

#### **STRONGER COUNTIES. STRONGER OHIO.**

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Cheryl Subler, Executive Director

Senate Health Committee House Bill 96 – Interested Party Testimony Jack Everson, Ross County Commissioner

May 14, 2025

Chairman Huffman, Vice Chair Johnson, Ranking Member Liston, and members of the Senate Health Committee, thank you for the opportunity to speak with you today about the child protection system. My name is Jack Everson. I'm a Ross County Commissioner and serve on the Board of the County Commissioners Association of Ohio (CCAO). I am joined here today by a panel including Angela Sausser and Jeremy Ratcliff to highlight Ohio's treatment/placement crisis for youth and ask for your support for the investments and policy changes included in the House Passed version of House Bill 96.

County commissioners are the budgetary authority for the counties. It is our responsibility to ensure public dollars are spent appropriately and allocate them to the various officeholders and departments. In most counties, the public children services agency (PCSA) is combined with the county job and family services agency, a department under the commissioners' umbrella. In others, an independent children services board appointed by the county commissioners is the county PCSA.

We are facing a statewide crisis in our child welfare system, with a lack of appropriate and affordable placement options to meet the needs of the children we serve. This crisis has resulted in skyrocketing costs for room and board for youth in custody – an increase of 68% over the last five years. In the same time frame, the number of youth in paid placements dropped by 9%. 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%. These numbers show the magnitude of this crisis statewide.

For many years, the responsibility for funding the lion's share of placement costs and the operation of the PCSA has fallen to the counties. Counties pay nearly three-quarters of all placement costs using local and state dollars, with federal reimbursement covering the remaining amount. Counties fund PCSAs and placement through a mix of county general fund dollars and voted property tax levies.

Ross County is a member of one of two multi-county job and family service agencies in the State of Ohio. South Central Ohio Job and Family Services comprises Ross, Hocking, and Vinton counties. The cost of care in our three-county area has increased by 152%, from \$3,993,000 in 2015, to \$10,083,000 in 2024. In Ross County, the cost has been higher, by 165%, from \$2,395,000 in 2015 to \$6,343,000 in 2024.

Even having property tax levies in each of the three counties, specifically for child welfare cost of care, the commissioners have had to budget additional funds from the general revenue fund. The







issue is not an increase in the number of children in care, as we have averaged 185 kids per month in care across the three counties for the past ten years, but rather in the complexity and severity of needs our children are displaying when they enter agency custody. Our agency, like many across the state, is also experiencing a decrease in the number of IV-E eligible children and thus a decrease in federal reimbursement for placement costs.

CCAO stands with PCSAO and the county children services agencies in supporting the continuation of the state-county partnership regarding placement costs proposed in the budget. We are grateful for the Governor's proposal and thank the House for maintaining the administration's funding and policy improvements. The additional \$55 million in the State Child Protection Allocation over the biennium will help counties respond to the steep increases we are facing. Additionally, DCY is proposing policy changes to provide transparency in provider rates, which is a positive step in providing more stability in our budgeting. We support this multipronged approach to addressing this crisis.

My fellow panelists will discuss two additional provisions in HB96 to help address the placement crisis: the establishment of regional child wellness campuses, which would provide short-term crisis stabilization services for youth with complex needs and provide the agency with additional information and time to secure the best placement option, and policy changes to provide transparency in provider rates — a positive step in providing more stability in our budgeting. We support this multipronged approach to addressing this crisis.

At the end of the day, these are our kids and they become our adults. They deserve to have quality care. I fear with the system as it is today, we are too often falling way too short of this goal. Our youth get one childhood. Failing to invest properly in this system will continue to have consequences for the youth and upstream effects on our other adult-centered systems for years to come. Thank you and I am happy to answer questions at the conclusion of our panel.

Our next panelist, Angela Sausser, Executive Director of the Public Children Services Association of Ohio, will speak regarding regional child wellness campuses.



