



Safe Children, Stable Families, Supportive Communities

Ohio House of Representatives
Health and Human Services Subcommittee
House Finance
Testimony on HB110
March 4, 2021
Angela Sausser, Executive Director
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Good morning Chairman Roemer, Ranking Member West, and members of the House Finance Subcommittee on Health and Human Services. Thank you for the opportunity to provide this children services panel testimony on 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, the ongoing pressures on counties, why we need 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 an historic investment in children services in the last budget, and most of those critical investments for counties remain in the proposed budget.

Our county Public Children Services Agencies (PCSAs) have been working hard to stabilize the system over the past two years while continuing to face many ongoing challenges. My testimony summarizes below the statewide impact of these challenges, and Danny Brenneman, Director of Coshocton County Job and Family Services, will share specific local challenges.

There continues to be an increased volume of children in foster care largely due to the addiction epidemic, the global pandemic, and the very complex needs of children. In addition, placement costs continue to soar, having increased 9% annually in the last two years (or by \$34M), and a staggering 52% since 2013 (\$144M). In a member survey from April 2020, 45% of PCSAs reported that the new state budget investments were already spent on placement costs. Finally, workforce challenges continue to burden our agencies with workers leaving due to stress and secondary trauma.

Children in Foster Care—Point in Time Count

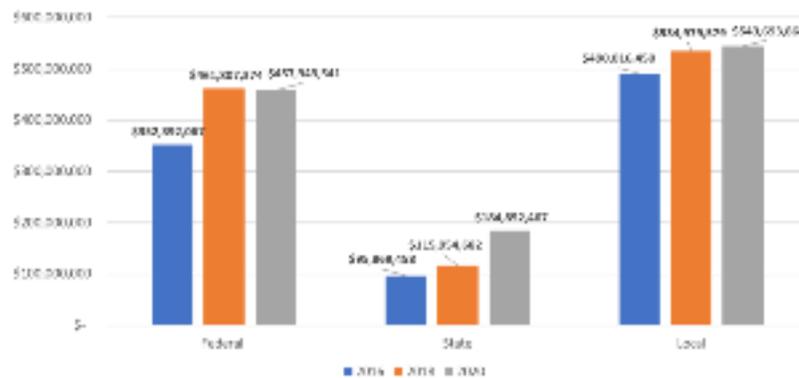


Foster Care Placement Costs



Overall Children Services Expenditures

SFY 2016, 2018, 2020



New investments in the last budget in both county allocations and statewide programming have increased the state share of overall children services spending from 10 percent to 16 percent

while modestly reducing the spending burden on counties. Overall, children services spending increased 7% (or \$74M more) in SFY20 from SFY 18. Licking County Commissioner Tim Bubb will share the ongoing pressures on counties to address these rising costs in children services.

The next two years are pivotal for Ohio's children services system. Implementation of the Family First Act, the newly enacted Kinship Support Program, and other key state policy initiatives offers a once-in-a-generation opportunity to transform how families and children are supported. Ohio must get this right to ensure that kids grow up in families, reduce trauma, and prevent children from coming into foster care.

We appreciate the ongoing commitment to children services and the proposed changes for transformation in HB110. However, flat funding counties creates several gaps. The first revolves around kinship. Children do better with family, and policy has shifted to acknowledge this. The state created a new Kinship Support Program at the end of last year 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. Even in a state-supervised, county-administered system, it is appropriate for the state to cover a portion of the county costs for a new program. Without new funds, county costs for this program will have to come from existing funding, making it challenging to meet current need.

Within months of the SFY 22-23 budget taking effect, Ohio will implement a transformational federal child welfare law called the Family First 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 provided with needed services in such areas as mental health, substance abuse treatment, and parenting skills. Family First provides federal funds to pay for up to half the cost of these evidence-based prevention services. State resources are needed for the ongoing match of the prevention services, and to address capacity

of the services across the state so that children in every Ohio county have the same opportunity to remain with their family rather than enter foster care, regardless of local resources.

