Factors Impacting Placement Costs: What Drives Placements, Strategies to Control Costs, and Future Challenges

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Today’s Presenters

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Objectives

1. Responsibilities of counties to protect children

2. What drives foster care placement costs

3. Strategies to control costs

4. Preparing for future impacts
Responsibilities of Counties to Protect Children
State vs. County Administered

SAFE CHILDREN, STABLE FAMILIES, SUPPORTIVE COMMUNITIES

FEDERAL-MONITORED:
• US Dept of Health & Human Services

STATE-SUPERVISED:
• ODJFS

COUNTY-ADMINISTERED:
• County Public Children Services Agency (PCSA)
How Children Services is Funded in Ohio

Counties fund over half of children services expenditures by relying on local government funds and dedicated levies.

$15 million/year was added to the SCPA for SFY 18-19

SFY 2016, from ODJFS SACWIS special data runs for unduplicated count, October 2016 and January 2017. Additional calculations by PCSAO.
Ohio Ranks 50th in Nation for State Share of Children Services Total Expenditures

Per Capita, Ohio is 15th in the nation for overall child welfare spending

Children Services Levies

SAFE CHILDREN, STABLE FAMILIES, SUPPORTIVE COMMUNITIES

48 Counties; representing over 80% of child population
Responsibilities of PCSAs

Differential Response – In Home Services – Out of Home Services – After Care Services

SAFETY
- Intake
- Investigations
- Safety Assessment
- Family Assessment
- Case Plan

WELL-BEING
- Behavioral & Physical Health
- Developmental Disabilities
- Education
- Delinquency/Unruly
- Independent Living
- Normalcy

PERMANENCY
- Reunification
- Kinship Care
- Adoption
The Role of the Juvenile Court

PCSA recommends:
• To keep at home
• To remove
• To reunify
• To terminate parental rights

Judge decides:
• To keep at home
• To remove
• To reunify
• To terminate rights

Based on the “best interest of the child”
Child Welfare System = Key Partners

- County PCSA &
  - Juvenile and probate judges
  - County Commissioners
  - Other court professionals
  - Law enforcement
  - Providers: MH, DD, Hospitals, Schools, etc.
What Drives Foster Care Placements
Deciding the Best Placement

- Child’s Strengths and Needs
- Family Search and Engagement
- Least Restrictive, Least Traumatic
- Closest to Home, In-County

......What’s Available
Title IV-E Federal Funding

- Maintenance payments that cover the costs of shelter, food, and clothing for eligible children

- Foster care placement services and administrative costs related to foster care

- Expenses related to training for staff and foster parents.
Title IV-E Federal Funding

1. Approximately 60% of children are IV-E eligible
   ➢ Those not eligible, 100% of expenses are paid for with state or local funds

2. Approximately 63% reimbursement – remaining matched with state or local funds
## Cost of Care

<table>
<thead>
<tr>
<th>Type of Placement</th>
<th>Aver. Per Diem</th>
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<tbody>
<tr>
<td>1. Kinship Home:</td>
<td>$0.00/day</td>
</tr>
<tr>
<td>2. Certified Foster Home:</td>
<td>$58.18/day</td>
</tr>
<tr>
<td>3. Detention Facility:</td>
<td>$172.75/day</td>
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<tr>
<td>4. Group Home:</td>
<td>$210.50/day</td>
</tr>
<tr>
<td>5. Residential Treatment Center:</td>
<td>$241.62/day</td>
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Data provided by ODJFS, Special Request, Median Per Diem Costs as of 10/1/17
Efforts to Reduce the Need for Foster Care or Reduce Length in Care

• Differential Response

• Kinship Care

• Wendy’s Wonderful Kids / Permanency Roundtables

• ProtectOhio Waiver – Kinship, Family Team Meetings
IN FACT....

- Ohio led the nation in safely reducing the number of children in foster care by 42% between 2002-2010.
Ohio’s Children Services System Today

More children are in PCSA custody requiring a foster care placement

10% in just 1 year – between 2016 & 2017

Source: ODJFS SACWIS special data run, October 2016. Additional calculations by PCSAO.
Ohio Children Placed in Foster Care

- 2012: 21,500
- 2013: 22,000
- 2014: 22,500
- 2015: 23,000
- 2016: 24,000

SOURCE: Public Children Services
Impact of Opioid Epidemic on Children

- 50% of children taken into custody in 2015 had parental drug use

PCSAs: county Public Children Services Agencies
Source: PCSAO Opiate Survey, April 2016
Impact of Opioid Epidemic on Children

• 28% of children taken into custody in 2015 had parents who were using opiates, including heroin, at time of removal

Source: PCSAO Opiate Survey, April 2016
Ohio’s Children Services System Today

Children are staying in foster care longer due to opiate recovery timelines and relapses

Median Days in Temporary Custody (July 1)

Source: ODJFS SACWIS special data run, October 2016.

