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Get to know the Health and Human Services Levy

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County Budgeting Matters
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Introduction

Since 2002, Cuyahoga County has taken remarkable strides in establishing, building and maintaining its social services safety net. Cuyahoga County was, for many years, led by three Commissioners. In 2010, Cuyahoga County voters approved a transition to a new county government model, which features one county executive and an 11-member County Council.¹ Cuyahoga County voters have approved tax issues for the funding of health and human services (HHS) for over 70 years.² The most recent iteration of the HHS levy was introduced in 1976 and has failed only once.³

In the new system of government, HHS remains a vital component to the government as it is enshrined in the preamble of the inaugural county charter, being named as “necessary and essential.”⁴ Most recently, Cuyahoga County announced the creation of a [Health and Human Services Strategic Plan](#).⁵

In this County Budgeting Matters, the origin, budget, and delivery of funds to organizations across Cuyahoga County through the HHS levy will be detailed. We also will describe some of the outcomes, as well as some of the future decisions facing Cuyahoga County government.

The Health and Human Services Levy Fund – What is It?

The money raised from the Cuyahoga County Health and Human Services levy complements money that comes from the federal and state governments. Cuyahoga County is slightly unique in that it has very few specific health and human service department levies (Developmental Disabilities being the only dedicated levy). Only one other county in Ohio (Montgomery) has a general HHS levy.

Cuyahoga County government has not one, but two HHS levies. The levies raise money in the form of property taxes. This paper refers to the levies as HHS Levy I and Levy II.

HHS Levy I was passed in 2013, as a replacement levy for one that had been on the books for over 70 years. The levy lasts for 5 years and is up for renewal, replacement, or expiration in 2018.⁶ According to the Cuyahoga County Fiscal Office, HHS Levy I, a 3.9-mill levy, costs a homeowner \$119 per year per \$100,000 valuation of the home.⁷ HHS Levy II, the larger of the two levies, passed in 2016. It is a 4.8-mill levy and costs a homeowner \$147 per \$100,000 valuation of their home. This levy lasts for eight years⁸ and is up for renewal, replacement, or expiration in 2024.

Put together, these HHS levies were expected to raise \$237 million dollars in 2016. This is split among 30 different categories. The approved budget for each levy is outlined below:

Annual Health and Human Services Levy Funding

<u>Distribution</u>	<u>Amount</u>
Family Justice Center	\$ 175,489.00
Common Pleas Court/Treatment Alternatives to Street Crimes (TASC)	\$ 452,735.00
Pay for Success	\$ 1,000,000.00
Other Programs Subsidy	\$ 1,023,046.00
Child Support Enforcement/Fatherhood	\$ 1,023,434.00
General Revenue Fund and HHS Levy Operating Revenue	\$ 1,472,628.00
Sheriff's Office/Mental Health	\$ 1,767,716.00
General Revenue Fund & Health and Human Services Operating Revenue	\$ 1,882,589.00
Public Safety and Justice Services/Witness Victim	\$ 1,933,864.00
Office of Re-Entry	\$ 2,262,434.00
Children with Medical Handicaps	\$ 2,764,307.00
Family and Children First	\$ 3,825,621.00
Social Services Subsidies	\$ 4,208,332.00
Homeless Services	\$ 5,890,661.00
Child Support Enforcement	\$ 6,626,484.00
Job and Family Services	\$ 12,815,684.00
Early Childhood	\$ 12,819,526.00
Senior and Adult Services	\$ 16,226,228.00
Juvenile Court	\$ 18,719,512.00
MetroHealth System	\$ 32,472,000.00
Alcohol, Drug Addiction, Mental Health Services (ADAMHS) Board	\$ 39,363,659.00
Children and Family Services	\$ 68,531,579.00

Source: Cuyahoga County Fiscal Office

In 2016, collections from homeowners for HHS Levy I totaled \$103.6 million. For HHS Levy 2, the 2016 collections totaled \$127.4 million.⁹

Together, the combined revenue was \$231.0 million,¹⁰ which is close to the same amount (\$230.9 million) collected in 2015.¹¹

What Services Does the Money Help Provide and Why?

The HHS Levy dollars go to a variety of different organizations to meet the needs of County residents. The following organizations are the top recipients of the HHS levy dollars.