Ohio Senate Health Committee Testimony on HB 96 May 14, 2025 Angela Sausser, Executive Director Public Children Services Association of Ohio 37 W Broad Street, Suite 1100, Columbus, OH 43215 <u>Angela@pcsao.org</u> 614-224-5802

Good morning, Chair Huffman, Vice Chair Johnson, Ranking Member Liston and members of the Senate Health Committee. Thank you for the opportunity to provide this children services panel 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

In testimony for the SFY24-25 budget, we shared that county public children services agencies faced a crisis where children had to spend at least one night – and sometimes much longer – at their county public children services agency (PCSA) due to the lack of placement and treatment options for youth with complex, multi-system needs. In fact, 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 – for this reason. We know this creates additional trauma for our children, which is unacceptable. A child has been removed from home and then must face the reality that no foster home and no residential treatment facility will accept them for placement, leaving no choice but to sleep at a government agency.

Due to this ongoing treatment/placement crisis, county PCSAs have had to 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.

Senate Health Committee Testimony Angela Sausser, PCSAO May 14, 2025

We are grateful that Ohio Department of Children and Youth (DCY) Director Wente convened a crosssystem working group in August 2023 to research this ongoing placement crisis and identify achievable short-term and long-term solutions to prevent children from having to stay at a PCSA when no other placement is available. We are pleased to share that several short-term strategies have been put in place during SFY25 by DCY, such as incentives for providers to reopen beds and working to discharge youth who have been in a residential facility for more than two years.

We are even more pleased that HB 96 includes dedicated one-time funding (\$20M in SFY26/\$10M in SFY27 in DCY Line Item 830506) to establish regional short-term (45 days) crisis stabilization centers called **Child Wellness Campuses**. This solution was prioritized by the Children Services Placement Crisis Working Group and by our own members, the county PCSAs.

We ask that the Senate **maintain this proposed investment** so that children will not have to sleep at a county agency but instead can be in a safe setting that can de-escalate and stabilize their behavior while providing much-needed behavioral health screenings, diagnostic assessments, and treatment planning. 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.

The target population for the proposed Child Wellness Campuses is children in custody of a PCSA, as well as those at risk of custody relinquishment as determined by the PCSA. For a number of years now, the General Assembly has supported policies to prevent custody relinquishment from occurring; this innovation would continue to support that goal.

Thank you for the opportunity to present this testimony. I, along with the other panelists, am available to answer your questions.

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HIGHLAND COUNTY JOB & FAMILY SERVICES Child Support Enforcement Agency Public Children Services Agency

Ohio Senate Health Committee Testimony on HB 96

May 14<sup>th</sup>, 2025

Jeremy Ratcliff, Agency Director Highland County Job and Family Services 1575 N. High Street, Suite 100 Hillsboro OH 45133 Jeremy.ratcliff@jfs.ohio.gov 937.402.5003

Good morning, Chair Huffman, Vice Chair Johnson, Ranking Member Liston and distinguished members of the Senate Health Committee. It is a privilege to have the opportunity to share testimony with you regarding HB96. My name is Jeremy Ratcliff and I am director of Highland County Job and Family Services (HCJFS) in southwestern Ohio. HCJFS is a triple-combined agency with public assistance programs, child support enforcement and social services including child protective services.

The increased investments in the State Child Protection Allocation and establishment of regional child wellness campuses you just heard about are critical to helping public children services agencies in the state manage the placement crisis. Just as importantly, HB96 includes a policy change to provide consistency and transparency to placement rates (Sec. 5101.141 and Sec. 5101.145). , As a local director, I see firsthand why this policy change is needed. In my previous position as director of adult probation, I have figuratively pounded on the desk of the Highland County Commissioners, stating, "You can't cut my budget at probation because Children Services can't control theirs!" Then County Commissioner, now State Senator Shane Wilkin would respond, "Jeremy, you just don't understand." I understand now. For the first time in my career, I am



JOB & FAMILY SERVICES Child Support Enforcement Agency Public Children Services Agency

HIGHLAND COUNTY

unable to control expenses. PCSAs do not take custody of children, we are ordered custody, and we cannot say no. Nor can we ignore the calls for reports of abuse/neglect/dependency. One recent call resulted in a sibling group of three entering care; each child was \$500/day, totaling \$45,000/month for the sibling group.

