



# Ohio Legislative Service Commission

*Justin Pinsker*

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## Fiscal Note & Local Impact Statement

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**Bill:** S.B. 240 of the 131st G.A.

**Date:** April 28, 2016

**Status:** As Introduced

**Sponsor:** Sen. Eklund

**Local Impact Statement Procedure Required:** No

**Contents:** To extend the age for which a person is eligible for federal foster care and adoption assistance payments under Title IV-E to age 21

### State Fiscal Highlights

- The bill requires the Ohio Department of Job and Family Services (ODJFS) to submit a state plan amendment by January 1, 2017 that extends the age limit for foster care payments from age 18 to age 21. The bill also requires the state to cover all costs for this foster care extension. According to ODJFS, for FY 2017, planning costs would be approximately \$550,000. The total costs for implementation would be approximately \$24.5 million (\$9.7 million state share) for FY 2018 and FY 2019, and \$35.1 million (\$13.9 million state share) for FY 2020 and FY 2021.
- The bill appropriates \$550,000 in FY 2016 and approximately \$267,000 in FY 2017 in GRF funds to plan for this extension. The bill appropriates in FY 2017 a total of approximately \$4.7 million in GRF funds and \$7.4 million in federal funds to implement the extension.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

## Detailed Fiscal Analysis

The bill requires the Ohio Department of Job and Family Services (ODJFS) to submit a state plan amendment that extends the age limit for foster care payments from age 18 to age 21 by January 1, 2017. In addition, the bill states requirements for a person to receive these foster care payments. The bill also requires the state to cover all nonfederal costs for this foster care extension. For this Fiscal Note, LSC assumes that the program will begin implementation on July 1, 2017.

The table below lists the estimated costs of extending the foster care from age 18 to age 21 for FY 2017 through FY 2021, showing the state share, the federal share, and the total cost. According to ODJFS, for FY 2017, the cost would be approximately \$550,000 to hire new staff and complete contracts in order to begin implementation in FY 2018. The total costs for implementation would be between approximately \$8.1 million and \$24.5 million (\$3.2 million and \$9.7 million state share) for FY 2018, \$15.3 million and \$24.5 million (\$6.1 million and \$9.7 million state share) for FY 2019, and \$35.1 million (\$13.9 million state share) for FY 2020 and FY 2021. Costs for FY 2018 and FY 2019 have differing values depending on whether ODJFS implements the foster care extension by phasing the program in over three years or fully implementing the program in FY 2018.

<b>Costs to Extend Foster Care From Age 18 to Age 21</b>			
<b>Fiscal Year</b>	<b>State Share (in millions)</b>	<b>Federal Share (in millions)</b>	<b>Total Cost** (in millions)</b>
2017	\$550,000*	\$0	<b>\$550,000</b>
2018	\$3.2 to \$9.7	\$4.8 to \$14.8	<b>\$8.1 to \$24.5</b>
2019	\$6.1 to \$9.7	\$9.2 to \$14.8	<b>\$15.3 to \$24.5</b>
2020	\$13.9	\$21.2	<b>\$35.1</b>
2021	\$13.9	\$21.2	<b>\$35.1</b>

\*FY 2018 and FY 2019 figures will differ depending on whether ODJFS partially or fully implements the foster care extension in those years.

\*\*Numbers may not add to total due to rounding.

The costs for FY 2018 to FY 2021 implementation include the cost of foster care payments, adoption assistance payments, contracting for case management, review of case management, and for additional personnel required by ODJFS. These estimates are based on approximately 2,800 individuals being eligible for the new benefit between age 18 and age 21. The estimates also assume participation for eight months of the year for 50% of the population in FY 2018 and FY 2019, and 75% participation for eight months of the year for FY 2020 and FY 2021. The assumption of eight months participation over the course of a year is due to the transient nature of persons in foster care.

According to ODJFS, there could also be additional costs for case planning and fiscal operational enhancements to the State Automated Child Welfare Information System (SACWIS), the state's child welfare case management and reporting database. Changes to SACWIS would be eligible for 50% federal reimbursement. There could also be costs to pay a per diem to private child placing agencies or private noncustodial agencies for administrative costs if the individual elects to remain in his or her foster home placement and the foster home is managed by one of these agencies. The average administrative per diem rate is currently \$24.89 per child per day.

The bill appropriates \$550,000 to GRF line item 600423, Family and Children Programs, in FY 2016 and \$266,798 in FY 2017 for planning for the extension of foster care. The bill also makes the following appropriations in FY 2017: \$4.2 million to GRF line item 600523, Family and Children Services, \$494,160 to GRF line item 600528, Adoption Services, \$854,501 to federal line item 600627, Adoption Program – Federal, and \$6.6 million to federal line item 600628, Foster Care Program – Federal, for implementation of the foster care extension.<sup>1</sup>

The bill also requires that ODJFS adopt rules that establish the scope of practice and training required for foster care workers and foster care worker supervisors for individuals receiving the new foster care payments. There would be a cost to ODJFS to establish the new scope of practice and to modify the training curricula for foster care workers and foster care supervisors. Training is provided by ODJFS's Ohio Child Welfare Training Program.

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<sup>1</sup> The appropriations in the bill for extension planning are made for FY 2016 and FY 2017 and appropriations for the implementation of the extension are made for FY 2017. Adjustments to these appropriations may be necessary to account for the fact that FY 2016 is nearly over.