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 required quality, trauma-informed, clinical supports.

Family First will also end federal reimbursement of placement costs for children in institutional settings that fail to meet this new standard called a Qualified Residential Treatment Program (QRTP). It is estimated that less than half of Ohio’s residential centers will meet this standard by the federal deadline of Oct. 1, 2021, and the state has given facilities a three-year extension on becoming QRTPs so to maintain current capacity. Our estimates show that counties will lose \$20-25 million per year in federal reimbursement due to facilities not being able to meet these new requirements by the federal deadline. Again, without new funds, county costs for this new requirement will have to come from existing funding, making it challenging to meet current need.

Gaps in Children Services Funding for Transformation Efforts

2022-2023 Executive Budget

	SFY21	SFY22	SFY23	Change (SFY21/23)
GRF Allocations to Counties	\$148.2M	\$138.2M	\$138.2M	- \$10/year
TANF Earmark: Kinship Caregiver Program	\$15M	\$0	\$0	- \$15M/year
Estimated Unfunded New Costs to Counties				
Kinship Support Program		\$37M	\$37M	
Family First Implementation		\$25M	\$20M	- \$57M/year min
KGAP		\$0	unknown	
Other Policy Changes		unknown	unknown	
State-Level Children Services Programs and Operations	\$31.7M	\$95.2M	\$90.7M	+ \$59M
State-Level Initiatives	\$4.7M	\$18.8M	\$20.5M	+ \$15.8M

House Bill 110 moves in the right direction, but the proposed new children services funding is focused solely on state costs related to the new transformation policy changes and leaves the counties without additional fiscal and staffing resources required to appropriately carry out

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these changes. If Ohio is going to successfully transform the children services system, counties will require additional state resources. Chip Spinning, Director of Franklin County Children Services, will share why it is critical to support and fund transformation within our system.

When there are sufficient resources to allow for transformation at the local level, the impact on children and families is quite positive. Gov. DeWine and the General Assembly have funded and supported one of those initiatives called Ohio START (Sobriety, Treatment and Reducing Trauma). Ohio START 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. Our final panelist, Sarah Hayden, a Family Peer Mentor for Ohio START in Warren County, will share her journey with addiction and the children services system.

Change cannot be made without sufficient funding. Therefore, we respectfully request that the Finance Subcommittee on Health and Human Services address this funding gap in HB110 and provide an additional \$50 million per year to the State Child Protection Allocation found within ODJFS ALI 600523. This funding is critical to our county PCSAs to adequately implement the proposed transformational efforts within HB 110, including the newly established Kinship Support Program and implementation of the Family First Act. Without this new investment, our county PCSAs will not be able to begin transforming the children services system.

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.

Thank you. I, along with our panel members, would be happy to answer any questions.



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

Good Morning Chairman Roemer, Ranking Member West, 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 this Monday 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. 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 of.

The costs we are realizing mount and continue because of increased census (now 62 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. One current placement for a child with significant barriers daily cost is \$400. That's \$146,000 per year.

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 and with drastically rising foster costs, we attempted a new .4 mill levy. This levy failed by 3%. The clear message back 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. Regarding the single \$400 per-day case mentioned above; as a point of reference this case consumes about 27% of the total proceeds from our levy.

While staff turnover and trauma are high and 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 leave you with 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. James is doing well. Because of the work of many dedicated professionals in the child welfare system, James will be adopted into a permanent, loving family on March 11---one week from today. What could be a higher priority for us all?

I truly thank you for your time and consideration, and I am happy to answer any questions.



Health and Human Services Subcommittee
House Finance
Testimony on HB110
March 4, 2021
Commissioner Tim Bubb, President of CCAO

Good Morning Chairman Roemer, Vice Chair West, Members, Proponents, Guests and Observers. My name is Tim Bubb. I am a Licking County Commissioner and honored to be serving in 2021 as the President of CCAO – the County Commissioners Association of Ohio. I am with you to express CCAO’s strong support in asking you to invest in children services.