ADAMHS Board

The Alcohol, Drug Addiction and Mental Health Services (ADAMHS) Board of Cuyahoga County, the agency responsible for planning, funding and monitoring of public mental health and addiction treatment and recovery services,¹² received one of the largest allocations of the HHS Levy dollars. The \$39.3 million in funding received from the HHS levy represents 61 percent of the ADAMHS Board total budget of \$64.2 million. When combined with federal funding, state funding and grants, \$18.5 million goes towards addiction services including residential treatment, prevention, and counseling.¹³ The remaining \$45.7 million goes towards mental health services including psychiatric treatment, crisis intervention, and residential services. In 2015, that money served 10,921 individuals across 55 cities and townships across the county.¹⁴

Children and Family Services

The Cuyahoga County Division of Children and Family Services (CFS) is the agency “dedicated to assuring that children at risk of abuse and neglect are protected and nurtured with a family and with the support of the community.” CFS receives \$67.9 million in HHS Levy dollars, which represents 48.5 percent of their budget (\$140,145,532). CFS received over 49,500 clients through either the hotline or referrals. The division conducted over 15,000 investigations, with over 4,000 children receiving in-home voluntary services and approximately 1,700 taken into protective custody through a relative, residential treatment, or foster care.^{15,16}

MetroHealth

MetroHealth, which describes itself as “Cuyahoga County’s safety net hospital¹⁷” had over 1.2 million patient visits and 1.1 million outpatient days in 2016.¹⁸ Levy dollars represent 3.3 percent of the MetroHealth total budget,¹⁹ and are used for a number of services provided by MetroHealth, including wraparound services to help children who experience trauma, the MetroHealth Life Flight service, the Neonatal Intensive Care Unit and many other services.²⁰

Juvenile Court

Juvenile Court is a division of the Court of Common Pleas and serves as the only Court of law for a juvenile delinquent and status offenders in Cuyahoga County. In addition, Juvenile Court hears all juvenile traffic offenses, abuse, neglect and dependency charges, parent/ child relationship cases, private custody cases and child support cases

within the County. Juvenile Court also operates a Juvenile Detention Center, where youth are held pending their next Court hearing for reasons of public safety or threat of non-attendance at future Court proceedings. The Legal Services department operates the Clerk of Courts division and all operations in the Courtrooms of the six elected Judges and the 23 Magistrates. The Probation Department provides support for youth on Probation, as well as a few community-based treatment and support programs. The mission of Juvenile Court states: to administer justice, rehabilitate juveniles, support and strengthen families and promote public safety. Together, the Juvenile Court receives approximately \$19.9 million from the HHS levy. That amounts to 37.3 percent of the total budget for Juvenile Court.²¹ The Probation Services department is 100 percent funded by HHS levy dollars. In addition, HHS levy dollars are used in the Detention Department, Legal Services and Court Administration.²²

Cuyahoga County Senior and Adult Services

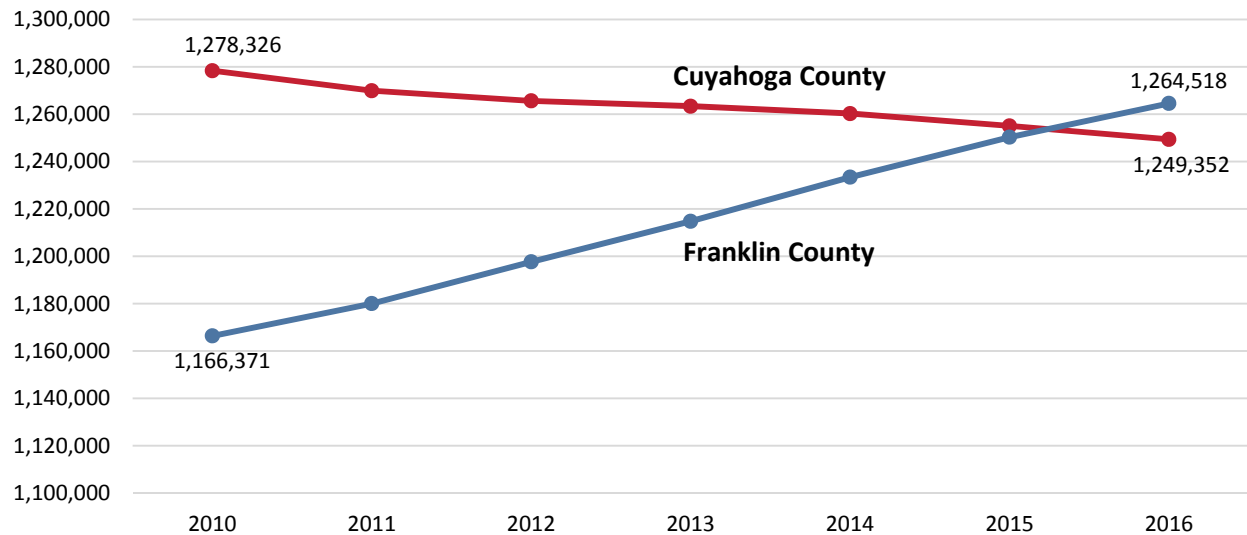
The Cuyahoga County Senior and Adult Services (DSAS) division receives approximately \$16.2 million per year from the HHS Levy. This represents over 85 percent of the total DSAS budget.²¹ According to the 2016 Annual Statistical Performance Report, the department served over 30,000 clients last year. DSAS delivered over 100,000 meals in 2016 and provided over 132,000 one-way transportation rides. Adult Protective Services served 2,390 citizens in 2016, including 235 Veterans.²² In addition to the above service offerings, an additional \$200,000 was set aside for the Senior Center Innovation Program, which distributed four grants of \$25,000 and two grants of \$50,000 to collaborative efforts to support seniors throughout the county.

