



Safe Children, Stable Families, Supportive Communities

Ohio Senate  
Senate Finance Committee  
Testimony on Am. Sub. HB 110  
May 13, 2021  
Angela Sausser, Executive Director  
Public Children Services Association of Ohio  
37 W Broad Street, Suite 1100, Columbus OH 43215  
[Angela@pcsao.org](mailto:Angela@pcsao.org)  
614-224-5802

Good morning Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee. Thank you for the opportunity to provide this testimony on Am. Sub. HB 110. My name is Angela Sausser, and I am the Executive Director of the Public Children Services Association of Ohio (PCSAO). PCSAO is a membership-driven association of Ohio's 88 county Public Children Services Agencies that advocates for sound public policy, promotes program excellence, and builds public value for safe children, stable families, and supportive communities. I am joined here today by a panel to highlight the current state of children services, why resources are needed to achieve transformation in our system, and what transformation means to children and families.

Two years ago, we stood before you and shared that Ohio's children services system was in a significant crisis largely due to the addiction epidemic, and that new resources were needed to help our system stabilize. At that time, our PCSAs had experienced an increase of children in foster care; more children with very complex, multi-system needs; more reliance on kinship caregivers; and an increase in placement costs. The Governor and the General Assembly became champions of our system by making a historic investment in the last budget for children services.

We appreciate the Governor and the House maintaining these critical investments as there continues to be an increased volume of children in foster care (39% more than 10 years ago).

Senate Finance Committee Testimony  
Angela Sausser, PCSAO  
May 13, 2021

Annual foster care placement costs have increased by \$88M in 4 years (and \$34M in 2 years). Overall, children services spending (local, state, and federal dollars) has increased 14% in the last 10 years or \$146M more. This increase in overall children services spending is on pace with cost-of-living adjustments (20%) for the past 10 years. I share these numbers to show that our county public children services agencies are efficiently managing costs and effectively stabilizing the system in the face of an addiction and pandemic crisis.

When we look ahead to the next two years, we see new state and federal requirements for children services that will significantly increase local costs with no new local resources in HB 110. We support state and federal efforts to transform how families and children are supported in the children services system. **Ohio must get this right, which means we must align new policy requirements with new local resources** to ensure that kids can remain safely with their families, that children are placed in the most appropriate setting, and that the most effective services are being provided to reduce trauma in children's lives.

The first significant gap in HB 110 revolves around kinship. The state created a new Kinship Support Program at the end of 2020, during the lame duck session. While the executive budget includes new dollars to cover the costs of the state portion of the program, it does not include new dollars to cover the increased cost to counties. **If only half of the kinship caregivers become licensed foster parents, the estimated cost to counties will be an additional \$37M/year.** The state has estimated the local cost to be closer to \$25M/year. Either way, there are no new resources in the state budget to cover the county costs for this new Kinship Support Program.

The second significant gap pertains to a new federal child welfare law called the Family First Act that Ohio must implement by Oct. 1, 2021. This Act requires states to provide new evidence-based services to families to prevent children from coming into foster care. Family First provides federal funds to pay for up to half (50%) the cost of these evidence-based prevention services. **State resources are needed for the ongoing match of the prevention services.**

In addition, Family First requires children's residential and group home settings to meet new, costly, clinical quality standards (called a Quality Residential Treatment Program). If settings fail to meet these standards, Family First prohibits federal reimbursement of placement costs. ODJFS forecasts that between a fourth to a half of Ohio's residential centers will not meet this standard by the federal deadline of Oct. 1, 2021. **Our estimates show that counties will lose between \$18-25 million per year in federal reimbursement** due to facilities not being able to meet these new requirements by the federal deadline.

Finally, HB 110 moves in the right direction with policy changes that will begin transforming Ohio's children services system. However, the proposed new children services funding in HB 110 is focused solely on state costs related to new policy changes and leaves counties without additional resources required to appropriately carry out these changes. This is the third significant gap.

The **new state and federal requirements will cost county Public Children Services Agencies at a minimum \$52 million per year**. This estimate is based solely on the cost of the new Kinship Support Program and Family First implementation, and not on the additional transformation policy changes. The below chart details the significant gaps in children services funding in HB 110.

Therefore, PCSAO, along with the County Commissioners Association of Ohio, respectfully requests that the Senate Finance Committee address these funding gaps and **provide an additional \$50 million per year to the State Child Protection Allocation found within ODJFS ALI 600523**. This funding is critical so that Ohio's county PCSAs can successfully implement the newly established Kinship Support Program, the Family First Act, and the proposed transformational efforts within HB 110.

Without this new investment, what is intended to be state and federal transformation mandates will instead have a **crippling impact on county PCSAs, erode their stabilization**

**efforts and prevent counties from beginning to transform the children services system.**

Without this new investment, PCSAs will not be able to appropriately provide services to families, keep children safely at home, support kinship caregivers, and address the ongoing workforce struggles. Even in a state-supervised, county-administered system, it is appropriate for the state to cover a portion of the county costs for new state and federal programs and requirements.

