



Leadership, voice and vision for child welfare in New York State

Council of Family and Child Caring Agencies

Written Testimony of: Michelle Newman, Associate Executive Director, Upstate, COFCCA

Submitted to: Assembly Ways and Means and Senate Finance Committees

Joint Legislative Budget Hearing on:

Human Services

Wednesday, January 31, 2024

The Council of Family and Child Caring Agencies (COFCCA) is the principal representative for nearly all the not-for-profit organizations providing foster care, adoption, family preservation, and juvenile justice services in New York State. COFCCA is comprised of over 100-member organizations, ranging in size from small community-based programs to the nation's largest multi-services agencies — all of which share the mission of serving children and families. COFCCA works with its members and government to ensure quality services for children and their families.

As we engage in a dialogue about the investments needed in our state budget this year, I urge careful consideration of the needs of the thousands of children and families our programs serve through the child welfare system.

COFCCA Budget Request Summary

The Council of Family and Child Caring Agencies (COFCCA) Supports:

- Expanding and Improving the Governor's Human Services Cost of Living Adjustment (COLA) proposal (HMH, Part FF):
 - Increasing the Human Services COLA, consistent with the Consumer Price Index- this year at 3.2%, and
 - Ensuring that it is equitably invested across the human services workforce, to include programs previously not included such as prevention programs and health home care management (\$7793/Persaud)
- Investing in foster care workforce salaries in response to inflation and the rising minimum wage to ensure the sector has the workforce needed to care for children and youth (A3411/Darling; S3101/Brisport)
- Creating and enhancing meaningful career pathways in child welfare through:
 - The Governor's Executive Budget proposal to establish a \$4 million loan forgiveness program for Mental Health Clinicians Serving Children (ATL- OMH)
 - Increasing funding for the Child Welfare Worker Incentive Scholarship Program and the NYS Child Welfare Worker Loan Forgiveness Incentive Programs
- Establishing a Human Services Employee Wage Board (S4675/Ramos) to review to investigate the pay disparities and develop recommendations for equitable wages in the human services sector
- Creating a settlement fund for Child Victims Act suits (A1279/Lunsford; S4866/Cooney): without a settlement fund, individuals may never receive their due compensation from voluntary foster care agencies and thousands more children will be negatively impacted due to a loss of essential services
- Increasing prevention funding to support families safely remaining together: COFCCA urges the state to restore state reimbursement to counties for prevention investment (A2807/Hevesi; S5326/Brisport)

Council of Family and Child Caring Agencies

254 West 31 Street, New York, NY 10001 212.929.2626 | The Blake Annex, 1 Steuben Place, Albany, NY 12207

www.cofcca.org

- Increasing funding for the Foster Youth College Success Initiative to \$10 million
- Expand the Child Welfare Housing Subsidy to increase support for foster youth leaving care (A.2525-C/Hevesi; S. 2038-A/Brisport) by increasing the upper age limit from 21 to 24, and indexing growth for the voucher amount.

COFCCA Budget Request Detail

While we were encouraged to see the Governor this year in her State of the State address highlight the significant mental and behavioral health needs of children and youth, the 2024-25 Executive Budget proposal falls short of providing the immediate supports needed in the child welfare system; a critical piece of the behavioral health spectrum. We need the state investments to ensure access to and enhance interventions that support families' needs, strengthen neighborhoods and communities, and prevent entry into or escalation within the child welfare system.

Ensure Justice for Child Victims

In 2019, the Legislature passed monumental legislation establishing the Child Victims Act, which provided a mechanism to give victims a voice and an avenue to seek justice against their abusers. However, without state intervention, individuals may never receive their due compensation and thousands more children will be negatively impacted due to a loss of essential services.

Unfortunately, the number one variable that has nothing to do with a victim's credibility or the nature of the harm they allegedly suffered is whether there is insurance coverage for a specific case. Many cases do not have any identified coverage for a judgment or settlement. COFCCA has found that of foster care providers surveyed, insurance could not be identified in almost 40% of cases.