In addition to the above agencies, HHS levy dollars support other departments and services, such as job training, the Fatherhood Initiative, early childhood programming, HIV medication services and homeless services. During the budget process, specific community issues were addressed including the launch of First Year Cleveland, to combat infant mortality, as well as universal Pre-K and job training.²³

Looking Ahead

Looking to the future, Cuyahoga County will likely need to make major decisions on how it funds Health and Human Services. Though Cuyahoga County property values have increased 1.7 percent in the past four years,²⁴ the revenue from HHS levies remained flat between 2015 and 2016. The increasing age of the population (meaning more retirements and downsizing in homeownership), coupled with decreases in the number of citizens living in Cuyahoga County, means that there will be more demands on the budgets of county citizens, and fewer citizens that will be able to contribute to the HHS budget through property tax revenue. Indeed, this is an issue not only affecting Cuyahoga County, but the entire state of Ohio.

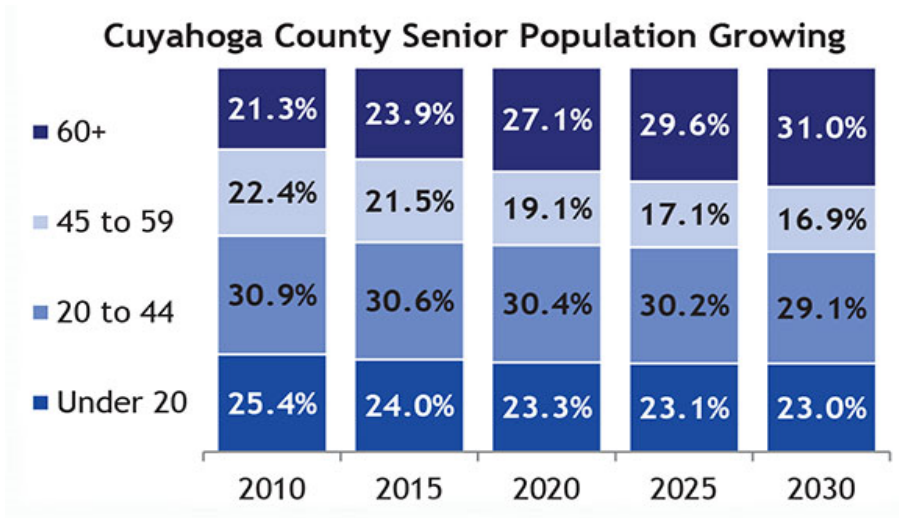
Population Change in Cuyahoga and Franklin Counties, 2010 to 2016



Source: U.S. Census Bureau, Annual Estimates of the Resident Population

Across Ohio, the number of individuals in Ohio’s working age population between ages 25 and 64 will fall by 452,000, or 10 percent, between 2010 and 2035. The state’s overall labor force participation rate for persons over age 16 will fall from 64 percent in 2010 to an estimated 57 percent in 2035.²⁵ According to the Community Solutions *Aging Ohio*, the declining income tax base from Ohio’s aging demographics will lead to the loss of \$1.7 billion in potential tax revenue by 2035.