**Gaps in Children Services Funding for Transformation Efforts**

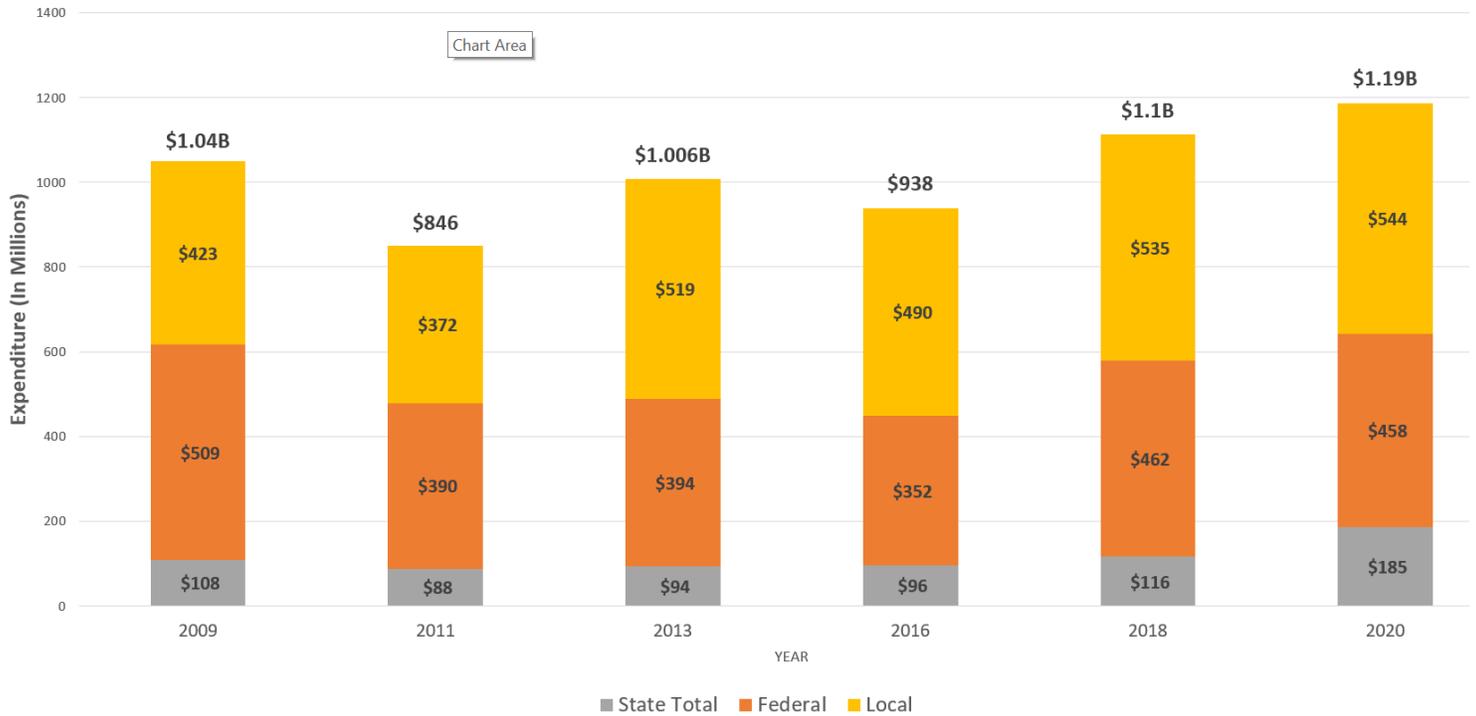
**2022-2023 Executive Budget**

	SFY21	SFY22	SFY23	Change (SFY21/23)
GRF Allocations to Counties (HB 110 will maintain at state level)	\$148.2M	\$138.2M	\$138.2M	- \$10M/year
TANF Earmark: Kinship Caregiver Program	\$15M	\$10M	\$10M	- \$5M/year
<b>Estimated Unfunded New Costs to Counties</b>				
Kinship Support Program		\$37M	\$37M	- \$52-57M/year minimum
Family First Implementation		\$18-25M	\$15-20M	
Other Transformation Policy Changes		Unknown	Unknown	
<b>State-Level Children Services Programs and Operations</b>	\$31.7M	\$95.2M	\$90.7M	+ \$59M
<b>State-Level Initiatives</b>	\$4.7M	\$18.8M	\$20.5M	+ \$15.8M

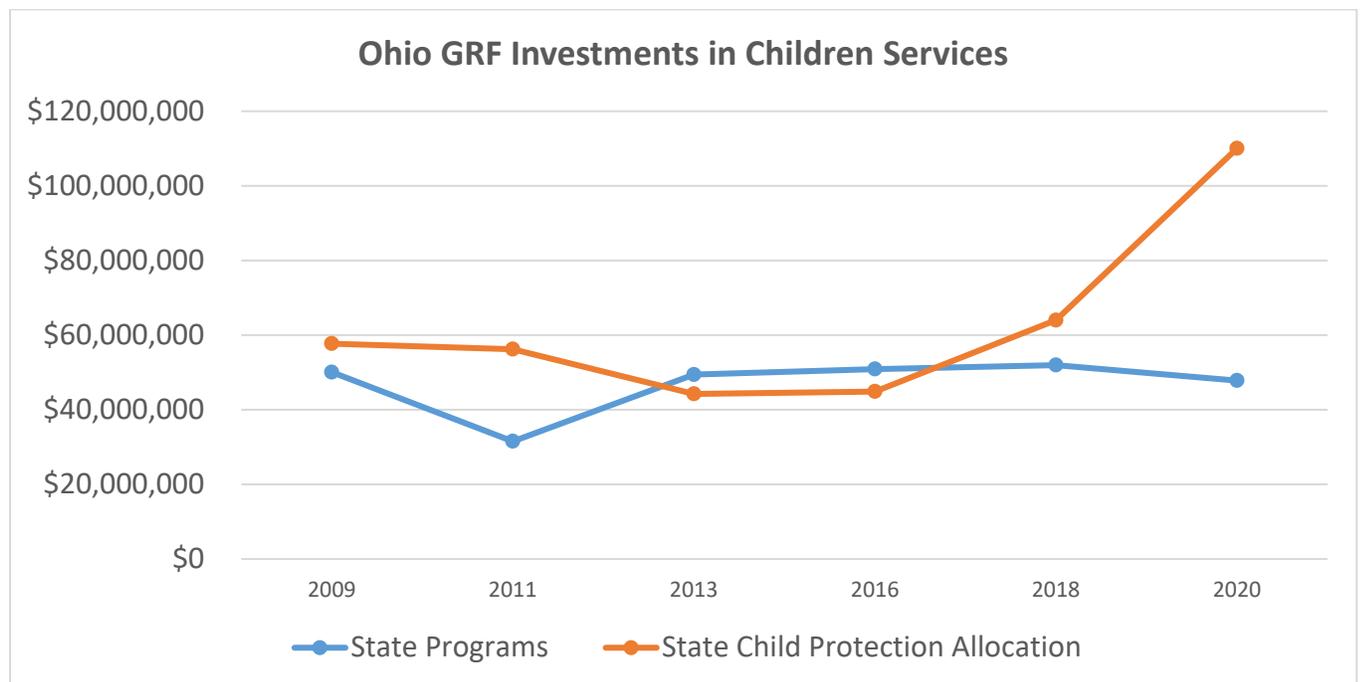
Attached to my testimony is additional information about the current state of Ohio’s children services system, the funding gaps in HB 110, Family First Act, current and proposed kinship changes, and the State Child Protection Allocation. I am happy to answer any questions after our panel concludes. Thank you.