Additionally, the older the alleged harm- where the more severe alleged conduct may appear, because child safety and safeguards against abuse have steadily improved over time- the more unlikely there will be coverage or sufficient coverage given policy limits in place at the time. The average age of incidents in cases in our sector is 42.2 years. Due in large part to efforts and support by the legislature to improve services and oversight, the child welfare sector of today looks vastly different than that of 40 years ago.

Today, COFCCA member organizations offer a broad array of programs and services designed to prevent adverse childhood experiences, and to promote child safety and well-being. New York is at risk of losing this network of services due to unintended consequences of CVA.

In a recent COFCCA survey, all of the responding foster care providers reported having contracts with government agencies to provide a variety of critical services in addition to their child welfare related programs, such as:

- **Migrant Services**: COFCCA member organizations are supporting more than 7,000 families who are migrants and/or seeking asylum in NYC in a number of ways including meeting basic needs and also providing assistance with legal support, work permits, case management, and English language classes.

- **Anti-Violence Programs:** Programs supported by COFCCA member organizations have contributed to a 40% reduction in gun violence¹ in their program areas in NYC and a 36% decrease in both number of individuals killed by gun violence and shooting incidents with injuries² where programs operate in rest of state.
- **Homeless Services:** There are 89,163 individuals in NYC’s homeless shelters, 33,348 of whom are children³. COFCCA member organizations provide services through programs such as Runaway and Homeless Youth and independent living programs, and also assist families in obtaining housing and other economic supports as well as mental, behavioral, and substance abuse services to address some of the underlying issues leading to housing insecurity.
- **Mental and Behavioral Health Services:** Many of our foster care providers, more than 80% in NYC, provide services that are licensed by state and municipal Offices of Mental Health. Across the state our members provide Home and Community-Based Services (HCBS), Children and Family Treatment and Support Services (CFTSS), and Article 31 clinic services.

A January 2024 report from [SeaChange Capital Partners](#) demonstrates the “existential threat” that faces the child welfare system noting, “[w]ithout support from policymakers, they are at risk of either discontinuing essential services or failing completely.” Unfortunately, the prospect of filing for Chapter 11 Bankruptcy – as organizations do not have any fiscal reserves or relief to pursue in providing settlements/awards to victims – has now become a reality for one of our programs on Long Island, where CVA cases are being processed faster than in other regions.

We are extremely concerned that it is a sign of things to come as CVA cases move forward elsewhere if the state does not act. It is our understanding that many cases will be moving forward this year.

A Child Victims Act Settlement Fund is an essential path to getting access to justice for victims who would otherwise be unable to realize financial awards due to lack of agency resources and while also supporting providers’ continued ability to meet the demands of New York’s children and families in need. Legislation has been introduced in both houses to address this issue: (A1279/Lunsford; S4866 Cooney).

- **COFCCA urgently requests the Legislature and Governor work together with the sector to establish a workable, and immediate solution.**

MSAR Language Addressing Human Services Cost of Living Adjustment

We note that in Aid to Localities, there has been new language inserted in the Executive Budget proposal that addresses the human services cost of living adjustment (COLA) in relation to the state-set rate for foster care called the Maximum State Aid Rate (MSAR). We read the language to say that the executive proposes to continue the COLA throughout the full rate year (for instance, that the 4% COLA that was enacted in last year’s budget would be in place from 4/1/23 through the end of the providers’ rate year on 6/30/24). However, we are unsure if the Executive is also addressing a request from the sector for the COLAs to build on one another.

¹ <https://www.nyc.gov/site/peacenyc/interventions/crisis-management.page>

² <https://www.governor.ny.gov/news/governor-hochul-announces-203-million-support-slug-street-outreach-programs-14-communities>

³ <https://www.nyc.gov/assets/dhs/downloads/pdf/dailyreport.pdf>

In the past, the COLA has been subtracted out of the rate calculation before adding the new COLA (for instance, the 5.4% COLA of two years ago subtracted out to add a 4% COLA—a loss of opportunity to build up rates that have not kept up pace with inflation. We are seeking more information on the Executive’s proposal.

