79%	428	71%	3,073	73%	1,498	69%	1,180	79%	395	71%
Other	136	2%	111	3%	19	1%	6	1%	106	3%	65	3%	30	2%	11	2%
C By Total Years in Custody																
0 - 2	3,925	63%	3,437	93%	349	18%	139	23%	2,321	55%	1,889	87%	299	20%	133	24%
2 - 4	1,224	20%	222	6%	755	39%	247	41%	1,004	24%	217	10%	553	37%	234	42%
4 +	1,087	17%	37	1%	833	43%	217	36%	896	21%	65	3%	642	43%	189	34%
D By Court Rationale for Placement																
Physical Abuse	3,643	58%	2,070	56%	1,278	66%	295	49%	2,313	55%	1,172	54%	896	60%	245	44%
Neglect	708	11%	296	8%	291	15%	121	20%	469	11%	195	9%	179	12%	95	17%
Sexual Abuse	579	9%	370	10%	155	8%	54	9%	364	9%	174	8%	134	9%	56	10%
Emotional Maltreatment	137	2%	74	2%	39	2%	24	4%	132	3%	65	3%	45	3%	22	4%
Dependency / Other	1,170	19%	887	24%	174	9%	109	18%	942	22%	564	26%	239	16%	139	25%
E By Placement Type																
Family Foster Home	3,414	55%	1,885	51%	1,240	64%	289	48%	2,448	58%	1,216	56%	926	62%	306	55%
Relative / Kinship Home	1,739	28%	1,478	40%	213	11%	48	8%	982	23%	760	35%	194	13%	28	5%
Group Home / Residential Care	613	10%	222	6%	174	9%	217	36%	436	10%	109	5%	149	10%	178	32%
Adoptive	271	4%	0	0%	271	14%	0	0%	179	4%	0	0%	179	12%	0	0%
Independent Living / Other	217	3%	111	3%	58	3%	46	8%	176	4%	87	4%	45	3%	44	8%
5 Purchase of Services																
Out-of-Home Care	4,522	49%	2,171	48%	1,718	38%	633	14%	3,596	50%	1,403	39%	1,475	41%	720	20%
6 Staffing																
A New Investigations per Worker	8								13							
B PCSAO Standard	12								12							
C Ongoing Cases per Worker	29								14							
D PCSAO Standard	13								13							
7 Expenditures	$ 197,819,112	100%							$ 121,528,660	100%						
A Federal	$ 72,492,920	37%							$ 37,525,492	31%						
B State	$ 9,965,884	5%							$ 10,228,653	8%						
C Local	$ 115,360,308	58%							$ 73,774,515	61%						
8 Population	1,393,978	100%							1,379,049	100%						
A Caucasian	920,025	66%							896,382	65%						
B African American	376,374	27%							386,134	28%						
C Hispanic	41,819	3%							55,162	4%						
D Other	55,759	4%							41,371	3%						
9 Population Under 18	348,495	25%							345,566	25%						
10 Households with Two Parents		29%								29%						
11 Grandparents Raising Grandchildren	12,256								12,256							
12 Unemployment Rate		4.6%								6.8%						
13 Per capita Income	$ 32,362								$ 33,382							
14 High School Graduation Rate		68%								70%						

Notes:
1 PPLA = Planned Permanent Living Arrangement
2 Nominal counts are estimates based on published percentages of total

