

Senate Finance Committee
Testimony on HB 96
June 5, 2025
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Chairman Cirino, Vice Chair Chavez, Ranking Member Hicks-Hudson, and members of the Senate Finance Committee, thank you for the opportunity to provide this children services testimony on HB 96. 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.

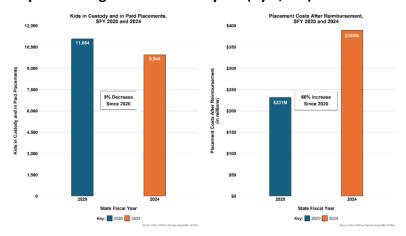
I stand before you today in support of the House-passed version of the budget when it comes to funding children services, ensuring safe, appropriate placements for youth in children services custody, and sustaining support for critical services for families in counties across the state. In Ohio, child protective services relies more heavily on local dollars to support our work than nearly every other state in the nation. Counties pay 47 cents on every dollar spent, while the state share has risen to 19 cents on the dollar under Gov. DeWine and the General Assembly – compared to the national average of 42 cents on the dollar for the state share. The Federal share continues to decrease with the current share at 34 cents on the dollar. For example, over a three-year period, a variety of circumstances shifted more than \$44M of the financial burden for foster care placement costs that historically was covered by federal reimbursement to the counties.

As we previously testified before the Senate Health Committee and in written testimony before this committee, Ohio – like other states – has been gripped by a double-edged crisis in our ability to provide safe, appropriate, and affordable placements for children in foster care. Costs for placements

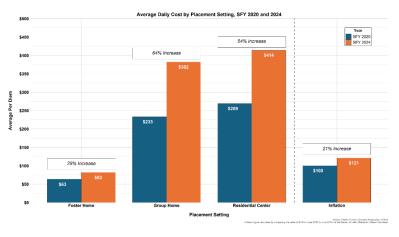
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(foster home, group home, residential treatment facility) have far outpaced inflation by increasing 68% or \$138M more today than five years ago. They have escalated to unsustainable levels, while the number of open beds in those placements has become alarmingly scarce. The cost side of this crisis can be summed up in these key points:

 Placement costs<sup>1</sup> have risen 68% (by \$158M) even as the number of kids in PCSA custody and in paid settings has declined by 9% (by 1,120)



• Placement costs have increased across all settings and have outpaced inflation – foster homes by 29%, group homes by 64%, and residential treatment facilities by 54%.



<sup>&</sup>lt;sup>1</sup> Placement costs are the expenses associated with the care and maintenance of a child in foster care. In addition to room and board, placement costs may include expenses associated with the child's special needs (such as increased supervision), other items such as clothing, special diets, personal incidentals, and transportation. Placement costs also include a portion of the placement setting's administrative costs. Medicaid covers most treatment and services for children in foster care.

In addition, there is a significant shift in state policy in HB 96 that will prohibit agencies from using Social Security and other survivor benefits to fund the cost of foster care. The state estimates that this will cost counties an additional \$17M per year for the cost of care. This is another reason why we need the SCPA restored to the House-passed version. We do thank the committee for maintaining the rate card policy language that we believe will help us bring more consistency and predictability to these costs, and we ask that you maintain that policy language moving forward.

We also ask that the committee restore the funding and policy for the much-needed regional Child Wellness Campuses in DCY Line Item 830506. A study that ODJFS conducted in October 2022 showed that approximately 500 youth in 2021 had to spend at least one night at their county PCSA – a government agency. We know this creates additional trauma for our children. When agency staff make the unacceptable but unavoidable decision to have a child spend the night at the agency, they must purchase cots for their offices, make arrangements for showers at nearby shelters, figure out how best to provide meals, and assign staff to provide 24/7 supervision. Some PCSAs have had to pay for law enforcement to stay at the agency to ensure everyone's safety, in addition to the overtime for their workforce. This is why Ohio needs Child Wellness Campuses so that children will not have to sleep at a county agency but instead can be in a safe, short-term setting that can de-escalate and stabilize their behavior while providing much-needed behavioral health screening and assessments. This would provide the county PCSA with the information and time to find an appropriate placement that can meet the youth's level of need.