- **COFCCA would like to work together with the legislature to ensure that the foster care rates continue this growth year over year as we understand that is the intent of the Human Services COLA—to add, not to subtract, from providers’ continued ability to meet inflationary cost pressures impacting rising heat, energy, fuel, and food costs, and to continue to grow staff members’ rates of pay.**

Invest in the Child Welfare Workforce

[COFCCA’s 2022 Child Welfare Workforce Report](#) consists of data from 58 child welfare agencies across New York State. This workforce is comprised of professionally trained and deeply committed individuals, often largely comprised of women of color. These staff support children, youth, and their families in prevention services designed to prevent entry into foster care, as well as children and youth in foster care across New York State.

Key findings from the report include:

- A significant reduction in the number of master’s level social workers at our member agencies from 2 years ago, indicating that they have been increasingly difficult to find and hire
 - This reduction shows an urgent need for creating a pipeline for this workforce.
- A significant increase in workforce turnover across all positions:
 - Most concerningly, average turnover in 2022 was about **57%** among residential child care workers and close to **50%** among family foster care caseworkers.
 - Overall caseworker average turnover across all child welfare programs was about **42%** - nearly twice as high as in 2020 (when turnover was at 24%).

These troubling turnover rates show the continued need for investing in the child welfare workforce. Every time a worker turns over, it adds time in foster care unnecessarily for a child and impacts outcomes for families as families continually need to tell their story and to come to trust a new worker. A stable and well-trained workforce is crucial for ensuring quality services, positive outcomes for our children and families, and reduced lengths of stay in foster care.

As in prior years that COFCCA has conducted this survey of its members, child welfare salaries are also not sufficient compared to those for similar jobs in other sectors, particularly within government. When taken together, caseworkers across Child Welfare programs make 37% less than their public employee counterparts⁴. Additionally, many residential direct care workers only make about \$5,000 above minimum wage in NYC⁵, Westchester, and Long Island, and only slightly more in the rest of the state.

⁴ When compared to an equivalent state position (PEF Grade 18). <https://www.osc.ny.gov/files/state-agencies/payroll/pdf/PEF-salary-schedule-April1-2022.pdf>

⁵ <https://www.ny.gov/new-york-states-minimum-wage/new-york-states-minimum-wage>

- **COFCCA supports the establishment of a Human Services Employee Wage Board as proposed in S4675/Ramos, to review to investigate the pay disparities and develop recommendations for equitable wages in the human services sector.**

The non-profit child welfare sector is in desperate need of an infusion of funding to raise salaries for the current workforce to provide parity in investment with other state licensed programs, to align salaries being provided for workers in other settings with similar credentials and experience, stabilize turnover, and to promote future career pathways.

- **Fund the Human Services Cost of Living Adjustment (COLA) at the CPI recommended rate of 3.2% and include human services programs that have previously been left out of this investment, prevention services and health home care programs serving children.**

We appreciate Governor Hochul’s proposal for a 1.5% human services COLA, but it is inadequate given the workforce need and we strongly support increasing the investment to a full 3.2% in the final budget. We must also address the human services workforce that has been left out. **We urge that the COLA include all human services programs including community-based prevention services programs and Health Homes Serving Children Care Management Programs, as is proposed in [S.7793](#).**

Quality in the workforce supporting children and youth in foster care is directly tied to the quality of care and overall experience children and families have. Young people in foster care come to develop and rely on relationships with their child care workers and their caseworkers. High worker turnover negatively impacts children and youth in foster care, and it impacts outcomes. Studies in the field show that each time a worker leaves, it may add up to six additional months to a youth’s time in foster care.

Current salaries are not competitive for recruitment and retention of staff. Many of our residential care workers, have to hold two jobs to support their families. As the economy improves, workers are turning elsewhere for higher pay and less stressful jobs. We cannot continue to under-support the professionals who are doing this challenging work.

Our foster care workforce is in desperate need of an infusion of funding to support raising salaries.

- **COFCCA strongly supports an infusion of funding to raise salaries to be equitable with public sector salaries as proposed in A3411/Darling; S3101/Brisport, to make a job in the non-profit child welfare sector more competitive, allowing programs to attract diverse, highly educated and trained candidates, to reap enormous benefits for the children and youth served.**

Our child welfare staff tell us that in addition to salary increases, they need more support in achieving their higher education goals. We consistently hear from our child welfare workers that although they find the work very challenging, they enjoy what they do and want to continue to grow with our agencies. Many staff in our programs desire to become supervisors or even aspire to be in a senior leadership position such as a program director or a CEO someday; however, they need advanced education degrees to pursue those positions.