**Chart A** shows the overall total children services spend between SFY2009 and SFY2020.

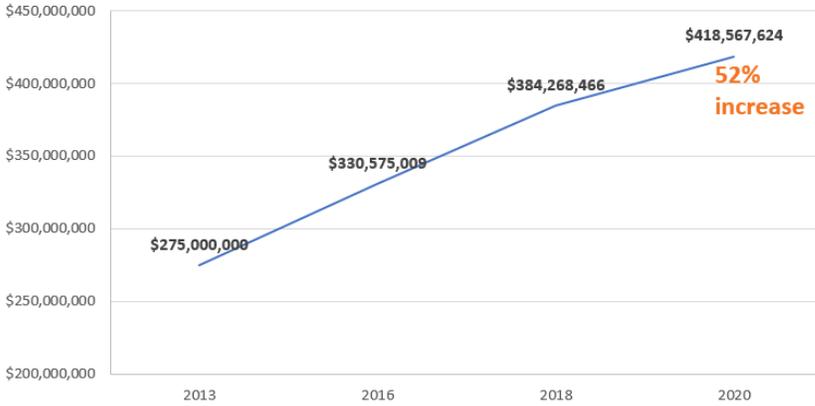
**TOTAL CHILDREN SERVICES EXPENDITURES BY FUNDING SOURCE: 2009 - 2020**



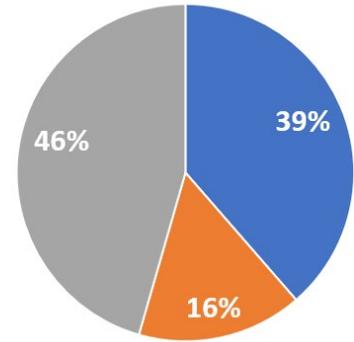
**Chart B** shows the trend line for state spending in children services between SFY2009 and SFY2020.



### Foster Care Placement Costs For State Fiscal Years

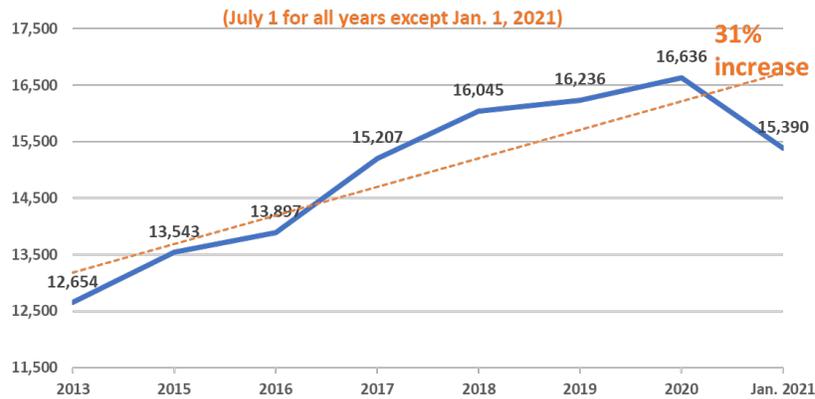


### SFY20 Children Services Spending Total = \$1.2B

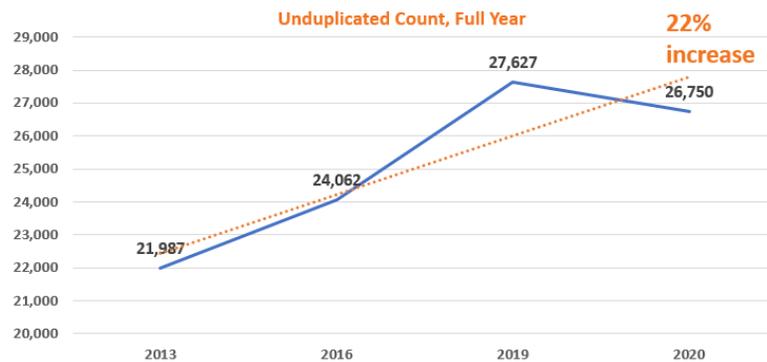


■ Federal ■ State ■ Local

### Children in Foster Care—Point in Time Count



### Children in Foster Care—Over the Entire Year



Senate Finance Committee  
May 13, 2021  
Testimony, Am Sub HB110  
Jody Walker, Executive Director  
Jody.Walker@jfs.ohio.gov

Good afternoon Chairman Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the committee. Thank you for this opportunity to provide testimony on the budget bill, specifically as it relates to children services. My name is Jody Walker, and I am the executive director of South Central Ohio Job and Family Services (SCOJFS), which serves Hocking, Ross, and Vinton Counties. We are a quadruple combined agency, responsible for public assistance, child support, workforce development and child welfare.

Like my colleagues on this panel and my fellow directors across the state, I appreciate that the increase in state funding for county children services agencies in the current biennial budget has been maintained in HB110. Those resources have allowed South Central to continue to meet the needs of the children and families we have served over the past two years. Without them, we would have had significant funding issues.

I have spent the past 24 years working in child and family services, with 22 years as a county director responsible for children services, all in rural Appalachia. I wish I could come before you today and say that the crisis is over, but I can't. We are overwhelmed with the needs of the children and families we serve daily. This is attributed to a variety of reasons: the opiate/ addiction epidemic, severe mental health issues, continued high custody counts, increased placement costs, lack of foster homes, lack of regional residential facilities, and lack of resources, both financially and service-based.

The custody count in my three counties has remained consistent for the past two years, yet our placement costs have increased. We felt the impact of the opiate epidemic in Southern Ohio much sooner than the rest of the state. That impact is long-lasting and has turned into a drug/severe mental health crisis. Many of the children coming into custody now have trauma and behavioral health needs that are more serious than I've ever seen in my children services career and that means they need more services and treatment and often stay in custody longer. From January 2013 through April of 2021, the agency has spent \$38,003,191 in placement costs. During that time, our costs increased 129%, from \$2.3 million in calendar year 2013 to \$5.4 million in calendar year 2020.

Between January 1, 2021, and April 30, 2021, our agency had 198 children in custody, with a daily placement cost of \$16,098. Thirty-two children required a residential/secure placement setting at a combined cost of \$7,391 per day. These 32 children, 16% of our total population, accounted for 46% of our total daily placement costs. This is why placement costs have gone up even though the number of kids in my agency's custody has remained the same for the past two years. This is our challenge---these trends aren't going to change anytime soon.

We know that kids have the best outcomes when they are placed in family-like settings and connected to a supportive permanent placement. And, that the longer kids spend in our system, the worse the outcomes they experience. That is why it is so important that we move to a proactive rather than a reactive system.

That means in an area where we do not have abundance of resources or service providers, we have to look at developing the assistance we need for our children and families. Local residential treatment facilities are non-existent in Southern Ohio. A majority of our children in congregate care are placed across the state, which creates challenges for reunification and follow-up care after returning home. To address this issue, our agency, has partnered with other county children services agencies and a local mental health provider to fill the void in this area. By this fall, our area will have a new residential

facility which aligns with Ohio RISE and the Family First Act. Expansion of services, along with creation and maintenance of prevention services, still require additional resources.