Franklin County Childrens Services Comparisons	2001								2003							
	General Measure		Temporary Custody		Permanent Custody		PPLA (1)		General Measure		Temporary Custody		Permanent Custody		PPLA (1)	
	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent
1 Measures																
A Total # of Adoptions Finalized	243								350							
B Median Number of Days for Adoption Finalization from	483								523							
C Total Awards of Legal Custody to Relatives	538								672							
D Total # of Children Placed Out-of-	1,158								1,199							
E Total # of Placement Days									1,300,900							
F Median Number of Days for Length of Stay in Out-of-Home	127								194							
G Total # of Children Reunified with Parents or Legal Guardian	1,651								1,420							
2 New Reports of Abuse / Neglect	10,930	100%							8,577	100%						
A Physical Abuse	2,480	23%							1,932	23%						
B Neglect	3,558	33%							2,531	29%						
C Sexual Abuse	1,167	11%							1,397	16%						
D Emotional Maltreatment	36	0%							10	0%						
E Dependency / Other	3,687	33%							2,707	32%						
3 Total Children in Custody During Year	5,984								6,316							
4 Children in Custody (Date Specific)	3,372	100%	2,295	100%	584	100%	493	100%	3,412	100%	2,427	100%	388	100%	597	100%
A By Age																
0 - 5	891	26%	757	33%	134	23%	0	0%	686	20%	601	33%	85	22%	0	0%
6 - 11	987	29%	689	30%	239	41%	59	12%	750	22%	607	25%	101	26%	42	7%
12 +	1,470	44%	826	36%	210	36%	434	88%	1,776	52%	1,019	42%	202	52%	555	93%
B By Race																
Caucasian	1,521	45%	1,102	48%	187	32%	232	47%	1,584	46%	1,116	46%	155	40%	293	49%
African American	1,795	53%	1,148	50%	391	67%	256	52%	1,814	53%	1,288	53%	229	59%	299	50%
Other	57	2%	46	2%	6	1%	5	1%	34	1%	24	1%	4	1%	6	1%
C By Total Years in Custody																
0 - 2	2,363	70%	2,157	94%	88	15%	118	24%	2,423	71%	2,233	92%	89	23%	101	17%
2 - 4	580	17%	115	5%	228	39%	237	48%	583	17%	170	7%	120	31%	293	49%
4 +	430	13%	23	1%	269	46%	136	28%	405	12%	24	1%	178	46%	203	34%
D By Court Rationale for Placement																
Physical Abuse	1,124	33%	711	31%	280	48%	133	27%	954	28%	680	28%	155	40%	119	20%
Neglect	1,193	35%	826	36%	199	34%	168	34%	986	29%	631	26%	128	33%	227	38%
Sexual Abuse	385	11%	252	11%	64	11%	69	14%	344	10%	243	10%	47	12%	54	9%
Emotional Maltreatment	200	6%	115	5%	41	7%	44	9%	132	4%	73	3%	23	6%	36	6%
Dependency / Other	469	14%	390	17%	0	0%	79	16%	997	29%	801	33%	35	9%	161	27%
E By Placement Type																
Family Foster Home	2,003	59%	1,308	57%	409	70%	286	58%	1,970	58%	1,383	57%	241	62%	346	58%
Relative / Kinship Home	639	19%	597	26%	12	2%	30	6%	647	19%	607	25%	4	1%	36	6%
Group Home / Residential Care	550	16%	344	15%	53	9%	153	31%	619	18%	388	16%	58	15%	173	29%
Adoptive	105	3%	0	0%	105	18%	0	0%	70	2%	0	0%	70	18%	0	0%
Independent Living / Other	77	2%	46	2%	6	1%	25	5%	107	3%	49	2%	16	4%	42	7%
5 Purchase of Services																
Out-of-Home Care	3,710	62%	2,226	60%	779	21%	705	19%	3,979	63%	2,547	64%	517	13%	915	23%
6 Staffing																
A New Investigations per Worker	18								11							
B PCSAO Standard	12								12							
C Ongoing Cases per Worker	18								15							
D PCSAO Standard	13								13							
7 Expenditures	$ 132,190,985	100%							$ 153,715,609	100%						
A Federal	$ 44,059,131	33%							$ 53,387,281	35%						
B State	$ 5,515,047	4%							$ 5,580,295	3%						
C Local	$ 82,616,807	63%							$ 94,748,253	62%						
8 Population	1,068,978	100%							1,086,814	100%						
A Caucasian	801,734	75%							793,374	73%						
B African American	192,416	18%							206,495	19%						
C Hispanic	0								21,736	2%						
D Other	74,828	7%							65,209	6%						
9 Population Under 18	267,245	25%							278,340	26%						
10 Households with Two Parents		30%								30%						
11 Grandparents Raising Grandchildren	8,388								8,388							
12 Unemployment Rate		2.6%								4.9%						
13 Per capita income	$ 31,685								$ 32,947							
14 High School Graduation Rate		75%								79%						

