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Health and Human Services Finance Subcommittee Testimony

Impact of HB 153, Biennial Budget on Child Welfare

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Good morning Chairman Burke, Ranking Member Goyal and other members of the House Health and Human Services Finance Subcommittee. My name is Crystal Ward Allen, I am the Executive Director for Public Children Services Association of Ohio – a non profit membership organization serving Ohio’s 88 county public child welfare agencies through support of program excellence and sound public policy for safe children, stable families and supportive communities.

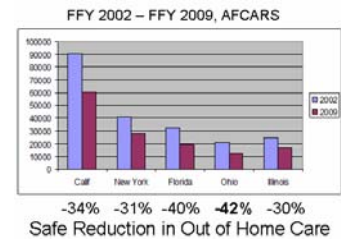


The Child Welfare System in Ohio has reformed the way we do business by Protecting Children through Strengthening Families – and our outcomes are excellent. This effort has been very successful as you can see from the Supreme Court of Ohio’s Court Improvement Program chart - Ohio has made a **steady, intentional safe reduction in child placements**, between January 2002 and January 2010. See more at

<http://www.summitonchildren.ohio.gov/AttySvcs/cfsr>.

You can see from this AFCARS (Adoption and Foster Care Analysis and Reporting System) chart, federal data showing high performing states that have safely reduced the number of children experiencing the trauma of foster care. **Four of the five high performing states – California, Florida, Ohio and Illinois – had Title IV-E Waivers.** You can view more at

http://www.acf.hhs.gov/programs/cb/stats_research/index.htm#afcars.



To achieve such excellent outcomes, we have invested our flexible resources and professional talents in the whole continuum of child welfare services: community based prevention services, family strengthening diversion and safety planning services, support of relatives and other kin, enhancing the quality of services for children and youth in care, and targeted and aggressive reunification services and post placement services. We have a plan.

Ohio data that shows even when experiencing a 15% increase of reports of child maltreatment – we believe due to the stressed economy – Ohio continues to better serve our children by safely investing in families vs. placement. Not only are we placing fewer children, but they are staying in care for shorter length of stays – with more timely reunifications, permanency with relatives or adoptive families. And safety, as measured by repeat reports of child maltreatment, has not been compromised.

Ohio Statewide Trends	2009	% Change 2001 - 2009
Children in custody at least a day	23,139	34 % decrease
Children in custody at year-end	11,721	42 % decrease
Children awaiting adoption	2,897	46 % decrease
Reports of maltreatment	116,216	15 % increase

Thus, we are proponents of change and redesigning government, and we can appreciate the strategic steps sought by the administration and legislative leadership thus far. But – child welfare is hit in a way that I believe is unintended, not in keeping with investing in policy of importance and demonstrated outcomes and dangerous.

Ohio's support to the counties that do the work of child welfare is the lowest in the nation, contributing only 5% of the total cost. We do appreciate an additional 5% for Statewide Programming – Adoption Supports that go directly to parents, the statewide SACWIS computer system, the 20% non-fed match for Education and Training Vouchers for our foster alums in college, and training investments for foster caregivers with public/private agencies.

The impact of the cuts to the Local Government Fund will devastate the 43 counties that do not have a local child welfare levy, and depend upon Local General Revenue for \$23 M/year in support. The 45 counties with dedicated children services levies are experiencing a \$31.5 M/year loss Tangible Personal Property tax local revenue loss, as the state modernized to the Commercial Activity Tax, with its resulting gain in State Revenues – without a reinvestment in public services such as children services.

The cost shift in Adoption Assistance will cost the counties \$7 Million / year – it will only save the State \$7/case. The subsidies only go to special needs adopted children, and they cannot be renegotiated down at the desire of county government. Adoption supports are the only one real shared child welfare fiscal investment – investigations/assessments and family safety services are local costs, and foster care is a local/federal cost share (with the 5% state contribution). This AA change is a cost shift, pure and simple.

The elimination of the Kinship Permanency Incentive program seems foolish – whether reviewing court oversight in these permanent families, research and child outcomes, basic math for lowering costs, or even the history of the General Assembly directing funds to kinship supports and the various administrations repeatedly eliminating them just to have the General Assembly restore the investment. We support redesigning our services, and cost effective support for permanent kinship families is part of that redesign.

PCSAO supports government redesign. Investment in statewide support is critical as the gap between the agencies with resources and those without widens. Statewide investment in permanency with adoptive and kinship families reduces costs and trauma for kids. ***The tax redesign should return investment from the statewide gain in the CAT to valued public services such as child welfare.***

PCSAO supports a balanced approach to this budget – yes, redesign government, invest in what matters, reward efficiency and accountability. But, cuts alone cannot maintain the Safety Net we have all heard is of importance to the Administration and you, as Ohio's elected officials.

Thank you for the opportunity to explain this biennial budget's impact and to offer a path for better public policy. I would be happy to respond to any questions.