While the current health crisis has added a degree of uncertainty, it must be noted that all of Ohio’s eighty-eight counties are feeling severe pressure to address the rising costs of providing children services. We acknowledge the pressures expressed here today by our neighbors in Coshocton County. We heard in that county about the critical infusion of general funds dollars just to address the growing number of children in crisis from the addiction epidemic and the expensive need for residential treatment. I believe as the pandemic wanes and children return to school statewide, we will see a rapid increase in need to attend to children and families in various degrees of crisis.

Speaking to you as a Licking County Commissioner on behalf of my JFS Director John Fisher. Director Fisher tells me ... “while COVID has had an impact on the delivery of services and the number of referrals, Licking County is facing challenges that include...

1. A greater need for ‘Home-Based’ Intensive Wraparound Services to keep children safe and in their own homes.

2. Also, the 'building' and expansion of Home-Based wraparound services to allow our community to be successful in implementing the fast-approaching Federal Family First Act (October 1, 2021). These services will qualify for fifty percent Federal reimbursement, however, counties will need to provide the fifty percent non-federal share. As Ohio expands prevention services in the next biennium, this match will become more and more challenging.
3. We continue to see the special needs for children, such as those requiring residential treatment services and an ever growing out-state placement. *I certainly want to note that the Ohio Department of Medicaid has been very supportive in assisting with the expensive needs of these out-of-state placed children.
4. Counties need additional resources to further enhance adoption services..."moving children from the permanent custody of the county to loving adoptive homes."

Since I have your kind attention – let's just take a quick look back a decade. Before today's health crisis and the addiction epidemic – let's flashback to another crisis, the Great Recession of 2009-10. The Recessionary budget cuts were painful and our counties continue to struggle even with the significant investments for children services in this current biennium budget.

As I ask for your support for our children – this need for additional funding is a daily concern for your County governments. We are the satellite offices of State Government, manning the front line each day!

The need to serve more children and families means continued rising costs. We support reform and changes from State and Federal levels., but these reforms bring the need for additional resources. Unlike other human services programs, the Counties provide these services within children services and don't have the ability to control costs.

It is not just fiscal costs but the much larger human costs! As families struggle due to depleted funding and lack of providers in the medium to small counties, it is likely we will pay a heavy price in the months ahead as families struggle and children don't thrive! I know from experience as a Commissioner and community leader that family stability is the foundation for a healthy economy and an educated workforce—we need every one of Licking County's and Ohio's children and families to thrive.

This is why the Governor's budget proposals to reform the children services system are needed and transformation is critical. Reflect back on the testimony regarding the Federal Family First Act and the systemwide need to increase in home services. Such efforts are what will change the direction of children services by reducing the number of children in care and the unsustainable costs of outside the home placement and treatment. Without reform, the current trends won't change and the existing system will continue to need additional resources.

As I mentioned, your 88 Ohio counties are the State's partners in this challenge. The Public Children Services Agencies, whether configured in a JFS or as stand-alone agencies, need this continued strong partnership. CCAO supports PCSAO's budget request for additional State investment in children services at the local level! I appreciate you caring and listening to these concerns and am happy to answer any questions you may have.



Ohio House of Representatives
Health and Human Services Subcommittee
House Finance
Testimony on HB110
March 4, 2021
Chip Spinning, Executive Director
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Good morning, Chairman Roemer, Ranking Member West, and members of the House Finance Subcommittee on Health and Human Services. Thank you for the opportunity to provide testimony on HB 110. My name is Chip Spinning, Executive Director for Franklin County Children Services. Before I begin, I want to express my sincere appreciation to Governor DeWine and the General Assembly for the historic children services funding increase in the current biennial budget.

I have been a director for over 20 years. The first half, I was in Madison County, a small county without a Children Services levy, and now I am in Franklin county, a large county with a levy. In Madison, I worked with 50 team members. Now I work with 850 team members. While there are differences between the two counties, we have far more in common than not when it comes to serving children and families.