Locally, we are trying to be innovative and responsive in meeting the needs of our children and families, but that takes resources. A majority of the new investment we received in this biennium, along with our local levy funds, are going to support our kids in care. Any additional resources we can use to build on the state's previous investments would be much appreciated as we move into the next biennium. That is the only way that we can start to move to a proactive system.

I am the director of a three-county agency, but the kids in my community aren't just Hocking, Ross and Vinton counties' kids --- they are Ohio's kids, and they deserve your support.

Thank you again for the opportunity to speak with you today. I appreciate all support this committee can provide in helping the children and families of Ohio.



COSHOCTON COUNTY DEPARTMENT OF JOB & FAMILY SERVICES  
Public Assistance • Children Services • Workforce Development • Child Support  
**Danny Brenneman, Director**

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May 13, 2021  
Testimony, Am Sub HB110  
Senate Finance Committee  
Danny Brenneman, Director  
Coshocton County Dept. of Job & Family Services  
740.622.1020  
Daniel.brenneman@jfs.ohio.gov

Good Morning Chairman Dolan, Vice-Chair Gavarone, Ranking Member Sykes, and other distinguished Committee members. I appreciate the opportunity to offer testimony on Child Welfare from the perspective of one rural, East-Central Ohio County. My Name is Danny Brenneman and I'm the executive director of Coshocton County Job & Family Services. Our agency provides services in the areas of workforce development, child support enforcement, public assistance, child welfare and represent our family and children first council.

Financially in our child welfare area, we are broke, to use blunt terms. Just last month I met with my commissioners to review our inability to continue to pay for kids in care at the current rate and cost and that, as an agency, we've done everything imaginable and then some with our internal finances to keep current with foster providers and facilities. Our commissioners understand the problem and scenario and that this is a county/state crisis; not just an agency one. They've graciously offered assistance to the level they are able to. That said, our own county's general fund could not even sustain the costs we realize currently. Since 2014, Coshocton's costs for kids in care has risen 400% to approximately \$2,300,000 for 2020, or nearly \$200,000 per month. And these are costs we have little, if any, control or influence over.

The costs we are realizing mount and continue because of increased census (now 66 kids in agency custody monthly average compared with 18 in 2013) as well as increased daily costs and more difficult cases with multiple barriers and fewer placement options. We're still reeling from substance abuse in our community. In a recent sample, nearly 80% of new cases had substance

abuse as a deciding or influencing factor. Children are being born to drug-addicted mothers and dysfunctional families and the effects are long-lasting if not permanent. The daily cost for ne current placement for a child with complex needs is \$435, while another is \$317. Annually, that is a total of \$274,000 for two children in our custody. After partial federal reimbursement for one of these youth, Coshocton County's share of these placement costs approaches \$202,000 per year. As a point of reference, these will consume about 35% of the total proceeds from our levy. This is what I meant when I said that we have little, if any, control over placement costs. These two youth need residential care because of their trauma and to help them on their path to healing.

The citizens of Coshocton County understand and are generous and supportive. We have a levy that has been renewed several times since 1998 – this renewal generally passes by significant margins. In 2018, with drastically rising foster costs, we attempted a new .4 mill levy. This levy failed by 3%. The clear message to me was that our citizens are able and willing to continue support but are simply not able to add additional burden. In addition, we've recently lost significant tax revenue as a large facility (American Electric Power – Conesville) closed. This reduced our levy revenue and only compounds our dire situation.

While staff turnover and trauma are high, pay is low and hours are long, our caseworkers along with dedicated service providers in our county work with diligence to provide the best services possible. I'd put the work, care, and effort of my staff against any in the industry or otherwise. But we need help.

I've worked for Coshocton County since 1995 with positions in workforce development, finance, mid-level management and now as executive director. I've never seen a more critical or pivotal point in any of the service areas in our agency or community. Investment in child welfare is *assurance* and *insurance* that we can provide quality services to children and families to keep them safe and healthy. This, in turn, minimizes time and resources needed "down the road" and undoubtedly saves lives.

Members of this committee, I simply ask for your full consideration and support for additional investment to the child welfare system at the local level. Federal and state changes and mandates are upon us, and your investment will assure our ability to prevent incidence of child abuse and neglect as well as meet the needs of unfortunate but ongoing costs. My testimony only represents one small county but speaks for many similar in our state.



I want to give an example of success when we work together. The pictures you've been presented are of James. He turned one-year old last Fall. James was born to an addicted mother who could not take care of him. Because of the work of many dedicated professionals in the child welfare system, James was adopted into a permanent, loving family on March 11. I just saw James last week, and he is doing awesome! What could be a higher priority for us all?

to answer any questions.

I truly thank you for your time and consideration, and I am happy



Senate Finance Committee  
Sarah L. Hayden, Peer Support Specialist  
Thrive Behavioral Health/Warren County Children Services/ Ohio Start Program

May 13, 2021

Good morning, Chairman Dolan, Vice-Chair Gavarone, Ranking Member Sykes, and members of the Senate Finance Committee. Thank you for allowing me to speak with you today. My name is Sarah Lynn Hayden. I am a Peer Supporter at Warren County Children Services and work with families who participate in the Ohio START Program. I have worked in child welfare for three years but my involvement with children services didn't start with my job.

My story starts when I was placed into foster care at 6 weeks old due to my mother's struggle with mental health and drug addiction. This was the beginning of my journey as a statistic within the foster care system. A child already labeled due to the decisions of others. I remained in foster care until I was adopted at the age of 4.

As many children in the child welfare system, my hardships did not end when I was adopted. I was sexually abused by a family member from the age of four until I was eight. I tried to tell but no one heard or believed me. My voice was taken from me and I was feeling unloved and abandoned.

These feelings intensified in my teen years after finding out I was adopted, my biological mother did not want me (in part because I am biracial), and not knowing who my father is, in addition to the trauma I had experienced. I was lost, scared, and confused.

I started using alcohol and cocaine at the age of 14. I gravitated towards the bad crowd to feel a sense of belonging and get back at those who hurt me or didn't believe me. I started to get a rap sheet and I was in jail facing 10 years by age 22. While in jail, I found out I was pregnant. I was scared calling my parents to share what would be happy news for most, but it is not happy news when you're on your way to prison. My parents assured me they loved me and would support me through my pregnancy and jail time.

I was released on probation and ordered into treatment. I quickly regressed by opening my house to men who sold drugs, used me, and I relapsed. As a result, I was sentenced to prison while my parents cared for my 6-month-old baby girl.