Notes

1 PPLA = Planned Permanent Living Arrangement

2 Nominal counts are estimates based on published percentages of total.

Hamilton County Childrens Services Comparisons	2001								2003							
	General Measure		Temporary Custody		Permanent Custody		PPLA (1)		General Measure		Temporary Custody		Permanent Custody		PPLA (1)	
	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent
1 Measures																
A Total # of Adoptions Finalized	91								69							
B Median Number of Days for Adoption Finalization from	527								427							
C Total Awards of Legal Custody to Relatives	222								159							
D Total # of Children Placed Out-of-	247								215							
E Total # of Placement Days									302,505							
F Median Number of Days for Length of Stay in Out-of-Home	230								242							
G Total # of Children Reunified with Parents or Legal Guardian	321								303							
2 New Reports of Abuse / Neglect	6,876	100%							6,546	100%						
A Physical Abuse	3,526	51%							3,466	53%						
B Neglect	2,302	34%							1,948	30%						
C Sexual Abuse	843	12%							551	8%						
D Emotional Maltreatment	7	0%							4	0%						
E Dependency / Other	198	3%							577	9%						
3 Total Children in Custody During Year	3,167								2,233							
4 Children in Custody (Date Specific)	1,652	100%	913	100%	315	100%	424	100%	1,532	100%	798	100%	328	100%	406	100%
A By Age																
0 - 5	395	24%	338	37%	57	18%	0	0%	375	24%	319	40%	56	17%	0	0%
6 - 11	399	24%	265	29%	117	37%	17	4%	358	23%	223	28%	115	35%	20	5%
12 +	859	52%	310	34%	142	45%	407	96%	798	52%	255	32%	157	48%	386	95%
B By Race																
Caucasian	414	25%	237	26%	88	28%	89	21%	459	30%	247	31%	102	31%	110	27%
African American	1,083	64%	548	60%	214	68%	301	71%	967	64%	487	61%	220	67%	280	69%
Other	175	11%	128	14%	13	4%	34	8%	87	6%	64	8%	7	2%	16	4%
C By Total Years in Custody																
0 - 2	1,023	62%	848	93%	60	19%	114	27%	846	55%	694	87%	58	18%	93	23%
2 - 4	316	19%	55	6%	113	36%	148	35%	364	24%	88	11%	105	32%	171	42%
4 +	312	19%	9	1%	142	45%	161	38%	322	21%	16	2%	164	50%	142	35%
D By Court Rationale for Placement																
Physical Abuse	436	26%	237	26%	101	32%	98	23%	424	28%	256	32%	92	28%	77	19%
Neglect	598	36%	310	34%	110	35%	178	42%	538	35%	223	28%	128	39%	187	46%
Sexual Abuse	213	13%	119	13%	47	15%	47	11%	192	13%	96	12%	59	18%	37	9%
Emotional Maltreatment	57	3%	27	3%	13	4%	17	4%	73	5%	40	5%	13	4%	20	5%
Dependency / Other	348	21%	219	24%	44	14%	85	20%	305	20%	184	23%	36	11%	85	21%
E By Placement Type																
Family Foster Home	1,013	61%	520	57%	243	77%	250	59%	910	59%	479	60%	220	67%	211	52%
Relative / Kinship Home	263	16%	237	26%	9	3%	17	4%	213	14%	184	23%	13	4%	16	4%
Group Home / Residential Care	199	12%	82	9%	19	6%	98	23%	176	11%	56	7%	30	9%	89	22%
Adoptive	35	2%	0	0%	35	11%	0	0%	49	3%	0	0%	49	15%	0	0%
Independent Living / Other	141	9%	73	8%	9	3%	59	14%	185	12%	80	10%	16	5%	89	22%
5 Purchase of Services																
Out-of-Home Care	1,457	46%	568	39%	248	17%	641	44%	1,072	48%	397	37%	225	21%	450	42%
6 Staffing																
A New Investigations per Worker	12								11							
B PCSAO Standard	12								12							
C Ongoing Cases per Worker	14								15							
D PCSAO Standard	13								13							
7 Expenditures	$ 95,565,554	100%							$ 82,721,157	100%						
A Federal	$ 28,984,781	30%							$ 38,108,136	46%						
B State	$ 6,318,668	7%							$ 7,351,456	9%						
C Local	$ 60,262,105	63%							$ 37,261,565	45%						
8 Population	845,303	100%							833,721	100%						
A Caucasian	617,071	73%							600,279	72%						
B African American	194,420	23%							200,093	24%						
C Hispanic	0								8,337	1%						
D Other	33,812	4%							25,012	3%						
9 Population Under 18	219,779	26%							214,442	26%						
10 Households with Two Parents		30%								30%						
11 Grandparents Raising Grandchildren	6,733								6,733							
12 Unemployment Rate		3.6%								5.1%						
13 Per capita Income	$ 34,162								$ 35,883							
14 High School Graduation Rate		76%								80%						

Notes

1 PPLA = Planned Permanent Living Arrangement

2 Nominal counts are estimates based on published percentages of total

Montgomery County Childrens Services Comparisons	2001								2003							
	General Measure		Temporary Custody		Permanent Custody		PPLA (1)		General Measure		Temporary Custody		Permanent Custody		PPLA (1)	
	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal	Percent	Nominal (2)	Percent	Nominal (2)	Percent	Nominal (2)	Percent
1 Measures																
A Total # of Adoptions Finalized	133								129							
B Median Number of Days for Adoption Finalization from	465								460							
C Total Awards of Legal Custody to Relatives	136								132							
D Total # of Children Placed Out-of-	399								329							
E Total # of Placement Days									420,581							
F Median Number of Days for Length of Stay in Out-of-Home	383								464							
G Total # of Children Reunified with Parents or Legal Guardian	321								267							
2 New Reports of Abuse / Neglect	3,739	100%							3,490	100%						
A Physical Abuse	1,095	29%							934	27%						
B Neglect	1,271	34%							1,529	44%						
C Sexual Abuse	434	12%							419	12%						
D Emotional Maltreatment	86	2%							200	6%						
E Dependency / Other	853	23%							408	11%						
3 Total Children in Custody During Year	2,006								1,756							
4 Children in Custody (Date Specific)	1,264	100%	588	100%	296	100%	380	100%	1,018	100%	533	100%	232	100%	253	100%
A By Age																
0 - 5	314	25%	235	40%	68	23%	11	3%	278	27%	219	41%	51	22%	8	3%
6 - 11	314	25%	176	30%	104	35%	34	9%	212	21%	139	26%	60	26%	13	5%
12 +	634	50%	176	30%	124	42%	334	88%	530	52%	176	33%	121	52%	233	92%
B By Race																
Caucasian	492	39%	229	39%	92	31%	171	45%	392	39%	208	39%	70	30%	114	45%
African American	768	61%	359	61%	204	69%	205	54%	580	58%	293	55%	160	69%	137	54%
Other	4	0%	0	0%	0	0%	4	1%	37	4%	32	6%	2	1%	3	1%
C By Total Years in Custody																
0 - 2	724	57%	541	92%	65	22%	118	31%	569	56%	480	90%	39	17%	40	16%
2 - 4	258	20%	24	4%	86	29%	148	39%	214	21%	27	5%	81	35%	106	42%
4 +	283	22%	24	4%	145	49%	114	30%	244	24%	27	5%	111	48%	106	42%
D By Court Rationale for Placement																
Physical Abuse	318	25%	159	27%	83	28%	76	20%	219	22%	107	20%	56	24%	56	22%
Neglect	669	53%	282	48%	163	55%	224	59%	561	55%	282	53%	136	58%	144	57%
Sexual Abuse	94	7%	41	7%	30	10%	23	6%	76	7%	43	8%	23	10%	10	4%
Emotional Maltreatment	33	3%	12	2%	6	2%	15	4%	21	2%	11	2%	2	1%	8	3%
Dependency / Other	151	12%	94	16%	15	5%	42	11%	142	14%	91	17%	16	7%	35	14%
E By Placement Type																
Family Foster Home	1,015	80%	500	85%	249	84%	266	70%	800	79%	437	82%	183	79%	180	71%
Relative / Kinship Home	22	2%	18	3%	0	0%	4	1%	14	1%	11	2%	0	0%	3	1%
Group Home / Residential Care	124	10%	29	5%	15	5%	80	21%	99	10%	27	5%	19	8%	53	21%
Adoptive	27	2%	0	0%	27	9%	0	0%	26	3%	0	0%	26	11%	0	0%
Independent Living / Other	77	6%	41	7%	6	2%	30	8%	82	8%	59	11%	5	2%	18	7%
5 Purchase of Services																
Out-of-Home Care	1,123	56%	460	41%	225	20%	438	39%	948	54%	398	42%	228	24%	322	34%
6 Staffing																
A New Investigations per Worker	10								8							
B PCSAO Standard	12								12							
C Ongoing Cases per Worker	21								15							
D PCSAO Standard	13								13							
7 Expenditures	$ 50,025,852	100%							$ 51,125,929	100%						
A Federal	$ 30,879,996	62%							$ 21,674,618	42%						
B State	$ 3,994,804	8%							$ 4,348,047	9%						
C Local	$ 15,151,052	30%							$ 25,103,264	49%						
8 Population	559,062	100%							554,470	100%						
A Caucasian	430,478	77%							421,397	76%						
B African American	111,812	20%							110,894	20%						
C Hispanic	0								5,545	1%						
D Other	16,772	3%							16,634	3%						
9 Population Under 18	139,766	25%							137,268	25%						
10 Households with Two Parents	167,719	30%								30%						
11 Grandparents Raising Grandchildren	5,307								5,307							
12 Unemployment Rate		4.3%								6.3%						
13 Per capita Income	$ 29,419								$ 30,528							
14 High School Graduation Rate		74%								84%						