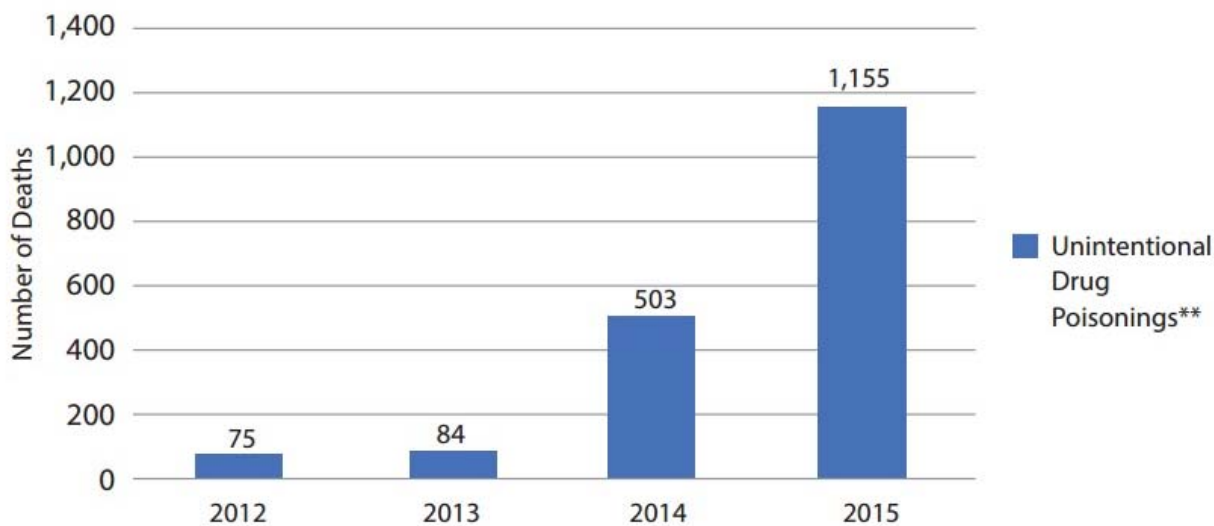
Zooming in to the county, the aging percentages will be more pronounced. According to Miami University Scripps Gerontology Center, by 2030, over 31 percent of residents in Cuyahoga County will be 60 years old or older. Additionally, those aged 60 and older will outnumber children.



Source: Scripps Institute of Gerontology.

The county may need to account for unforeseen health crises and reallocate resources to combat the issue. For example, locally, statewide and nationwide, Americans are dealing with the sudden and alarming increase of heroin and deaths resulting from overdose. The resulting deaths have devastated communities, and affected families for generations. Emerging HHS crises like the heroin epidemic may necessitate short-term increases in HHS spending, where existing HHS levy dollars are already spread across agencies.

In Ohio Fentanyl-Related Drug Overdoses, Ohio, 2012-2015



Source: Ohio Department of Health²⁶

In Cuyahoga County

Deaths from heroin, fentanyl, or combination of the two (Cuyahoga County)		
	<u>2016</u>	<u>2017</u>
January & February	57	109
Annual	517	650 (projected)

Source: Cuyahoga County Medical Examiner

According to the Cuyahoga County Medical Examiner’s office, February 2017 was the deadliest month for heroin & fentanyl overdoses in history.²⁷

In 2015, county agencies were asked to present budgets with a 10 percent cut,²⁸ and some agencies saw recommended cuts as high as 17 percent. While many cuts were restored using HHS levy dollars, it is uncertain how long that trend can continue, given threats to the overall county budget, including the loss of \$25 million annually to the General Fund from changes in the [Managed Care tax](#). Additionally, increased debt service from proposed capital projects may change the percentage of money paid out from the General Fund on debt service in the coming years.

Conclusion

As changes to health care funding and function change at the federal level, state budget deliberations continue, and the county is also pursuing its HHS Strategic Plan (which will be completed by July). As the county begins its budgetary process this fall, it will become extremely important for the community to understand the current allocation of dollars, the existing and emerging community health trends, and to collectively discuss how HHS spending is and can be spent to address those needs. Cuyahoga County has a wide array of organizations that are committed to serving the community and maintaining the county safety net, as well as residents who are unwavering in their support in the safety and well-being of their fellow citizens. Broad-based community discussion and involvement will be paramount in order to maintain the level of excellence for years to come.