In prison, I was Inmate WO 75645. Stripped of my identity not unlike what happens to foster children in our system. I was incarcerated for 32 months. I never wanted to be a mom that choose drugs or men over my child and this time in prison was my ah-ha moment. I began to explore my pain, my fears, and tried to see my self-worth.

My clean date is October 22, 2010. I was no longer willing to let my history define my identity. I found strength I did not know I had to make changes. There have been many obstacles, but I made a promise to myself and my children I would be better each day and am proud of each accomplishment I've made.

I found a job in childcare as a Family Advisor. I saw myself in the kids and families and began working to offer resources and compassion. I wanted them to know I understood and did so with no judgment. I saw the benefit of helping those in need. People without support network built into their lives and how having this can lead others to succeed. How showing care to a frustrated mother can deter abuse. How providing resources to a family can avoid neglect.

My journey is not without additional challenges. I have had toxic relationships, have suffered from depression and anxiety, have been involved in an open case with children services, and have struggled with my sobriety. I now feel I have a purpose driven life to help children and families who want a new start.

My path led me to Peer Support. By 2018, I was a Certified State of Ohio Peer Support Specialist hired through Warren County Children Services to be a part of the Ohio START Program. I work alongside caseworkers to support families. Every day, I use my labels (addict, inmate, foster child, mother, victim, survivor), my scars, and my strength to help families see recovery is possible. I walk hand in hand with the families, their hurt, their obstacles, and their successes. My favorite quote is, "A Closed Mouth Doesn't Get Fed." When I wasn't advocating for myself, nothing I needed or wanted was being heard. So today, I am speaking for others who don't have a voice.

My role at children services is vital and the work we do is not easy. The real-life situations can be daunting. The overdoses, the abuse kids face, and the lack of basic needs are real. Intervening early with children helps prevent the cycle of abuse, promotes child safety, and builds long-lasting resilience. We do this job because we care and want to see change.

As you make decisions about funding for children services in the state budget, I ask you to remember my journey. Consider the impact children services agencies can make on someone like me as a child and as an adult.

# Overview: Transforming Children Services 2022-23 State Budget Priorities

It is a **pivotal** time for Ohio's children services system. Federal and state policy changes that go into effect in the next biennial budget are aimed at transforming the system. However, transforming a system that greatly needs it without

## Links to Budget Priorities

- Overview
- Funding Gaps
- Children Services By the Numbers
- Family First Act
- Kinship
- State Child Protection Allocation

new resources will only bring failure. Ohio must get this right, which means we need to align new policy requirements with new local resources in order to ensure that kids can remain safely with their families, that children can be placed in the most appropriate setting, and that the most effective services can be provided to reduce trauma in children's lives. **Public Children Services Association of Ohio is joining with the County Commissioners Association of Ohio to request \$50 million per year for counties so that they can support kin caregivers, maximize Family First opportunities, and offset increased placement costs.**

Every child deserves to grow up in a safe, stable, permanent family. **In 2020, nearly 16,500 Ohio children lived in foster care on any given day, up from 12,500 children in 2013—a 32% increase.** Being removed from home and entering foster care is a traumatic experience for children, with consequences that can last a lifetime.

Protecting children from abuse and neglect and stabilizing families is challenging work. It is further complicated by the continued growth of the **addiction epidemic and a global pandemic** that requires Ohio's public children services agencies (PCSAs) to juggle new guidelines for in-person visits, exposures and quarantines to carry out their mission.

The **growing number of children in foster care, the increase in placement costs, and the lack of appropriate services and placements** have created an ongoing crisis in our system. Gov. DeWine recognized this, and so the Executive Budget proposal maintained the current level of county investment, as does the House version.

Despite the challenges facing PCSAs, Ohio is at a pivotal time. The federal **Family First Prevention Services Act** will be implemented by October 2021. Family First recognizes that most families can provide safe care in their home with the right services and supports, preventing children from coming into foster care and requiring the most family-like setting for those who do. In cases where residential care remains the best option, new eligibility and quality standards will increase county costs while reducing availability. This transformative opportunity requires ongoing leadership, resources and commitment at the state and local levels.

In addition, Ohio has launched a new **Kinship Support Program** whereby the state provides time-limited payments to kin as the caregiver pursues foster parent licensure. Once licensed, the program shifts responsibility to county agencies to provide higher foster care payments and related administrative oversight. State estimates of county costs are \$25 million per year based on the number of kinship caregivers currently in this category. However, no new funds are included in HB 110 for these county costs.

## Budget Requests

- **State Child Protection Allocation (SCPA): Maintain \$110 million per year (ALI 600523) + increase by \$50 million per year** (request for local-level transformation)
- **Maintain other children services investments from SFY20-21**
- **Support new investments in HB 110 (ALI 600523, 600450) for state-level transformation**



# Funding Gaps in Children Services

## 2022-23 State Budget Priorities

It is a **pivotal** time for Ohio’s children services system. Federal and state policy changes that go into effect in the next biennial budget are aimed at transforming the system. However, transforming a system that greatly needs it without new resources will only bring failure. Ohio must get this right, which means we need to align new policy requirements with new local resources in order to ensure that kids can remain safely with their families, that children can be placed in the most appropriate setting, and that the most effective services can be provided to reduce trauma in children’s lives. **Public Children Services Association of Ohio is joining with the County Commissioners Association of Ohio to request \$50 million per year for counties so that they can support kin caregivers, maximize Family First opportunities, and offset increased placement costs.**

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Overall state investments in children services have increased in HB 110. However, the new investments are at the state level only.

The budget bill funds a new kinship program that requires shared implementation at the state and local level:

- ⇒ The state’s portion of the **Kinship Support Program** (implemented December 29, 2020, through SB 310) is funded at \$34.5 million in SFY22 and \$30 million in SFY23.
  - ODJFS estimates county costs at \$23 million in SFY22 and \$25 million in SFY23. Another analysis shows the cost **could be closer to \$37 million per year** if only half of eligible kinship caregivers become licensed foster parents.
  - No new funds are proposed to support county costs.

Targeted funds for **Foster Parent Recruitment and Retention** and **Best Practices** have shifted from the county level to the state level:

- ⇒ \$10 million per year in direct county allocations for Foster Parent Recruitment and Retention and Best Practices will no longer be distributed by formula; instead, ODJFS has rule-making authority to determine how these funds will be used.