Notes
1 PPLA = Planned Permanent Living Arrangement
2 Nominal counts are estimates based on published percentages of total.

Summit County Childrens Services Comparisons	2001 General Measure Nominal	2001 General Measure Percent	2001 Temporary Custody Nominal (2)	2001 Temporary Custody Percent	2001 Permanent Custody Nominal (2)	2001 Permanent Custody Percent	2001 PPLA (1) Nominal (2)	2001 PPLA (1) Percent	2003 General Measure Nominal	2003 General Measure Percent	2003 Temporary Custody Nominal (2)	2003 Temporary Custody Percent	2003 Permanent Custody Nominal (2)	2003 Permanent Custody Percent	2003 PPLA (1) Nominal (2)	2003 PPLA (1) Percent
1 Measures																
A Total # of Adoptions Finalized	95								96							
B Median Number of Days for Adoption Finalization from	714								586							
C Total Awards of Legal Custody to Relatives	153								259							
D Total # of Children Placed Out-of-	213								519							
E Total # of Placement Days									622,000							
F Median Number of Days for Length of Stay in Out-of-Home	168								189							
G Total # of Children Reunified with Parents or Legal Guardian	564								802							
2 New Reports of Abuse / Neglect	9,950	100%							4,710	100%						
A Physical Abuse	1,040	10%							1,341	28%						
B Neglect	1,091	11%							1,882	40%						
C Sexual Abuse	546	6%							706	15%						
D Emotional Maltreatment	92	1%							270	6%						
E Dependency / Other	7,181	72%							531	11%						
3 Total Children in Custody During Year	2,211								2,314							
4 Children in Custody (Date Specific)	1,273	100%	624	100%	284	100%	165	100%	1,137	100%	694	100%	268	100%	175	100%
A By Age									434	38%	354	51%	78	29%	2	1%
0 - 5	379	30%	305	37%	74	26%	0	0%	292	26%	187	27%	94	35%	11	6%
6 - 11	355	28%	231	28%	111	39%	13	8%	412	36%	153	22%	96	36%	163	93%
12 +	539	42%	288	35%	99	35%	152	92%								
B By Race									537	47%	333	48%	123	46%	81	46%
Caucasian	612	48%	420	51%	111	39%	81	49%	585	51%	347	50%	145	54%	93	53%
African American	641	50%	387	47%	173	61%	81	49%	16	1%	14	2%	0	0%	2	1%
Other	19	1%	16	2%	0	0%	3	2%								
C By Total Years in Custody									741	65%	618	89%	67	25%	56	32%
0 - 2	819	64%	684	83%	74	26%	61	37%	215	19%	14	2%	115	43%	86	49%
2 - 4	174	14%	33	4%	85	30%	56	34%	181	16%	62	9%	86	32%	33	19%
4 +	280	22%	107	13%	125	44%	48	29%								
D By Court Rationale for Placement									238	21%	139	20%	67	25%	32	18%
Physical Abuse	413	32%	214	26%	145	51%	54	33%	340	30%	229	33%	67	25%	44	25%
Neglect	338	27%	214	26%	71	25%	53	32%	106	9%	83	12%	11	4%	12	7%
Sexual Abuse	105	8%	74	9%	14	5%	17	10%	36	3%	21	3%	11	4%	4	2%
Emotional Maltreatment	46	4%	33	4%	11	4%	2	1%	419	37%	222	32%	113	42%	84	48%
Dependency / Other	371	29%	288	35%	43	15%	40	24%								
E By Placement Type									454	40%	257	37%	134	50%	63	36%
Family Foster Home	450	35%	247	30%	173	61%	30	18%	356	31%	306	44%	32	12%	18	10%
Relative / Kinship Home	432	34%	371	45%	23	8%	38	23%	215	19%	69	10%	62	23%	84	48%
Group Home / Residential Care	189	15%	49	6%	54	19%	86	52%	29	3%	0	0%	29	11%	0	0%
Adoptive	23	2%	0	0%	23	8%	0	0%	84	7%	62	9%	11	4%	11	6%
Independent Living / Other	180	14%	157	19%	11	4%	12	7%								
5 Purchase of Services									833	36%	516	62%	133	16%	183	22%
Out-of-Home Care	575	26%	334	58%	104	18%	138	24%								
6 Staffing									7							
A New investigations per Worker	18								12							
B PCSAO Standard	12								16							
C Ongoing Cases per Worker	12								13							
D PCSAO Standard	13								$ 43,842,581	100%						
7 Expenditures	$ 38,032,222	100%							$ 14,169,922	32%						
A Federal	$ 15,973,533	42%							$ 3,204,893	7%						
B State	$ 3,803,222	10%							$ 26,467,766	61%						
C Local	$ 18,255,467	48%							546,382	100%						
8 Population	542,899	100%							453,497	83%						
A Caucasian	456,035	84%							71,030	13%						
B African American	70,577	13%							5,464	1%						
C Hispanic	0								16,391	3%						
D Other	16,287	3%							136,343	25%						
9 Population Under 18	135,725	25%								31%						
10 Households with Two Parents		31%							3,709							
11 Grandparents Raising Grandchildren	3,709									5.7%						
12 Unemployment Rate		4.3%							$ 31,155							
13 Per capita Income	$ 30,070									82%						
14 High School Graduation Rate		83%														