As children diverted from other systems enter foster care, the demand for scarce beds pushes costs higher and higher. Because we cannot say no, we are required to find placement or risk children sleeping in the office, which happens at an alarming rate across the state. We have reached a point where there is no apparent predictability or logic to per diem costs charged for residential and group home placement, or to the add-on costs such as one-on-one coverage that some providers require for kids with challenging behaviors. Often placement coordinators are choosing between a child sleeping in the office or accepting a rate of \$800, \$1,000, \$1,200 or even higher per day. Frequently we are not provided with justification for the quoted rate and are not able to ascertain what services are included for varying levels of care. As one staff member recently told me, the process of finding suitable placement with a transparent rate is "absolutely insane," especially for higher-need children. For example, when looking at additional staff supervision of a child, a recent survey that PCSAO conducted showed a provider charged a county contiguous to mine \$150 and another county in a different part of the state \$343 for the same service. This is why the proposed policy is absolutely needed; it will modernize Ohio's method for determining reasonable costs, while also providing transparency and consistency to the process of securing placement for our children.

In closing, I ask for your full consideration and support for the proposed policy initiative and the additional investments in the child welfare system at the local level to assist struggling agencies trying to survive. Let's not lose sight of the people amid the politics. People like a local foster child I will call Emily. Emily, who will soon be 17 years old, has been in agency custody since age 7. Through multiple residential programs, foster



homes and failed adoption attempts, Emily is currently in her 26<sup>th</sup> placement since the age of 7. Recently while Emily was in our office awaiting transportation to her 26<sup>th</sup> placement, she expressed how lonely and afraid she often is. But on this day, she felt so much better because she was surrounded by our staff members, even telling us that "we are her people," mostly the only people that she considers to be her family. On this day, Emily committed to "try to do better" in hopes that she might someday be able to return to a former foster parent's home. On this day...Emily didn't feel lonely and scared. On this day Emily had a sliver of hope in her eye as the 16-year-old headed off to her 26<sup>th</sup> placement setting nearly three hours away.

HIGHLAND COUNTY JOB & FAMILY SERVICES Child Support Enforcement Agency Public Children Services Agency

Members of this committee, there can be no higher funding priority or policy initiative than to provide a sliver of hope to a child for a better life. I am asking that you partner with us to provide that hope to Ohio's children. Thank you for this opportunity, and I will be happy to answer any questions you might have.

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#### CONTACT

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### OHIO'S BIENNIAL BUDGET

### **Children Services in Focus: Placement**

To ensure children in foster care are placed in safe settings that can meet their needs, counties need state-level policies and resources to address the escalating costs of placements and the limited placement options for children with challenging needs.

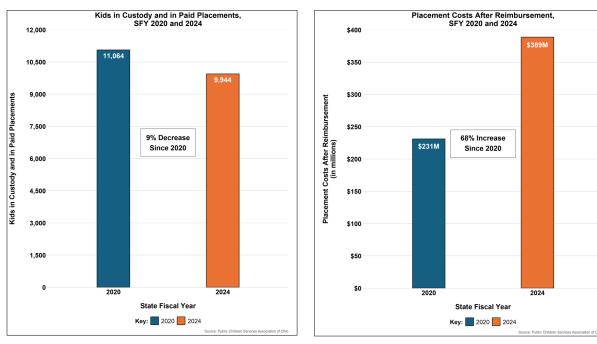
### Maintain funding proposed in the Executive Budget to support counties and address the placement crisis:

- The State Child Protection Allocation (SCPA)<sup>1</sup> at \$180 million in SFY2026 and at \$185 million in SFY2027 to assure that children in foster care can stay in safe settings that meet their needs. (Earmark within DCY Line Item 830506)
- One-time investment of \$20 million in SFY2026 and \$10 million in SFY2027 to establish regional child wellness campuses that provide short-term treatment and care for youth with multi-system needs who are at risk of custody relinquishment or in protective custody and unable to access timely, appropriate placements. (Earmark within DCY Line Item 830506)

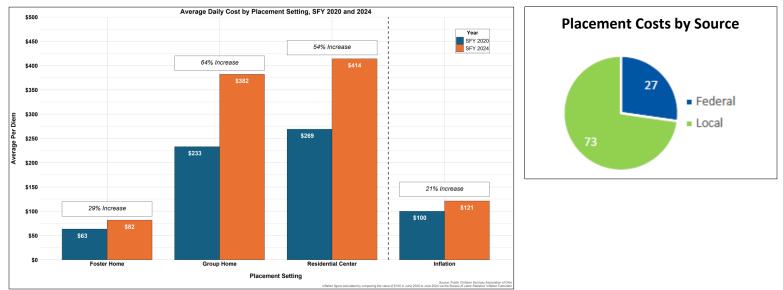
### Support policy proposed in the Executive Budget to reverse the trend of escalating placement costs:

The Executive Budget includes new language giving DCY the ability to "establish statewide rate cards for placement and care of children eligible for foster care maintenance payments" (Sec. 5180.42 (G)) and requires DCY to review and accept the reasonable cost established through these rate cards. This action will allow DCY to formalize a state-led process to stabilize placement costs, bring predictability to rates, and ensure placement settings are safe and meet children's needs.

## Placement costs have risen even as the number of kids in PCSA custody and in paid settings has declined



# Placement costs have increased across all settings and have outpaced inflation; counties pay nearly three-quarters of all placement costs while federal reimbursement covers the remaining one-quarter



#### Key drivers of placement cost increases require state action

In addition to a shortage of placement options for children with challenging needs, declining federal IV-E reimbursement<sup>2</sup> for these reasons is driving the need for a state-led process to reverse the current trend of escalating placement costs:

- Failure of some providers to file a cost report which establishes a reasonable rate "ceiling" above which federal IV-E reimbursement is not available. Counties cannot claim reimbursement unless the placement setting has filed a cost report.
- New federal Family First Prevention Services Act (FFPSA) congregate care requirements went into effect in October 2021. IV-E reimbursements are disqualified if a placement setting does not meet these new requirements.

<sup>1</sup> The SCPA is an earmark within DCY Line Item 830506 that allocates the state share of funding to county PCSAs to provide local match for drawing down federal children services funding and to support key services that federal funds cannot pay for, including placement costs.

<sup>2</sup> Title IV- E eligibility is based on family income tied to the 1996 Aid to Families with Dependent Children (AFDC) income thresholds and on a set of requirements regarding the circumstances and process of removing children from their home.

## Local Impact: Example A

Items	Quantity	Price	Amount	
Rent -July	1	\$750.00	\$750.00	
2:1 staffing - July	31	\$1,545.60	\$47,913.60	
Transportation Monthly	1	\$300.00	\$300.00	
υτιιιτιes (gas, electric , water)	1	\$100.00	\$100.00	
Activity/Petty cash	1	\$250.00	\$250.00	
Groceries/Food - Weekly	4	\$100.00	\$400.00	
		Subtotal:	\$49,713.60	
		Total:	\$49,713.60	
		Amount Due (USD):	\$49,713.60	
				1

#### August 14, 2024

"We have seen an unprecedented increase in our placement costs over the past few years. We saw an increase of 58% between September 30, 2021, and September 30, 2023, and since 2019 we have seen an increase of over 120%. My county, like all counties in Ohio, is affected by the lack of appropriate placement options, resulting in us having little to no choice when it comes to where we will place our children. The competition among county agencies, private agencies, Ohio RISE, and the Family and **Children First Councils has made it possible** for the placement facilities to steadily increase their costs over the past few years. These cost increases are happening quickly, and they are not sustainable."

Invoice for youth with complex needs

## Local Impact: Example B

This county has been keeping a spreadsheet of provider per diem increases by year.

Provider A	SFY2022	SFY2023	SFY2024	SFY2025	
Provider B	-	500.00	500.00	500.00	0.00%
Provider C	-	450.00	450.00	450.00	0.00%
Provider D	125.33	155.00	171.00	171.00	36.44%
Provider E	-	425.00	425.00	425.00	0.00%
Provider F	416.46	-	546.91	634.00	52.24%
Provider G	250.16	258.92	266.69	337.57	34.94%
Provider H	-	-	875.00	806.00	-7.89%
Provider I	145.91	160.96	196.16	229.00	56.95%
Provider J	340.00	492.00	492.00	439.00	29.12%
Provider K	-	64.00	64.00	64.00	0.00%
Provider L	116.78	148.54	142.94	142.94	22.40%
Provider M	-	-	-	375.00	
Provider N	-	-	-	425.00	
Provider O	-	-	374.00	374.00	0.00%
Provider P	173.00	225.00	225.00	225.00	30.06%
Provider Q	230.00	300.00	300.00	350.00	52.17%
Provider R	414.00	456.75	499.00	499.00	20.53%
Provider S	-	-	-		
Provider T	-	275.00	275.00	275.00	0.00%
Provider U					
Average Per Diems	116.40	205.85	305.41	373.42	220.80%

2024 PCSAO. All rights reserved.

## Local Impact: Example C

This County has experienced huge increases which have been catastrophic to the agency and budget. This same agency's Nov. 2024 levy failed.