County-level funds for kinship support have been reduced:

- ⇒ \$15 million per year TANF earmark for the **Kinship Caregiver Program** was zeroed out in the Executive Budget but **partially restored to \$10 million per year by the House.**

Federally mandated Family First initiatives—which will transform children services over time—will increase county costs in the short term, yet no new funds are included for county implementation:

- ⇒ Placement costs will increase due to new **residential facility requirements**, and counties will absorb the loss of federal reimbursement for unqualified settings effective October 1, 2021.
- ⇒ There is a required 50/50 match to draw down federal reimbursement for specific **evidence-based services to prevent children from entering foster care** effective at the end of the Public Health Emergency.

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<b>GRF Allocations to Counties</b>	\$148.2M	\$138.2M	\$138.2M	<b>- \$10M/year</b>
<b>TANF Earmark: Kinship Caregiver Program</b>	\$15M	\$10M	\$10M	<b>- \$5M/year</b>
<b>Estimated Unfunded New Costs to Counties</b>				
Kinship Support Program		\$37M	\$37M	
Family First Implementation		\$18-25M	\$15-20M	<b>- \$52-57M/year</b>
Other Policy Changes		unknown	unknown	
<b>State-Level Children Services Programs and Operations</b>	\$31.7M	\$95.2M	\$90.7M	<b>+ \$59M</b>
<b>State-Level Initiatives</b>	\$4.7M	\$18.8M	\$20.5M	<b>+ \$15.8M</b>

# Children Services By the Numbers

## 2022-23 State Budget Priorities

It is a **pivotal** time for Ohio's children services system. Federal and state policy changes that go into effect in the next biennial budget are aimed at transforming the system. However, transforming a system that greatly needs it without new resources will only bring failure. Ohio must get this right, which means we need to align new policy requirements with new local resources in order to ensure that kids can remain safely with their families, that children can be placed in the most appropriate setting, and that the most effective services can be provided to reduce trauma in children's lives. **Public Children Services Association of Ohio is joining with the County Commissioners Association of Ohio to request \$50 million per year for counties so that they can support kin caregivers, maximize Family First opportunities, and offset increased placement costs.**

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The **number of children in foster care** has continued to increase, growing from 12,654 in SFY13 to more than 16,000 for most of SFY21. Reasons for the increase include the addiction epidemic and the complexity of cases, which can result in children lingering in care longer.

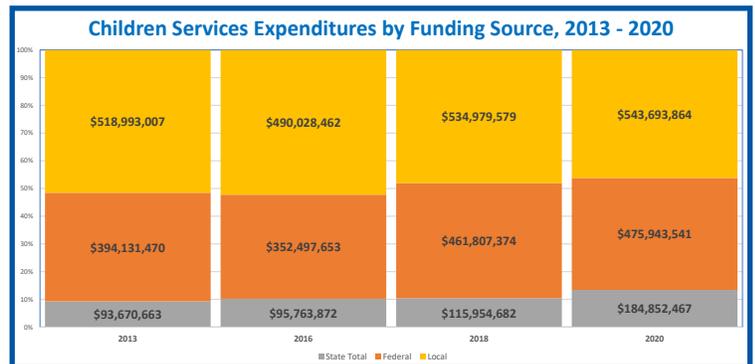
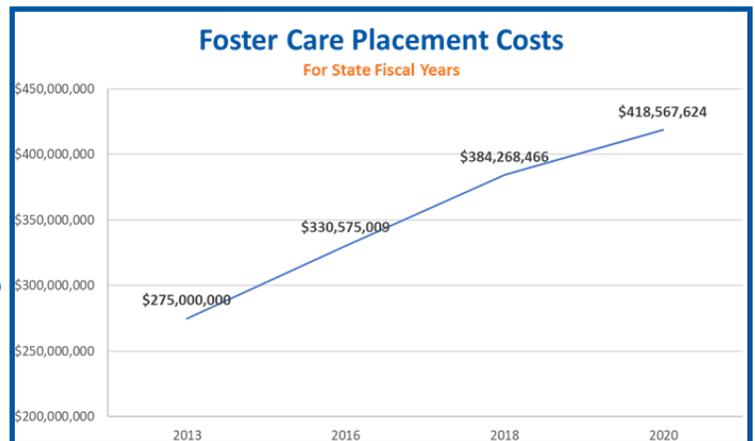
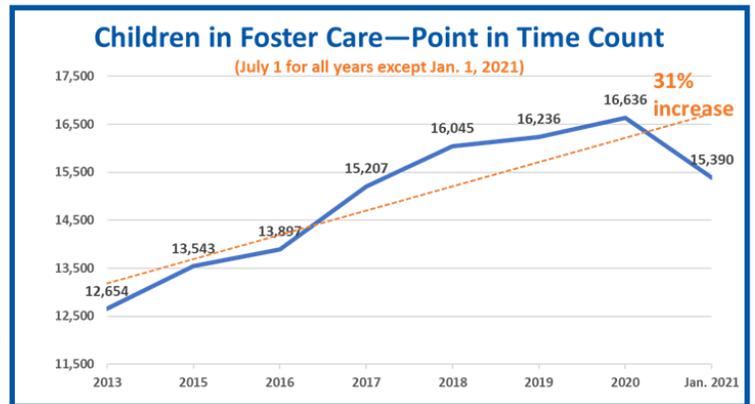
**Why is this important?** Even though cases have declined during the pandemic, a failure of robust Family First implementation will result in children continuing to come into foster care who otherwise could be served with evidence-based prevention services in the home.

**Placement costs** have increased 52% since 2013, \$144 million above SFY13 spending. From 2018 to 2020, placement costs increased by \$34 million, or 9 percent. The increase in annual placement costs is driven by more reliance on residential center placements (versus foster homes). In a member survey from April 2020, 45% of PCSAs reported that the new state budget investments were already spent on placement costs.

**Why is this important?** Placement costs are projected to increase significantly in the next two years 1) under the new Kinship Support Program and 2) as a result of Family First because some residential placements will not be federally reimbursable.

New investments in the last budget have increased the **state share of overall spending** from 10% to 16% while modestly reducing the spending burden on counties.

**Why is this important?** The proposed budget contains new dollars to support the state's efforts with transformation, but there is no corresponding support for local costs associated with that programming. Without a new investment, state and federal changes will instead have a crippling impact on county PCSAs, erode their stabilization efforts and prevent counties from beginning to transform. Even in a county-administered system, it is appropriate for the state to cover a portion of the county costs for new state and federal programs and requirements.