Notes:
1 PPLA = Planned Permanent Living Arrangement
2 Nominal counts are estimates based on published percentages of total.

Hamilton County Children's Services

Presentation
Tax Levy Review Committee
May 18, 2006

EXHIBIT B

Children's Services Overview

Children's Services mission is to ensure the safety, permanency and well being of children in our community.

Children's Services Overview

Help families in trouble

- Immature, unskilled, and overwhelmed parents
- Poverty
- Alcohol and drug abuse
- Domestic violence
- Untreated mental illness
- Poor housing, homelessness
- History of abuse in family

Children suffer

- 3-year old home alone
- Adult sexual contact with child
- Non-accidental injuries - bruises, burns, fractures
- Infant not fed properly - failure to thrive
- Parent refuses to seek medical treatment for child
- Child in squalid, hazardous living conditions
- Child's own behavior threatens self or others.

Keeping Kids Safe: Community Impact

In 2005,

- 15,679 children were served
- On average, 8,149 children were active with the agency each month.

One in every 28 Hamilton County children.

Who are the Children?

Age:

- 23% are age birth to 3
- 37% are age 4 to 10
- 29% are eleven or older

Race:

- 52% are African American
- 32% Caucasian
- 16% are other or unknown

Gender:

- 50% are male
- 50% are female

2004 data

Mandated Services: A Closer Look

Children's Services is mandated by federal and state law to provide services to children and families. Those services include:

- Operate 241-KIDS, a 24-hour telephone line for reporting suspected abuse and neglect.
- Investigate allegations of abuse, neglect and dependency. When significant risk exists forward case to ongoing unit.
- Provide services to stabilize families so children can remain safely in the home, such as substance abuse and mental health assessment and treatment, emergency housing, parenting training, domestic violence programs.

(Continued)

Mandated Services: A Closer Look

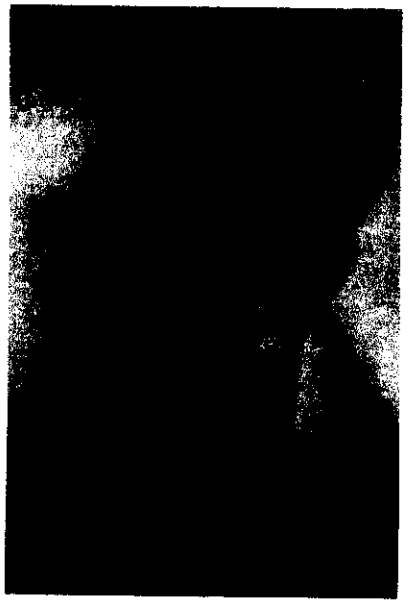
- When necessary for safety, place children in temporary care with relatives, foster care or in institutional settings.
- Seek protective, temporary or permanent custody of children through Juvenile Court.
- Prepare children for adoption. Provide post-adoption services.
- Train older teens in independent living skills.

