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## ***Detailed Fiscal Analysis***

The provisions of the bill that pertain to grandparent custody have no fiscal effect. Since judges generally make decisions they consider to be in the best interests of a child, the bill thus attempts to codify what is already current practice. Moreover, if new, this consideration will be part of an active case and should not require additional court proceedings to make the determination.

### **The Child Welfare Provisions**

Child welfare services aim to improve the conditions of children and their families and to improve or provide substitutes for functions parents have difficulty in performing. Child welfare services encompass a broad range of activities, including protection of abused or neglected children, support and preservation of families, care of the homeless and neglected, support for family development, and provision of out-of-home care. Services may help the family cope with problems or they may protect children while the family learns to perform appropriate parenting roles.

It is generally agreed that it is in the best interests of children to live with their families. To this end, experts emphasize both the value of preventive and rehabilitative services and the need to limit the duration of foster care placements. *However, if children must be removed, a major principle of professional social work is the provision of permanent living arrangements, either by returning children to their homes in a timely fashion or by moving children into adoption or other permanent arrangements.*

This bill requires that a child's health and safety be considered paramount when a court determines whether a public children services agency (PCSA) or a private child placement agency (PCPA) has made reasonable efforts to prevent removal of the child from home, to return home, or to make the child's return home possible.

The Social Security Act was recently amended by the *Adoption and Safe Families Act of 1997*. This federal law requires that states provide in their state plan that when determining reasonable efforts, the states must make the child's health and safety the paramount concern. In addition, it provided that reasonable efforts are not required in certain circumstances.

Under the bill, a court must determine that a PCSA or a PCPA is not required to make reasonable efforts, if any of the following circumstances apply:

- The parent from whom the child was removed has been convicted of or plead guilty to certain offenses (the litany of offenses outlined in the bill are of a sexual and violent nature);
- The parent from whom the child was removed has repeatedly withheld medical treatment and food from the child, despite having the means to provide them;
- The parent from whom the child was removed has placed the child at substantial risk of harm at least twice due to alcohol or drug abuse and has rejected treatment or refused to participate in further treatment at least twice, despite being under a court order to do so;
- The parent from whom the child was removed has abandoned the child;

- The parent from whom the child was removed had parental rights terminated with respect to a sibling of the child;
- The court determines at a hearing that allowing the child to remain in the home or returning the child home would jeopardize the child's health and safety.

The net effect of these circumstances is to direct the PCSAs and the PCPAs to speed the placement of such abused and neglected children into a permanent setting, such as with an adoptive family. These measures enhance the ability of the agencies to place these children permanently. To the extent that the bill increases the number children who are adopted, it will provide savings to the federal, state and local governments. However, the level of savings is unknown.

### **Requirement that the PCSAs Make Referrals for Substance Abuse Treatment**

The bill requires that when PCSAs identify a child to be at imminent risk of being abused or neglected due to his or her parent's substance abuse, it must refer the child, the child's siblings, and the parents to a drug and alcohol addiction services provider under contract with the board of alcohol, drug addiction, and mental health services (ADAMHS Board) that serves the county in which the PCSA is located. Upon receipt of the referral notice, the ADAMHS Board must provide treatment and monitoring services to this clientele.

In addition, it provides that when each ADAMHS Board sets priorities and develops the plan for alcohol and drug addiction services that they give priority to addicted parents, guardians, and custodians of children and the children who are at imminent risk of being abused or neglected due to their parents', guardians', or custodians' addiction. The bill requires that this program have priority over all other programs established and implemented by the ADAMHS Boards.

According to spokespersons for ODADAS, 50 to 70 percent of the families from which children are removed and placed in foster care have at least one parent, custodian, or guardian with a substance abuse problem. While treatment costs vary among different types of clients depending on clinical needs and the need for ancillary services, the average cost of treatment per client is approximately \$1,200. However, it should be noted that residential treatment costs can be much higher than \$1,200. Furthermore, it should be noted that many people require several episodes of treatment before positive outcomes may be achieved.

In fiscal year 1998, ODADAS will distribute approximately \$26.3 million in state subsidies and \$90.0 million in federal funds for the prevention and treatment of substance abuse. Of these federal funds, approximately \$62.0 million is distributed through the Substance Abuse Block Grant. The federal government requires states to use at least 35 percent of the Substance Abuse Block Grant allocation for drug abuse prevention and treatment and another 35 percent for alcohol abuse prevention and treatment. Twenty percent must be set aside for prevention programs aimed at reducing substance abuse among at-risk populations and at least five percent to increase the availability of services for pregnant women and women with dependent children. States with high incidence of AIDS must set aside between two and five percent of their Substance Abuse Block Grant funds to provide early HIV intervention services to persons receiving substance abuse treatment. States must provide services on a preferential basis to pregnant women and IV drug abusers.

According to spokespersons for ODADAS, the state could not re-prioritize the use of federal Substance Abuse Block Grant funds without seriously jeopardizing Ohio's allocation of block grant funding. Therefore, ODADAS would most likely have to provide treatment services for the parents, custodians, and guardians of children placed in foster care using mostly state GRF moneys. It is not clear what percentage of this population may be Medicaid eligible. The federal government would reimburse the state for a portion of the treatment costs for those who are Medicaid eligible.

As stated above, it is estimated that 50 to 70 percent of the families from which children are removed and placed in foster care have at least one parent, custodian, or guardian with a substance abuse problem. It is not known what portion of this population is already receiving treatment services. However, because of limited resources that are available, some clients currently receiving services might be displaced in order to serve the population that must be served under the bill.

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