# Family First Prevention Services Act 2022-23 State Budget Priorities

It is a **pivotal** time for Ohio's children services system. Federal and state policy changes that go into effect in the next biennial budget are aimed at transforming the system. However, transforming a system that greatly needs it without new resources will only bring failure. Ohio must get this right, which means we need to align new policy requirements with new local resources in order to ensure that kids can remain safely with their families, that children can be placed in the most appropriate setting, and that the most effective services can be provided to reduce trauma in children's lives. **Public Children Services Association of Ohio is joining with the County Commissioners Association of Ohio to request \$50 million per year for counties so that they can support kin caregivers, maximize Family First opportunities, and offset increased placement costs.**

## Links to Budget Priorities

- Overview
- Funding Gaps
- Children Services By the Numbers
- Family First Act
- Kinship
- State Child Protection Allocation

Within months of the SFY22-23 budget taking effect, Ohio will implement a transformational federal child welfare law called the **Family First Prevention Services Act**. Through dramatic funding changes, Family First puts the focus on preventing children from entering foster care, and recognizes that most families can provide safe and loving care when offered needed services in such areas as mental health, substance abuse treatment, and parenting skills. When foster care is necessary, Family First requires that children be placed in the least restrictive, most family-like setting appropriate for their needs. In cases where residential care remains the best option, Family First seeks to improve the oversight of that care, and to ensure that residential facilities provide quality, trauma-informed, clinical supports.



## Reducing Institutional Placements

Family First will end federal reimbursement of placement costs for children placed in institutional settings that fail to meet a new standard called a Qualified Residential Treatment Program (QRTP). Institutional settings must meet specific standards to be a QRTP such as providing trauma-informed services, 24/7 access to clinical staff, accreditation from a national body, engaging families throughout treatment, and ensuring up to six months of aftercare services.

It is estimated that one-fourth to one-half of residential centers will not meet the new federal standard by Oct. 1, 2021, and the Ohio Department of Job and Family Services has granted these facilities a three-year extension to become a QRTP. PCSAs can still place children in these institutions, but federal reimbursement will be prohibited. State resources are needed to assist counties with the loss of federal reimbursement for non-QRTPs (estimated between \$18 and \$25 million per year) and the anticipated increase in placement costs as Ohio implements the new, more expensive, residential requirements.

## Preventing Children from Entering Foster Care

Starting Oct. 1, 2021, the federal government will begin matching up to half the costs for specific evidence-based mental health, substance abuse and parenting services for families of children at risk of entering foster care. Services can be provided for up to a year. There are no income eligibility requirements and no restriction on the number of times a family receives services. Federal funds will pay up to half the cost of these services (and all costs through the end of the Public Health Emergency). State resources are needed for the ongoing match of the prevention services, and also to address capacity of the services across the state so that children in every county have the same opportunity to remain with their family rather than enter foster care, regardless of local resources. Limited funds are currently available to pay for the match, but at some point during the biennium, the match will fall to counties. Both the children services and private behavioral health workforces are insufficient with current resources to meet the demand for expanding services statewide.

# Family First Prevention Services Act

## Ohio's Five Prevention Services

Ohio has selected five evidence-based prevention services that initially will be eligible for federal reimbursement: Multisystemic Therapy (MST), Functional Family Therapy (FFT), Ohio START, Healthy Families America (HFA) and Parents as Teachers (PAT).

Ohio will determine when to phase in additional evidence-based prevention services slated to include Triple P, Incredible Years, 7 Challenges, Motivational Interviewing, Trauma-Focused Cognitive Behavioral Therapy, Brief Strategic Family Therapy, Child Parent Psychotherapy, Parent-Child Interaction Therapy, and Nurse Family Partnership.

### Ohio Prevention Services Descriptions

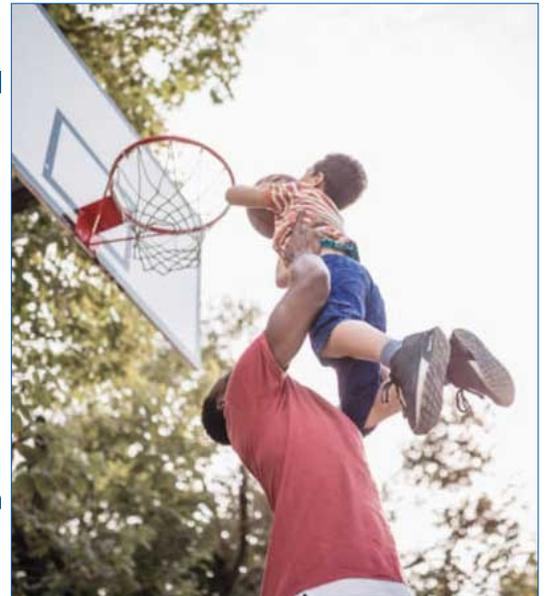
**Functional Family Therapy:** FFT is a short-term prevention and intervention program for at-risk youth and their families. FFT aims to address risks and protective factors that impact the adaptive development of 11- to 18-year-old youth who have been referred for behavioral or emotional problems.

**Multisystemic Therapy:** MST is an intensive family- and community-based treatment for youth with serious juvenile offenses or who are at high risk for juvenile justice involvement (and possibly substance use disorder) and their families. The target population is 12- to 17-year-olds who are at risk of out-of-home placement due to delinquent or antisocial behavior.

**Ohio START:** Ohio START (Sobriety, Treatment and Reducing Trauma) is an evidence-informed children services-led intervention whereby public children services agencies (PCSAs) bring together caseworkers, behavioral health providers, and family peer mentors into teams dedicated to helping families struggling with co-occurring child maltreatment and substance use disorders. The overall goal is to stabilize families harmed by parental drug use so that both children and their parents can recover and move forward with abuse-free and addiction-free lives. Currently in Ohio, 52 PCSAs are providing Ohio START services. To learn more, visit [www.ohiostart.org](http://www.ohiostart.org).

**Healthy Families America:** HFA is a home-visiting program designed to work with families who may have histories of trauma, intimate partner violence, mental health issues, and/or substance use issues. Services are offered to families during pregnancy or at the time of birth of a child and can be provided long term. Goals of the program are to build and sustain community partnerships to systematically engage overburdened families in home-visiting services prenatally or at birth, cultivate and strengthen nurturing parent-child relationships, promote healthy childhood growth and development, and enhance family functioning by reducing risk and building protective factors.

**Parents as Teachers:** PAT is a home-visiting parent education program that teaches new and expectant parents skills intended to promote positive child development and prevent child maltreatment. PAT aims to increase parent knowledge of early childhood development, improve parenting practices, promote early detection of developmental delays and health issues, prevent child abuse and neglect, and increase school readiness and success. The PAT model includes four core components: personal home visits, supportive group connection events, child health and developmental screenings, and community resource networks. PAT is designed so that it can be delivered to diverse families with diverse needs, although PAT sites typically target families with specific risk factors.