Keeping Kids Safe: Community Impact 2005

- 64,152 calls to 241-KIDS
- 5,661 investigations of abuse and neglect
- 3,311 substantiated or indicated reports of abuse and neglect—58% of investigations
- An average of 1,279 were placed outside the home at any given time in 2005
- 659 children were released from HCJFS custody in 2005
  - 36% returned to their family
  - 28% went into custody of relatives
  - 15% reached the age of 18
  - 12% were adopted
  - 9% went into other placements

How much does it cost to keep a child in placement?

- Relatives:
  No daily rate, but may be eligible for child-only TANF, Medicaid, Food Stamps and KinGaap
- Foster care:
  $16.28 to $43.87/day
- **Therapeutic foster care:**
  $125/day
- **Group home and residential treatment:**
  $95 to $335/day
- **Locked RT facility or hospital:**
  $175 to $360/day



Actual cost is based on the child's needs.

Child Protection: A Five Year Overview

Services & Investigations Provided by Year	2001	2002	2003	2004	2005
Children Served During the Year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Percentage of Child Population in Hamilton County	1 in 12	1 in 11	1 in 12	1 in 13	1 in 14
Annual % Change	0.9%	-4.6%	4.7%	-13.3%	-2.7%

Families Served During the Year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Annual % Change	2.2%	10.7%	10.4%	-6.7%	-1.5%

Investigations of Child Abuse/Neglect	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
# of Them Completed by Intake	5,822	5,500	5,018	5,012	5,094
Annual % Change in # of Investigations	1.5%	-5.5%	-17.6%	1.3%	1.7%

Cases Opened for Ongoing Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Annual % Change	2.9%	-18.6%	-5.7%	15.5%	-6.0%

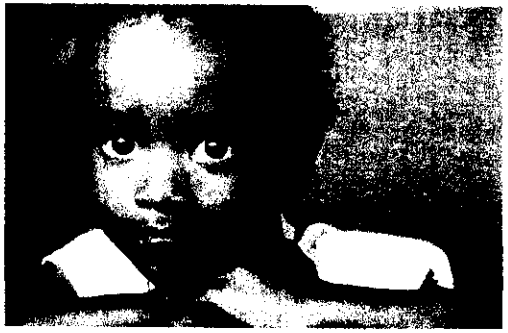
Child Protection: Trends

- **A decrease in the number of children in out-of-home care placement.**
  - More children are being maintained in their homes with better safety plans and supportive services.
  - Conversely, the children who are in placement are in higher levels of care. For example children in network homes has increased 5.53% from 2004 to 2005. The difference in cost can be as much as $31/day.
- **Inflation has a significant impact.**
  - A 3% increase in a $60/day network home is an additional $1.80/day, multiplied by 200 children is an additional $360/day or $10,800/month.

Hamilton County Children's Services

Children's Services Finances

Key Facts: The Levy



- The levy brings in $54 million in state and federal revenue annually because the $39 million in levy funds provides the local matching funds required.
- The Children's Services levy serves **<u>local</u>** children who are abused and neglected.
- The majority of services are mandated by the federal and/or state governments and must be provided.

How the Levy Works: The Children's Services Fund

- Combines levy, other local, state and federal dollars.
- Tax levy represents for about half of the Children's Services Fund.
- Levy dollars are tracked as a part of the overall tracking of local funds.

(Continued)

How the Levy Works: Providers Supported by the CS Fund via the General Fund

Hillcrest Center for Youth	$8,985,003.00
County Mandated Share obligation for TANF	$3,531,838.00
Juvenile Court Dependency	$1,400,000.00
Guardian Ad Litem-Youth Advocates	$1,391,837.00
Legal Services of the Prosecutor	$1,195,410.00
TOTAL	**$16,504,088.00**

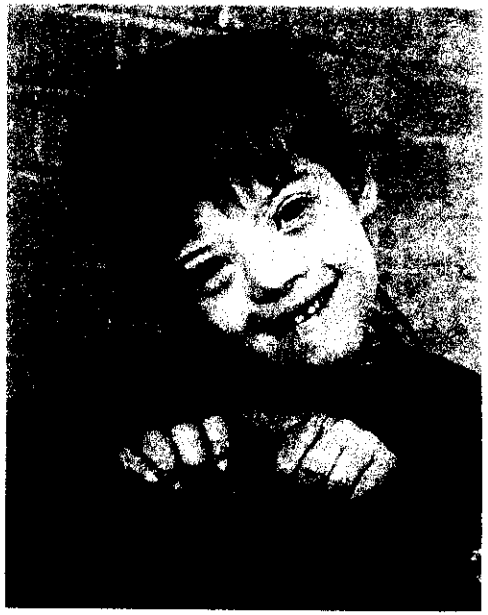
How the Levy Works

The Community's Safety Net

The levy is critical to supporting the intertwined system of public and private agencies who protect disadvantaged children of Hamilton County.

The system includes:

- HCJFS Children's Services, Child Support Services, and Public Assistance
- Hamilton County Juvenile Court and Hillcrest Training School
- Hamilton County Public Defender's Office (Guardians Ad Litem – children's' representatives in court)
- Hamilton County Prosecutor's Office
- Private and public child-serving agencies (such as foster care, mental health services, emergency housing, training)



How the Levy Works: The Children's Services Fund

- Local funds provide the necessary match for federal and state dollars.
- For 40 cents in local matching funds, Hamilton County receives 60 cents in federal and state funds.