First: Big or small, we all have significant challenges in the ability to recruit, hire, train, and most importantly retain a highly skilled, diverse work force to meet the needs of our most vulnerable children. We have implemented many strategies to address these challenges, but the most innovative is developing a culture of safety.

The child protection system is not different than other highly complex systems that have applied safety science to improve outcomes and developed cultures of safety. The nuclear industry, airlines, and healthcare systems have all developed safety cultures to improve safety outcomes. These highly complex systems must reliably perform nearly 100% of the time because errors can be catastrophic, much like child welfare. The goal is to develop a culture in which team members are no longer targets of blame but are acknowledged as experts, protectors, and co-creators of safe and reliable systems that consistently examine and reexamine opportunities to improve outcomes and avert tragedies.

The second thing that we have in common is that we serve all children, not just abused and neglected children, but also those who have been failed by other systems including behavioral health, education, juvenile justice, and developmental disabilities. Great strides have been made to collectively serve these multi-system youth and we appreciate that the current MSY investment in the Medicaid budget has been increased and that the ODJFS budget investment remains. We are hopeful, but we still have a long way to go.

Third, more than ever before, we lack placements options for youth. Our cases are open much longer due mainly to addition the complex needs of the children and families we serve and the delay in permanency caused by the pandemic.

So, what does all this mean? In October, Ohio will implement the Family First Prevention Services Act, which aims to prevent children from entering foster care and encourages reduced reliance on institutional settings when youth do have to be removed from their homes. To implement Family First, we must provide families with prevention services that prevent youth from entering the children services system.

Placing children with kin reduces the trauma associated with removal and ensures better outcomes. It allows them to maintain community connections and participate in activities. Since 2015, there has been a 22% percent shift in placement days from substitute care to kinship care. At our agency, we have been able to double the number of youth in kinship care over the past several years. FCCS provides financial and material support including monthly stipends, childcare assistance, summer programming, and food and clothing assistance. We received Kinship Caregiver Program TANF Grants of over \$2.8 million through collaboration with the Franklin County Department of Job and Family Services. This has allowed our agency to aid 1,168 families (2,040 children) with basic needs including rent and mortgage payments, utilities, clothing, food, school event fees and uniforms. Unfortunately, the \$15M/year TANF earmark for the Kinship Caregiver Program has been cut from the current budget proposal, removing \$1.5 million in annual grant funding from our agency.

Although we provide significant support to our kinship families, the implementation of the Ohio Kinship Support Program (KSP) provides additional needed support for kinship families caring for a child in agency custody. However, the push for these kinship families to become certified foster homes to continue receiving financial support shifts the long-term cost of this program to counties. Our agency estimates our additional costs of kinship certification to exceed \$9 million per year.

In the past year, the focus on prevention services has shifted our average number of in-home prevention cases by approximately 10%, reducing the number of placements in agency custody. Over 50% of our cases are receiving in-home prevention services to stabilize the family and prevent the trauma that comes from removal.

We have also reduced our reliance on congregate care by 31% over five years. Even with the reduced use of institutions, FCCS faces a potential loss of \$3 million per year due to the three-year delay on congregate care settings meeting Qualified Residential Treatment Program (QRTP) requirements. Until facilities meet this designation, counties will not be able to collect federal reimbursement for a portion of their costs.

Despite strong community support through our levy, our agency is facing the largest budget deficit that I have experienced in my time here. That is before the loss of the Kinship Caregiver Program Grant funding, the increased cost for kinship families becoming certified foster homes, and the loss of federal revenue due to non-compliance with QRTP requirements.

We are at a pivotal time where we need to move from a reactive system to a proactive system. We know that kids have the best outcomes when they are placed in family-like settings and connected to a supportive permanent placement. The longer kids spend in our system, the worse the outcomes they experience. We have data that demonstrate that we can support and preserve families with a comprehensive array of community-based services. Right now, this array does not exist across Franklin county or Ohio, nor do we have the trained and diverse staff needed to provide these services. But we know it can be developed and outcomes will improve. And just as critical, we need to be very thoughtful and consider equity in our investments to ensure that our black and brown children are not adversely impacted but benefit from our investments.