# Supports for Kinship Caregivers

## 2022-23 State Budget Priorities

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### Links to Budget Priorities

- Overview
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**Children do better with kin.** All Ohio children deserve to grow up in families. When children cannot remain safely with their parents, other family and friends can provide a sense of security, identity and belonging. Children come into kinship care for various reasons; some kinship arrangements are temporary, while others are long term.

Many kinship caregivers need assistance as they take on this unexpected responsibility. Due to federal and state policies, available financial support varies depending on the category—or level of involvement with children services—that applies to the kinship caregiver.

The 2022-2023 budget contains significant new **kinship funding** and **kinship policy**. HB 110 funds one new kinship program that require partnership at the state and local levels and reduces another established program; however, the new funding is solely for state-level costs.



### Kinship Support Program

- KSP was established in SB 310 in December 2020, in response to *D.O. v. Glisson*, a federal court decision that requires payments to kin caring for children in foster care.
- The budget bill proposes \$34.5 million in SFY22 and \$30 million in SFY23 to cover the state’s share of this program, which pays kin caring for children in PCSA custody a small stipend (\$10.20 per day) for up to nine months initially and then six months thereafter.
- During this time, kin have an opportunity to become licensed foster caregivers, at which point responsibility shifts to the counties to pay much higher foster care per diems.
- Even with partial federal reimbursement for some payments, the state estimates that counties will be paying about **\$25 million per year** over and above current foster care placement costs. Additional analysis shows that this cost may be closer to **\$37 million per year**.

**In *D.O. v. Glisson*, the U.S. Sixth Circuit Court of Appeals ruled in 2017 that the Adoption Assistance and Child Welfare Act of 1980 gives caregivers a privately enforceable right to foster care maintenance payments and, further, that Kentucky cannot distinguish between relative and non-relative foster providers when issuing those maintenance payments. This ruling applies to all states within the Sixth Circuit, which includes Ohio.**

See next page for more.

## Kinship Caregiver Program

- The Executive Budget zeroed out the existing \$15 million Kinship Caregiver Program, but the earmark was partially restored to \$10 million per year by the House.
- This TANF earmark, administered through each county's Prevention, Retention, and Contingency program (PRC), provides "reasonable and necessary relief of child caring functions through family stabilization and caregiving services." Within TANF guidelines, counties have flexibility to respond to local kinship caregiver needs, including kinship caregivers whose children are not in agency custody.

## Kinship Policy

Recognizing that children do better with kin, HB 110 contains recommendations from the Children Services Transformation Advisory Council **report** issued in November 2020. PCSAO supports these changes and notes that more PCSA staff time and resources will be required to ensure compliance and achieve the intended goals.

Kinship policy provisions include:

- **Intensive family-finding efforts:** Strengthens requirements for PCSAs to document efforts and methods to find a kinship placement and the court's responsibility to review those efforts and determine if/when the agency is no longer required to search for kin.
- **Concurrent planning:** Codifies the requirement that PCSAs pursue more than one permanency goal simultaneously, with full knowledge of all involved, so that children do not linger in foster care.
- **Consideration of child's best interest when in a long-term foster care home placement:** Includes the conditions under which a court can determine that the continuation of a child's current placement with a non-kinship caregiver is in the child's best interest and when the non-kinship caregiver can be considered of equal standing with other kin in regard to permanency; it also states that relatives who fail to demonstrate interest in caring for the child within six months of notice do not have to be considered for placement.



# State Child Protection Allocation

## 2022-23 State Budget Priorities

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### Links to Budget Priorities

- Overview
- Funding Gaps
- Children Services By the Numbers
- Family First Act
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**PCSAO requests an amendment to HB 110 (line 56387-56393) returning language to the "not less than" used in HB 166 (2020-2021 biennial budget) and adding \$50 million per year to the appropriation.**

"Of the foregoing appropriation item, 600523, Family and Children Services, **not less than up to \$160,110,040**,010 in each fiscal year shall be provided to public children services agencies. Of that amount, \$17,600,000 in each fiscal year shall be used to provide an initial allocation of \$200,000 to each county and the remainder shall be provided using the formula in section 5101.14 of the Revised Code."

The State Child Protection Allocation (SCPA)<sup>1</sup> is state general revenue funds (GRF) allocated to county public children services agencies (PCSAs) to protect, stabilize, and meet the complex needs of children and their families.

### How SCPA Funds Are Used

**As local match to draw down federal children services funding:**<sup>2</sup> SCPA is the primary state funding source for counties to use as match for federal funding streams. PCSAs use SCPA as local match to draw down federal Title IV-E and Title IV-B to pay for:

- **Foster care**, when children cannot safely remain in their homes and must be placed with foster parents or in other care settings;
- **Children services caseworkers** who are responsible for reunifying children with their parents when possible or finding permanent homes with other loving caregivers when it is not possible to reunify;
- **Recruitment and support** of more foster caregivers and prospective adoptive parents; and
- **Prevention and supportive safety services** that stabilize families in crisis and avoid the need to remove and further traumatize children.

**To support key services that federal funds cannot pay for:** Federal children services funding streams are limited in purpose, requiring key services to be funded by local communities. PCSAs use SCPA funds to help support:

- **Initial intake and investigation** of child abuse and neglect reports, as required by federal and state law;
- **Foster care and adoption costs** for children whose families do not meet Title IV-E eligibility guidelines; and
- **Kinship services and supports.**

### How SCPA Funds Are Distributed<sup>3</sup>

As outlined in statute, SCPA funds are distributed to county PCSAs based on a formula that includes a baseline distribution as well as relative proportion of child population and poverty. Specifically: 12% divided equally among all counties, 48% distributed based on child population in the county, and 40% distributed based on number of county residents with incomes under the federal poverty level.

In HB 49 (2018-2019 biennial budget), the General Assembly earmarked the SCPA investment within ODFJS line item 523 for the first time. In HB 166, the General Assembly also established that \$17.6 million in each fiscal year shall be used to provide an initial allocation of \$200,000 to each county.

<sup>1</sup>The SCPA is included in Line Item 600523, Family and Children Services, within the Ohio Department of Job and Family Services budget.

<sup>2</sup>See this [Child Welfare Finance graphic](#) for an explanation of federal children services funding.

<sup>3</sup>The Ohio Department of Job and Family Services (ODJFS) disburses SCPA funds to counties in accordance with section 5101.14 of the Ohio Revised Code and 5101:9-6-19 of the Ohio Administrative Code.