How the Levy Maximizes Federal Funds and Supports Our Community

Supported Programs	Federal Dollars Contributed	Local Match Required	Total Funds Available
Adoption Assistance Match for Adoptive Families	$3,792,603.10	$1,517,077.24	$5,309,680.34
Title IV-E Contracts* (Placements, le.g. foster care, Legal contracts)	$1,400,000.00	$3,500,000.00	$4,900,000.00
Title IV-E Admin. & training**	$12,540,821.77	$12,704,388.91	$25,245,210.68
Child Support**	$18,317,456.69	$6,302,700	$24,620,157
Chaffee Independent Living Funds (teenagers)	$475,027	$158,342.33	$633,369
Title IV-B used for salaries	$468,833	$156,277.67	$625,111
Title IV-B Emergency Services Assistance for Preservation & Reunification Services	$407,924	$135,975.00	$543,899
Protect Ohio ***	$16,937,803.80	$11,348,328.60	$28,286,132.40
Total	**$54,340,469.36**	**$35,823,089.75**	**$90,163,559.11**

In addition, there is a local requirement of $3,531,838 to match $24,715,471 in Temporary Assistance to Needy Families (TANF).

Child Protection: Trends

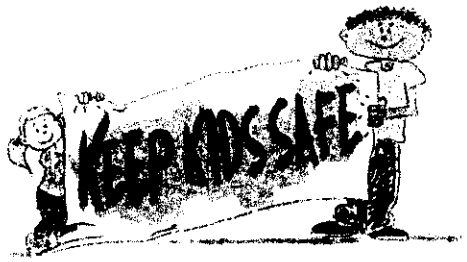
Levy Revenue below inflation 1997 to 2005

ACTUAL REVENUE 1997 - 2005

	1997	1998	1999	2000	2001	2002	2003	2004	2005
TOTAL REVENUE	39,686,468	39,834,696	30,567,861	40,057,841	27,707,481	40,321,746	40,048,131	40,231,557	40,505,952
1997 Revenue inflated by CPI	39,686,467.7	40,344,954.1	41,206,051.7	42,624,330.1	43,764,018.0	44,295,872.4	45,156,970.0	46,246,005.2	47,208,408.3
CPI	156.7	159.3	162.7	168.3	172.8	174.9	178.3	182.6	186.4 *

Source:Department of Labor
Bureau of Labor Statistics
Midwest Urban, All items

* 1st six months avg



Hamilton County Children's Services

Children's Services Response

Children's Services Complies with Recommendations from Blue Ribbon Panel

Children's Services…

- Completes a Central Registry registration on each case per agency policy.
- Staff will report any person making false allegations to the prosecutor.

County Comparisons

Revenue Source and Percentage	Cuyahoga	Franklin	Hamilton	Average
Federal	[illegible]	[illegible]	[illegible]	[illegible]
State	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total	$158,300,000	$174,000,000	$106,485,409	$146,595,136

Revenue Source and Percentage	Cuyahoga	Franklin	Hamilton	Average
Federal	[illegible]	[illegible]	[illegible]	[illegible]
State	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Local (County, Fund, Misc)	[illegible]	[illegible]	[illegible]	[illegible]

Total Children in Custody	Cuyahoga	Franklin	Hamilton	Average
Total	4,618	3,050	2,057	3,242

County Comparisons

Per child comparison can be deceptive

- **Different levels of service**
  - County agencies support outside organizations at different levels; those levels are not uniform across the counties.
- **Denominator:**
  - "Children in custody" is a small subset of overall children served.

Recommendation #1:

Bring Child Support Legal Services In-House

Recommendation #4:

Develop Salary Adjustment Pool for Line Managers

Children's Services Concurs with both Recommendations #1 and #4.

County Comparisons

Per child comparison can be deceptive

- **Different levels of service**
  - County agencies support outside organizations at different levels; those levels are not uniform across the counties.
- **Denominator:**
  - "Children in custody" is a small subset of overall children served.

Recommendation #2:

Provide Funding for Children with Medical Handicaps

- Shift funding for this program from the Indigent Care Levy to the Children's Services Levy.
- Financing plan provides approximately $1.0 million per year for program purposes.
- County Financial Management has directed Maximus to use $1.0 million per year as the estimated expense for the levy period.

Children's Services Response

This funding obligation was transferred to the Children's Services Levy.

The **ACTUAL** financial obligation is $1.86 million per year or $9.3 million over the levy period.

Using $1.0 million per year as a cost estimate subjects the county to a potential shortfall of $4.3 million over the levy period.

Recommendation #3:

Acknowledge the Protect Ohio Waiver Termination

- JFS previously served as a demonstration county regarding the development of innovative practices in the IV-E program.
- The resulting IV-E waiver provided additional revenue as well as flexibility in the use funds.
- The county and state recently failed to reach an agreement to continue the waiver.
- JFS estimates the impact will be approximately $4.0 million less in revenue each year.
- Fiscal staff members have made the revenue adjustment.
- Staff have not reduced their operating budget by a like amount.

What is Title IV-E?

IV-E is a federal reimbursement to states/counties for the cost of out-of-home care placement for abused and neglected children.

What is Protect Ohio?

Ohio applied to the federal government for a IV-E "child welfare demonstration waiver". Protect Ohio is the name of the demonstration designed and operated by the state.