The investments made in the last biennial budget have certainly made a positive impact on the lives of our vulnerable children and their families. Maintaining these investments while further investing in our most vulnerable children ensures that we truly are laying the foundation for transformation.

Thank you. I am happy to answer any questions.

Ohio House of Representatives
Health and Human Services Subcommittee
Sarah L. Hayden, Peer Support Specialist
Thrive Behavioral Health/Warren County Children Services/ Ohio Start Program

March 4, 2021

Good morning Chairman Roemer, Ranking Member West, and members of the House Finance Subcommittee on Health and Human Services.

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's a pivotal time for Ohio's child protection system. The Family First Prevention Services Act and other key policy initiatives offer a once-in-a-generation opportunity to transform how families and children are supported. Ohio must get this right to ensure that kids grow up in families, reduce trauma and prevent children from coming into foster care. HB 110 moves in the right direction, but new funding proposals underwrite only state costs related to transformation, leaving counties without the necessary resources to carry out these changes. If Ohio is going to successfully transform the children services system, counties will require additional state funding. **PCSAO 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

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 maintains the current level of investment.

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 the Executive Budget 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's a pivotal time for Ohio's child protection system. The Family First Prevention Services Act and other key policy initiatives offer a once-in-a-generation opportunity to transform how families and children are supported. Ohio must get this right to ensure that kids grow up in families, reduce trauma and prevent children from coming into foster care. HB 110 moves in the right direction, but new funding proposals underwrite only state costs related to transformation, leaving counties without the necessary resources to carry out these changes. If Ohio is going to successfully transform the children services system, counties will require additional state funding. **PCSAO 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 the Executive Budget. However, the new investments are at the state level only.

The Executive Budget creates two new kinship programs that require 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.
- ⇒ A new **Kinship Guardianship Assistance Program** (KGAP)—to be implemented within 15 months of HB 110's effective date—is funded at \$2.5 million per year. This modest funding will limit Ohio's ability to provide meaningful support to these kinship caregivers.

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 eliminated:

- ⇒ \$15 million per year TANF earmark for the **Kinship Caregiver Program** has been **zeroed out**.

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

- ⇒ Placement costs will increase due to new **residential facility requirements** as counties 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.

	SFY21	SFY22	SFY23	Change (SFY21/23)
GRF Allocations to Counties	\$148.2M	\$138.2M	\$138.2M	- \$10/year
TANF Earmark: Kinship Caregiver Program	\$15M	\$0	\$0	- \$15M/year
Estimated Unfunded New Costs to Counties				
Kinship Support Program		\$37M	\$37M	- \$57M/year min
Family First Implementation		\$25M	\$20M	
KGAP		\$0	unknown	
Other Policy Changes		unknown	unknown	
State-Level Children Services Programs and Operations	\$31.7M	\$95.2M	\$90.7M	+ \$59M
State-Level Initiatives	\$4.7M	\$18.8M	\$20.5M	+ \$15.8M

Children Services By the Numbers

2022-23 State Budget Priorities

The next two years are pivotal for Ohio's child protection system. Implementation of the Family First Prevention Services Act and other key policy initiatives offers a once-in-a-generation opportunity to transform how families and children are supported. Ohio must get this right to ensure that kids grow up in families, to reduce trauma and to prevent children from coming into foster care. Budget proposals move in the right direction but shift too much funding to the state, leaving counties without the fiscal and staffing resources needed to carry out this transformation. **PCSAO is joining with the County Commissioners Association of Ohio to request a new investment of \$50 million per year for county children services agencies 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.