Within 1 year of recovery from opiates, 90% will relapse
How the Opioid Crisis has impacted

- Licking County
- Marion County
- South Central (Hocking, Ross, Vinton Counties)
While Opioids is impacting children services so is....

Multi-System Youth:
A youth with significant mental health, addiction and/or developmental delays who is involved or at risk of being involved with child protection and/or juvenile justice....
Multi-System Youth

While allegations of abuse and neglect account for 82% of screened-in reports, 63% of children in agency custody are there for reasons other than abuse and neglect.

**REPORTS SCREENED IN**
- Abuse and Neglect: 83%
- Dependency: 5%
- Family in Need of Services: 12%

**CHILDREN IN PCSA CUSTODY**
- Abuse and Neglect: 38%
- Dependency: 31%
- Delinquency: 4%
- Other: 27%

Source: ODJFS SACWIS, calculations by PCSAO, SFY2016
Nearly half (49%) in residential or group homes have a primary removal reason other than child abuse and neglect:

Source: ODJFS SACWIS data, 9/11/2014; 2,111 children in CRC or Group home on that day
How Multi-System has impacted

- Licking County
- Marion County
- South Central (Hocking, Ross, Vinton Counties)
Ohio’s Children Services System Today
Placement costs soaring due to more children in care

Placement Costs for Foster Care & Residential Care (SFY 16)

Source: ODJFS SACWIS special data run, January 2017. Additional calculations by PCSAO.

42% were substance abused-related cases ($138m) in SFY 16
Breaking Down Placement Costs

60% placed in foster homes

congregate care

$180,762,258
(54.6% of total costs)

14% in

$143,403,707
(43.4% of total costs)

Source: ODJFS SACWIS special data run, January 2017. Additional calculations by PCSAO.
Other Factors Increasing PCSA Costs

- 45% of foster home placements are **outside** of placing county
  - 23.8% are placed in a contiguous county
  - 21.2% are placed in non-contiguous counties

Remember, there are over 15,000 children in care every day!

- Only 7,200 certified foster homes
  - 3,377 are certified by county PCSAs

Source: ODJFS SACWIS special data run, 2017.
Strategies to Control Costs
Increase State’s Investment In Children Services

1. $15 million/year added to the State Child Protection Allocation (ODJFS Line-600523) for SFY 18-19

2. $15 million/year from the TANF Block Grant to establish a Kinship Child Care Program.
Multi-System Youth Recommendations

Issued on June 29, 2016:

1. Establish a crisis stabilization fund to address unmet and uninsured needs of MSY in crisis/unable to access care
2. Design a Medicaid-reimbursable service consistent with High Fidelity Wraparound to coordinate care & supports
3. Establish a unified strategy for data collection and sharing
4. Develop youth and family focused peer support services
5. Modernize Ohio Family and Children First Councils
6. Fund an independent evaluation of timely access to residential facilities
Multi-System Youth Accomplishments

1. Secured $5M in TANF Block Grant to establish a Crisis Stabilization Fund for SFY 18-19.

2. OhioMHAS is required to make recommendations by the end of 2017 on how data can be collected to track multi-system youth
Reduce Reliance on Residential Care

**Goal:** Develop more foster home options and preventative, crisis-oriented community-based treatment services so children do not require residential care.

Children do better in families than in institutions and it cost less!
Strategies to Control Costs:

- Licking County
- Marion County
- South Central (Hocking, Ross, Vinton Counties)
Preparing for Future Impact
By 2020, Ohio will have 46% more children in care than in 2016

Source: ODJFS SACWIS special data run, January 2017. Additional calculations by PCSAO.
Future Concerns = $$$

1. Medicaid Managed Care – possible “cost shift”
2. Kinship Care – potential to become a “paid” placement
3. Reduction in Federal Funding (Title IV-E, Title IV-B, Title XX, TANF, elimination of Protect Ohio)
4. Opioid Fatigue – less future investments (state, federal)
Call to Action

1. Support local Children Services levies
2. Advocate for additional State GRF support
3. Champion the need for more local foster homes
4. Work with Courts to change placing practices and how it impacts county expenditures
5. Work with providers (MH, DD) to develop more preventative and crisis-oriented community-based services for kids
Contact PCSAO for More Information

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