We are grateful to the County Commissioners Association of Ohio, which stands with PCSAO. County commissioners know that these costs fall squarely on their coffers, and the plight of these children weighs heavily on their conscience.

Specifically, we ask that you partner with counties to address the placement crisis by:

• Return to House-passed levels of funding for counties through the State Child Protection Allocation (SCPA) of \$180M in SFY2026 and \$185M in SFY2027, representing an additional

\$55M over the biennium by supporting **Amendment: SC\_136\_2802**. One of the main reasons is the significant shift in state policy that will prohibit agencies from using Social Security and other survivor benefits to fund the cost of foster care. The state estimates that this will cost counties an additional \$17M per year for the cost of care. The other reason for the increase is for the state to assist in offsetting the increased costs for foster care placements that counties have had to assume (\$138M more today, \$44M in lost federal funding). The SCPA is an earmark within DCY line item 830506 that allocates the state share of funding to county PCSAs to provide local match to draw down federal children services funding, and to support key services that federal funds cannot pay for, including the increased placement costs for youth in foster care.

• Restore the one-time investment (\$20M in SFY2026 and \$10M in SFY2027) to establish regional child wellness campuses so that children will not have to sleep at a county agency but instead can be in a safe, short-term setting (45 days) that can de-escalate and stabilize their behavior while providing much-needed behavioral health screenings, diagnostic assessments, and treatment planning. This proposal was prioritized by the statewide Children Services Placement Crisis Working Group, which includes a wide range of state agencies and state and local stakeholders. We ask that you support Amendment: SC\_136\_2803.

This crisis is keenly felt at the local level, creating ripple effects across communities. Consider, for example:

• In 2018 Highland County's placement costs were approximately \$1.8M. By 2024, costs rose to approximately \$4.3M, nearly a 140% increase in just six years. As costs have continued to rise, Highland County JFS has diverted all possible funds from other programs and services to child protective services. For example, the JFS cannot fully utilize federal Title XX funding for supports to senior citizens as a result of placement costs. The majority of Federal Temporary Assistance to Needy Families (TANF) funds are expended for services and supports to families involved with child protective services, preventing the JFS from the ability to develop a robust TANF program targeting workforce support or stabilizing families in short-term crisis. The

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repeated failure to replace/renew a long-time levy has led to a general fund budget request to the Highland County Commissioners of \$1.5M for 2025, approximately 9.5% of the total general fund budget for Highland County. This is not sustainable.

- For the past six months, a child in the custody of Portage County Job & Family Services has suffered from inappropriate and unstable placements. She currently resides in a group home in Columbus with three-on-one coverage. That means the agency is paying three staff to monitor her at the same time due to her self-harming behaviors. She routinely discloses her desire to kill herself and elopes almost every other day, stating that she feels unsafe. According to Nationwide Children's Hospital, she has been to the emergency room 20 times. Multiple providers have shared her need to be in a psychiatric setting, and while we do have Psychiatric Residential Treatment Facilities in Ohio, there is no current opening. The agency director is terrified that something tragic is going to happen to this girl, whom she refers to as "my child."
- We have reached a point where there is no predictability and no apparent logic to per diem rates (rates charged for the routine daily care of children in foster care) for residential and group home placement, or to the add-on costs such as one-on-one coverage for kids with extraordinary needs. PCSA placement coordinators often are choosing between a child sleeping in the office or accepting a rate of \$800, \$1,000, \$1,200 or even higher per day and may not be provided with justification for the quoted rate and therefore not able to ascertain what services are included for varying levels of care. For example, regarding the need for additional staff supervision of a child, a recent PCSAO survey showed a provider charging one county \$150/day for 1:1 supervision and the same provider charging another county \$343 for the same service.

Members of the Committee, we ask your support for this multi-pronged approach to addressing Ohio's treatment/placement crisis by increasing capacity for safe, appropriate placements through restoration of the Child Wellness Campuses and through returning to House-passed levels for the State Child Protection Allocation . Thank you for the opportunity to present this testimony.