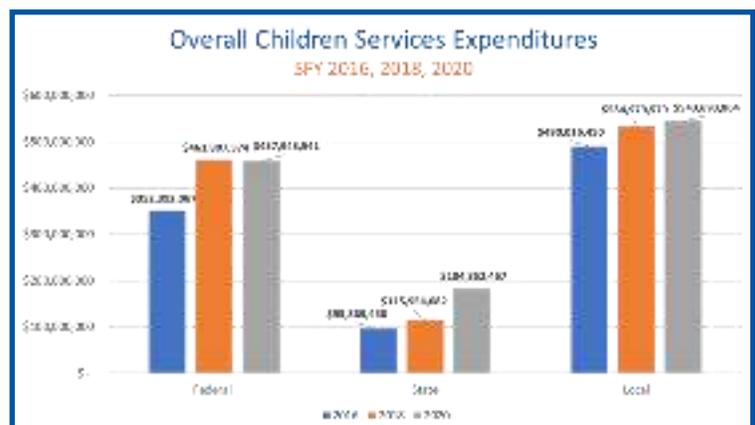
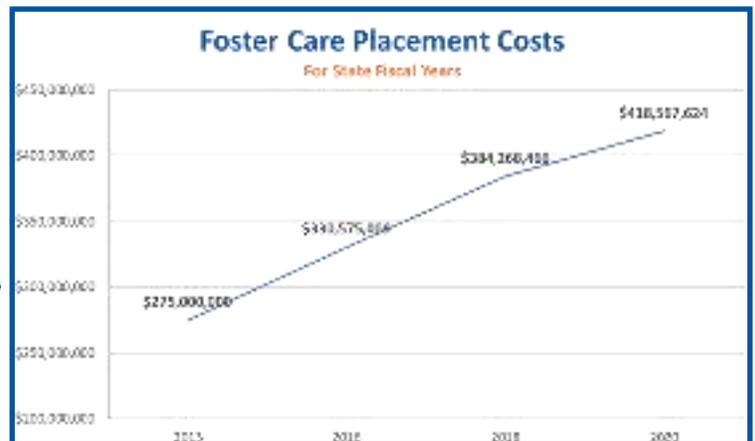
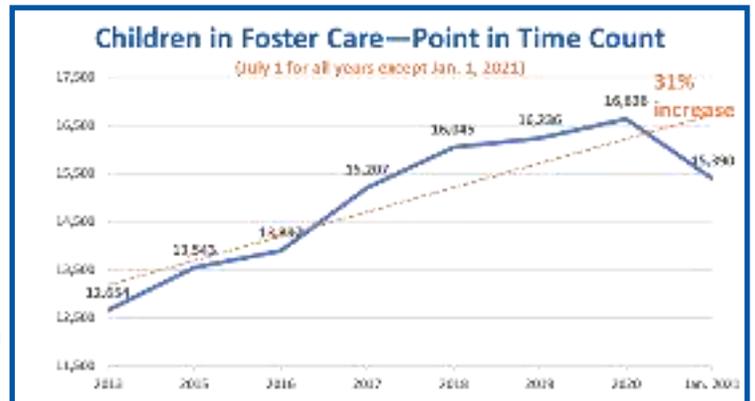
Why is this important? Even though cases have declined during the pandemic, a failure of robust Family First implementation will result in children continuing to come into foster care who otherwise could be served with evidence-based prevention services in the home.

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 SFY22-23 budget shifts some funding away from county allocations to state authority while eliminating a key funding stream. State programming and initiatives are critical, but there is no corresponding support for the local costs associated with that programming, meaning increased reliance on county resources.



Family First Prevention Services Act

2022-23 State Budget Priorities

The next two years are pivotal for Ohio's child protection system. Implementation of the Family First Prevention Services Act and other key policy initiatives offers a once-in-a-generation opportunity to transform how families and children are supported. Ohio must get this right to ensure that kids grow up in families, to reduce trauma and to prevent children from coming into foster care. Budget proposals move in the right direction but shift too much funding to the state, leaving counties without the fiscal and staffing resources needed to carry out this transformation. **PCSAO is joining with the County Commissioners Association of Ohio to request a new investment of \$50 million per year for county children services agencies so that they can support kin caregivers, maximize Family First opportunities, and offset increased placement costs.**