Placement costs: 2019: \$1,300,000 2020: \$1,600,000 2021: \$2,000,000 2022: \$2,700,000 2023: \$3,600,000

## 173% increase from 2019 to 2023

## INVOICE Local Impact: Example D Monthly room and board invoice for a child in congregate care

Monthly room and board invoice for a child in congregate care The county PCSA paid 100% of these costs as this placement was not eligible for Title IV-E reimbursement.

ltems	Quantity	Amount
	Amount Due (USD):	\$37,163.52
	Payment Due:	February 6, 2025
•	Invoice Date:	February 6, 2025
BILL TO	Invoice Number:	

Items	Quantity	Price	Amount	
Staffing 3:1 ( Jan 16th - Jan 29th)	13	\$2,400.00	\$31,200.00	
Staffing 2:1 (Jan 30 -31st)	2	\$1,781.76	\$3,563.52	
Housing Cost - Monthly	1	\$1,900.00	\$1,900.00	
Security Deposit - refundable	1	\$500.00	\$500.00	
		Total:	\$37,163.52	
		Amount Due (USD):	\$37,163.52	

#### Notes / Terms

start 1/16/25 as 3:1 staffing. On 1/30 we moved xxx down to 2:1 staffing.

Other Services						
Date	Start Time	End Time	Rate	Total Days	Amount	Service(s) Performed
12/6/2024					\$2,400.00	Emergency Respite Services Only
12/7/2024					\$2,400.00	Emergency Respite Services Only
12/8/2024					\$2,400.00	Emergency Respite Services Only
12/9/2024					\$2,400.00	Emergency Respite Services Only
2/10/2024					\$2,400.00	Emergency Respite Services Only
2/11/2024					\$2,400.00	Emergency Respite Services Only
2/12/2024					\$2,400.00	Emergency Respite Services Only
2/13/2024					\$2,400.00	Emergency Respite Services Only
2/14/2024					\$2,400.00	Emergency Respite Services Only
2/15/2024					\$2,400.00	Emergency Respite Services Only
2/16/2024					\$2,000.00	Emergency Respite Services Only
2/17/2024					\$2,000.00	Emergency Respite Services Only
2/18/2024					\$2,000.00	Emergency Respite Services Only
2/19/2024					\$2,000.00	Emergency Respite Services Only
2/20/2024					\$2,000.00	Emergency Respite Services Only
2/21/2024					\$2,000.00	Emergency Respite Services Only
2/22/2024					\$2,000.00	Emergency Respite Services Only
2/23/2024					\$2,000.00	Emergency Respite Services Only
2/24/2024					\$2,000.00	Emergency Respite Services Only
2/25/2024					\$2,000.00	Emergency Respite Services Only
2/26/2024					\$2,000.00	Emergency Respite Services Only
2/27/2024					\$2,000.00	Emergency Respite Services Only
2/28/2024					\$2,000.00	Emergency Respite Services Only
2/29/2024					\$2,000.00	Emergency Respite Services Only
2/30/2024					\$2,000.00	Emergency Respite Services Only
2/31/2024					\$2,000.00	Emergency Respite Services Only
						Total for Emergency Respite Services

	items							
Date	Vendor Purchased From	Amount	Description					
	· · · · · · · · · · · · · · · · · · ·							
	SUTU							
			Total for Reimbursement					

Local Impact: Example E

Invoice from county paying a daily rate of \$2,4000 or \$2,000 for a total of \$56,000/month. This child is in PCSA custody and placed in a DODD-licensed home serving children with dev. disabilities. Because the setting is not licensed by DCY or OMHAS as a Title IV-E licensed setting, this child is not eligible for partial federal reimbursement. Therefore 100% of these costs are paid for by the county.