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- ¹ http://www.cleveland.com/cuyahoga-county/index.ssf/2009/12/cuyahoga_county_officials_backers_of_issue_6_collaborate_on_new_government.html
- ² <http://bocc.cuyahogacounty.us/en-US/02192003-Commissioners-announce-placement-Health-Human-Services-levy.aspx>
- ³ http://blog.cleveland.com/metro/2009/12/scandals_surrounding_cuyahoga.html
- ⁴ http://council.cuyahogacounty.us/pdf_council/en-US/Legislation/Charter/COUNTY%20CHARTER%20WITH%20EXECUTED%20CERTIFICATE%20PAGE%20AS%20OF%2011-3-2015.pdf
- ⁵ http://council.cuyahogacounty.us/pdf_council/en-US/Legislation/Ordinances/2016/O2016-0011.pdf
<http://bocc.cuyahogacounty.us/en-US/02192003-Commissioners-announce-placement-Health-Human-Services-levy.aspx>
- ⁶ https://fiscalofficer.cuyahogacounty.us/pdf_fiscalofficer/en-US/obm/2016-2017BudgetPlan.pdf
- ⁷ Cuyahoga County Fiscal Office
- ⁸ <http://www.crainscleveland.com/article/20160111/NEWS/160119982/gcp-announces-support-for-health-and-human-services-levy-renewal>
- ⁹ Cuyahoga County Fiscal Office
- ¹⁰ http://council.cuyahogacounty.us/pdf_council/en-US/2016-2017Budget/2017BudgetUpdate/2017%20Update%20Cover%20Memo.pdf
- ¹¹ http://council.cuyahogacounty.us/pdf_council/en-US/2016-2017Budget/2017BudgetUpdate/2017BudgetUpdateDocumentDetail1.pdf
- ¹² <http://www.adamhsc.org/>
- ¹³ http://adamhsc.org/pdf_adamhsc/en-us/Publications/ADAMHSCCRpts/15AnnualRpt.pdf
- ¹⁴ http://adamhsc.org/pdf_adamhsc/en-us/Publications/ADAMHSCCRpts/15AnnualRpt.pdf
- ¹⁵ http://cfs.cuyahogacounty.us/pdf_cfs/en-US/2015AnnualReport.pdf
- ¹⁶ For more information, please see: [2015 annual report](#).
- ¹⁷ <http://www.metrohealth.org/news/?sid=1&nid=541&cwfriendlyurlapp=true&showback=true&pageindex=0>
- ¹⁸ http://www.metrohealth.org/upload/docs/main/Foundation/2015-community-report-final_081516.pdf
- ¹⁹ http://www.cleveland.com/cuyahoga-county/index.ssf/2015/10/metrohealth_system_accepts_a_76_million_budget_cut_from_cuyahoga_county_in_exchange_for_support_of_up_to_1_billion_for_campus_transformation.html
- ²⁰ <https://www.macpac.gov/wp-content/uploads/2017/03/MetroHealth-Medical-Center.pdf>
- ²¹ https://fiscalofficer.cuyahogacounty.us/pdf_fiscalofficer/en-US/obm/2016-2017BudgetPlan.pdf, Page 64
- ²² Cuyahoga County Senior and Adult Services 2016 Annual Report
- ²³ https://fiscalofficer.cuyahogacounty.us/pdf_fiscalofficer/en-US/obm/2016-2017BudgetPlan.pdf
- ²⁴ http://www.cleveland.com/datacentral/index.ssf/2015/09/how_much_cuyahoga_county_think_1.html
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- ²⁶ <https://www.odh.ohio.gov/-/media/ODH/ASSETS/Files/health/injury-prevention/2015-Overdose-Data/2015-Ohio-Drug-Overdose-Data-Report-FINAL.pdf?la=en>
- ²⁷ http://www.cleveland.com/metro/index.ssf/2017/03/cuyahoga_county_hits_record_nu.html
- ²⁸ http://www.communitysolutions.com/assets/docs/County_Budgeting_Matters/county%20budget%20matters%20-%20111115%20updated3.pdf, Page 3

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