We also often hear that they begin to look for other jobs when they cannot afford to pay their student loan monthly repayments (given the growing student debt crisis in our country, staff have student loan payments ranging from

several hundred dollars per month to payments even in excess of \$1000 per month). While we appreciate ongoing efforts at the federal level to address this issue, we seek a long-term option for supporting New York State's child welfare workforce in their educational goals so we can begin to build a true career pathway for our state's child welfare professionals.

- **COFCCA strongly supports the Executive Budget proposal to establish a \$4 million Loan Forgiveness Program for Mental Health Clinicians Serving Children.** This program would specifically support licensed mental health clinicians serving children and families in Office of Mental Health and Office of Children and Family Services licensed settings.
- **COFCCA requests a significant expansion of the impact of the NYS Child Welfare Worker Incentive Scholarship Program and the NYS Child Welfare Worker Loan Forgiveness Incentive Programs by increasing the funding for these programs to \$1 million each.**

These programs would provide an incentive to current and prospective employees to work in the critical field of child welfare, and support the education and training needed to provide quality care.

Ensure Access to Community-Based Services

COFCCA sees the implementation of the *Family First Prevention Services Act* (FFPSA), as an opportunity for the state to make strides toward transforming its child welfare system into one that is intentionally anti-racist, and committed to ensuring family self-determination and strengthening community-based services that meet the needs of New York's diverse communities. Access to community-based services are essential to this goal.

A significant number of COFCCA members provide prevention services across all regions of the State. These programs are meant to serve families by addressing parents' identified needs and assisting them in keeping their families safe, healthy, and together. Services are tailored to individual family need, and may include home-based services and supports when there is a need for housing, food, clothing, mental health and medical services.

However, for several years, the state budget has reduced the state share for prevention services to 62%, even though there is a statutory requirement of 65%. The continued cost shift from the state to the local governments, puts a strain on the counties' ability to invest in community-based programs for families and limits the ability for agencies to hire and retain staff to meet the demand for services.

- **COFCCA urges the state to increase reimbursement to counties for uncapped prevention (A2807/Hevesi; S5326/Brisport).**

Support Families and Youth as they Transition Out of Care

New York State has committed funding in the budget for several years to assist youth in foster care as they pursue higher education. We have watched with great joy each year as our young people in foster care enter college or university through the support of the Foster Youth College Success Initiative (FYCSI). In the last several years, this initiative has supported more than 2,000 young people in our state during their college journeys. These young people have attended more than 100 NYS colleges and universities and they are achieving success through post-secondary

education. The FYCSI program uniquely provides necessary social, academic, and financial supports to ensure that barriers to opportunity for the foster care population are mitigated.

- **COFCCA supports increasing investment in the Foster Youth College Success Initiative to \$10 million to continue to assist foster youth in achieving their goals.**

Homelessness and housing instability are among the reasons families are reported to the State Central Register,⁶ and housing is a major concern for 41% of youth who are aging out of the child welfare system.⁷ The goal of the Child Welfare Housing Subsidy program is to stabilize housing for families and prevent family separation and child removals, expedite reunification of children in foster care, and help youth aging out of foster care who face high risk of housing instability and homelessness. COFCCA and our partners had advocated for an increase in the maximum monthly voucher amount under this program for years, and we are thrilled to see the increase from \$300 to \$725, included in the enacted budget last year, go into effect on January 1, 2024.

- **COFCCA supports further expanding the Child Welfare Housing Subsidy to increase support for foster youth leaving care (A.2525-C/Hevesi; S. 2038-A/Brisport) by increasing the upper age limit from 21 to 24, and indexing growth for the voucher amount.**

In closing, we must ensure that the final state budget includes investments in our child welfare workforce, community-based supports and services, and thoughtful policy solutions to challenges nonprofit child welfare programs currently face.

Thank you for the opportunity to provide testimony.

⁶ https://scaany.org/wpcontent/uploads/2023/02/Child-Family-Wellbeing-Fund-One-pager_02012023.pdf

⁷ <https://readymag.com/fysa/movingforward/>