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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 less than half of Ohio's residential centers will meet this standard by the federal deadline of Oct. 1, 2021, and the Ohio Department of Job and Family Services has granted facilities a three-year extension to become QRTPs. PCSAs can still place children in institutions that are not QRTPs until 2024, but they will not receive federal reimbursement. In addition, Ohio institutions are not able to meet current demand, and 140 children are placed in out-of-state institutions far away from their families. State resources are needed to assist counties with the loss of federal reimbursement for non-QRTPs 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. Each state is required to submit a prevention plan outlining its strategy and identifying the evidence-based services it will use to prevent children from entering foster care. Federal funds will pay for up to half the cost of these services for counties that choose to use them. 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 Ohio county have the same opportunity to remain with their family rather than enter foster care, regardless of local resources. 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 initial evidence-based prevention services to 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

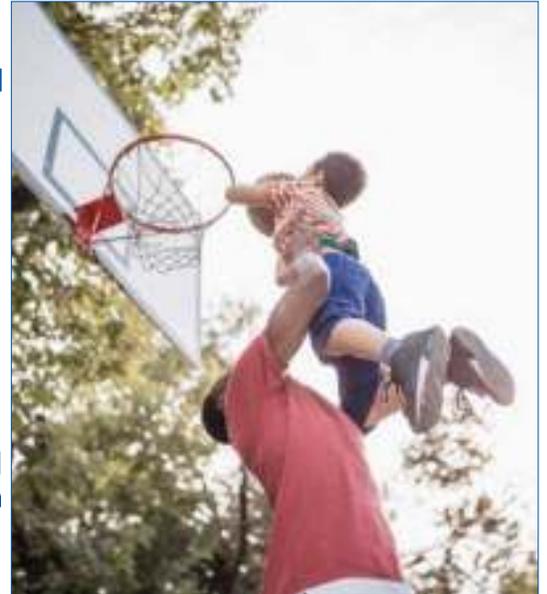
Functional Family Therapy: FFT is a short-term prevention and intervention program for at-risk youth and their families. FFT aims to address risks and protective factors that impact the adaptive development of 11- to 18-year-old youth who have been referred for behavioral or emotional problems.

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.

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

It's a pivotal time for Ohio's child protection system. The Family First Prevention Services Act and other key policy initiatives offer a once-in-a-generation opportunity to transform how families and children are supported. Ohio must get this right to ensure that kids grow up in families, reduce trauma and prevent children from coming into foster care. HB 110 moves in the right direction, but new funding proposals underwrite only state costs related to transformation, leaving counties without the necessary resources to carry out these changes. If Ohio is going to successfully transform the children services system, counties will require additional state funding. **PCSAO 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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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 Executive Budget contains significant new **kinship funding** and **kinship policy**. HB 110 includes two new kinship programs that require partnership at the state and local levels; 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 Executive Budget 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.

Kinship Guardianship Assistance Program (KGAP)

- KGAP provides monthly stipends to kinship caregivers who assume legal custody of their kin child after the child is in agency custody for at least six months and the kinship caregiver becomes licensed. Partial reimbursement for eligible youth is available through Title IV-E.

- HB 110 requires ODJFS to file a state plan amendment to establish an Ohio KGAP program within nine months of the budget bill becoming effective and to implement a program within 15 months.
- The Executive Budget includes new funding of \$2.5 million per year GRF to support KGAP. This modest funding level will limit Ohio's ability to provide meaningful support to these kinship caregivers, leaving them to continue to look to counties for that support.

Kinship Caregiver Program

- The Executive Budget zeroes out the existing Kinship Caregiver Program.
- This is a \$15 million per year TANF earmark, administered through each county's Prevention, Retention, and Contingency program (PRC), that 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, when the non-kinship caregiver can be considered of equal standing with other kin in regard to permanency, and 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.



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State Child Protection Allocation

2022-23 State Budget Priorities

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PCSAO requests an amendment to HB 110 (line 56387-56393) returning language to the "not less than" used in HB166 (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)¹ 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:² 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;
- **Recruiting and supporting** 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 Distributed³

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.

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

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

³The 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.