



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Carrie Kuruc, Director

MEMORANDUM

TO: Michael Lynch, Ohio Department of Job and Family Services

FROM: Jacob Ritzenthaler, Regulatory Policy Advocate

DATE: July 23, 2019

RE: **CSI Review – Publicly Funded Child Care (OAC 5160:2-16-09, 5160:2-16-11, 5160:2-16-12, 5160:2-16-42, 5160:2-16-43, 5160:2-16-44, 5160:2-16-71, and 5160:2-16-72)**

On behalf of Lt. Governor Jon Husted, and pursuant to the authority granted to the Common Sense Initiative (CSI) Office under Ohio Revised Code (ORC) section 107.54, the CSI Office has reviewed the abovementioned administrative rule package and associated Business Impact Analysis (BIA). This memo represents the CSI Office's comments to the Agency as provided for in ORC 107.54.

Analysis

This rule package consists of three new rules and five rescinded rules proposed by the Ohio Department of Job and Family Services (ODJFS). This rule package was submitted to the CSI Office on June 3, 2019 and the public comment period was held open through June 17, 2019.

Ohio Administrative Code (OAC) Chapter 5101:2-16 sets forth requirements for publicly funded child care. OAC 5101:2-16-42, 5101:2-16-43, and 5101:2-16-44 establish payment rates, approval for Ohio Department of Education programs, and provider agreements. These rules are proposed for rescission and the content of the rules is being replaced in OAC 5101:2-16-09. OAC 5101:2-16-71 and 5101:2-16-72 define improper payment, misuse of publicly funded child care, and integrity reviews. These rules are being replaced by new rules OAC 5101:2-16-11 and 5101:2-16-12.

During early stakeholder outreach, ODJFS reviewed the proposed rules during a meeting of the Child Care Advisory Council. During this time, ODJFS received comments from numerous

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stakeholders that predominantly suggested changes to the rules regarding registration fee reimbursement and including technical assistance for providers. ODJFS made changes to the rules that clarify the fee payment process and acknowledged that the Department's Technical Assistance Unit would oversee requests for additional assistance measures. No comments were received during the CSI public comment period.

The business community impacted by these rules includes all providers who participate in the publicly funded child care program. The adverse cost created by the rules includes the cost of applying for and maintaining a provider agreement with ODJFS, as well as accompanying document and record maintenance. Providers who do not adhere to the requirements of the rules or are otherwise found to have falsified payment information will have their provider agreements terminated and will no longer be eligible for reimbursement. ODJFS states in the BIA that these rules are necessary for providers to receive reimbursement for eligible services.

Recommendations

Based on the information above, the CSI Office has no recommendations on this rule package.

Conclusion

The CSI Office concludes that the Ohio Department of Job and Family Services should proceed in filing the proposed rules with the Joint Committee on Agency Rule Review.