What did participation in the Protect Ohio Waiver mean to counties?

Flexibility in spending IV-E funds.

According to the state, waiver counties could spend IV-E funds on "any child welfare activity—regardless of its traditional IV-E allow ability—on behalf of any person without regard to their IV-E eligibility."

Children's Services Response

Waiver County:

Flexible Spending Environment

- County receives funds in advance.
- Dollars can be spent on any child welfare activity, regardless of eligibility.
- Amount of funds received is based on a formula.

Non-Waiver County:

Claims Environment

- County pays the expense and applies for reimbursement.
- Reimbursement depends on eligibility.
- Eligibility is rigidly tied to either to the child or the placement. If either is ineligible, the county will not be reimbursed.

What we know about the Waiver Termination:

- We don't know the full impact.
- Waiver dollars finance mandated services.
- The county operated in a waiver environment for almost 10 years.
- Waiver provided a specific amount of guaranteed funding each year for 10 years.
- The county will move from a flexible spending environment to a claims environment.

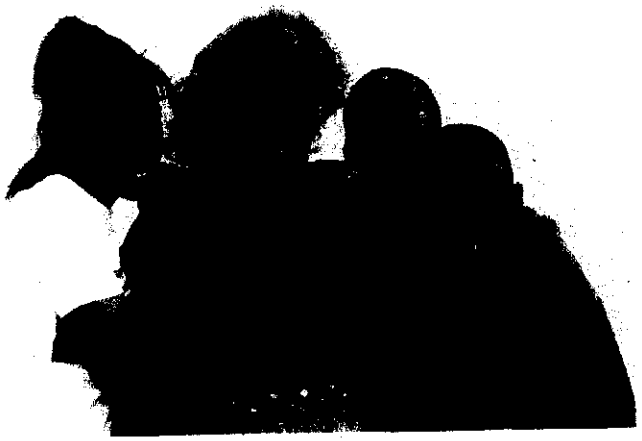
Next Steps

HCJFC has convened a work group to analyze the impact. Give this group a chance to **complete the analysis and report back to the Director.**

Recommendation #5:

Improve Tracking of Levy Funds

- The Department does not track levy fund use.
- Although this may not qualify as a management issue, we feel that it poses a significant reporting issue.



HCJFS does track local dollars. The levy is part of local dollars.

HCJFS Reporting Methods:

- Were not designed by HCJFS.
- Are dictated by the following Ohio laws and administrative policies.
  1. Ohio Revised Code (ORC) [5101.14.4] 5101.144 County children services fund
  2. Ohio Administrative Code (OAC) 5101:9-10-25 (D) County Financing
  3. Administrative Procedure Manual (APM) 7380. Children Services (CS) Fund

How does the department track levy funds as a part of local dollars?

HCJFS always spends levy dollars last unless regulations mandate the use of other funds.

- Federal/State funding is spent first
- Other local funding second
- Levy dollars last

How are local dollars reported to the State?

- ODJFS 2820 – submitted monthly provides information on all revenues and disbursements.
- The Certification of Funds – submitted quarterly, records the funding sources used to pay the federal funding match that supports salaries.

To ensure the BOCC and County Financial know where levy dollars and Children's Services fund dollars are being spent, make copies of both the monthly 2820 and the quarterly Certification of Funds available.

The Levy supports the safety net of programs and providers that ensure the safety, permanency and well being of our community's most vulnerable children.

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To ensure the BOCC and County Financial know where levy dollars and Children's Services fund dollars are being spent, make copies of both the monthly 2820 and the quarterly Certification of Funds available.

Hamilton County
Children's Services
would like to thank
Maximus and the Tax
Levy Review Committee
for your time and
consideration.

EXHIBIT C

Entered of record

RECOMMENDATION FOR STATE PROCEDURE CHANGES IN CHILD ABUSE & NEGLECT INVESTIGATIONS

The 241-KIDS Panel Members are recommending that the State of Ohio revise its investigation regulations to include a policy allowing for the immediate termination of an investigation and risk assessment of the alleged abuse or neglect of children when the following scenarios apply:

1) A medical opinion from a licensed physician, who has an existing medical relationship with the child and who possesses recognized expertise in the field, is received that explains the perceived or alleged injury suffered by the child as being caused by a medical condition, not abuse or neglect.

2) The report of alleged abuse or neglect is not supported by empirical evidence, and the preliminary investigation reveals no other risk factors justifying further involvement.

The 241-KIDS Panel Members further recommend The Board of County Commissioners establish the following policies with respect to investigations by the Hamilton County Department of Job & Family Services:

1) When contacted by any party to a legal proceeding, allowable by statute, the Department of Job & Family Services will utilize the Central Registry system to determine if a record of abuse, neglect or dependency exists. The attached Central Registry schedule identifies the timeframes for expungement of records.

2) When the Department of Job & Family Services has evidence that suggests persons are guilty of making repeated false reports of child abuse or neglect, or it has been verified that a false report was filed with malicious intent, a report will be made to the Hamilton County Prosecutor's Office for evaluation as to whether it violates Section 2921.14 of the Ohio Revised Code. Section 2921.14 identifies that a violator of this section is guilty of making or causing a false report of child abuse or child neglect, which is a misdemeanor of the first degree.