COFCCA

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

Council of Family and Child Caring Agencies

Testimony Presented by

James F. Purcell, CEO

Before the

Assembly Ways and Means and Senate Finance Committees

Joint Legislative Hearing

February 8, 2017

Good afternoon, my name is Jim Purcell and I am the CEO of the Council of Family and Child Caring Agencies (COFCCA). Our member agencies include over 100 not-for-profit organizations providing foster care, adoption, family preservation, juvenile justice, and special education services in New York State. On behalf of our member agencies, their over 51,000 employees all across New York State, and, mostly on behalf of the tens of thousands of children and families that our agencies serve, we thank Chairpersons Young and Farrell for the opportunity to testify before you today.

For the third year, COFCCA held regional meetings in every area of the state to discuss current foster care trends and child welfare issues. During the fall of 2016, we convened nine roundtables around the state; many of you and your colleagues in the Legislature participated in these regional discussions with us. Each discussion included the perspective of a young person in foster care as well as direct care staff members who work every day with our foster care youth. Throughout each of these meetings, we heard a common theme: young people in foster care have more complex health, mental health and substance abuse issues than a decade ago and agencies need to be able to recruit and retain a qualified child welfare workforce that can meet the increased needs of youth in care.

COFCCA

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

COFCCACares4Kids

Our advocacy agenda for 2017-18, COFCCA Cares4Kids, was developed as a direct result of these regional roundtable discussions and proposals contained in the Executive SFY 17-18 budget. Collectively, our requests promote the safety, permanency, and well-being of children and youth in foster care.

Supporting New York State's Children and Youth in Foster Care

Thank you for your passion and commitment to the child welfare workforce and the children and youth in foster care. As you may know, over the last two years, the nonprofit voluntary foster care agencies received two years of small growth to their primary funding stream, the Maximum State Aid Rate (MSAR) after seven years of no growth. In 2015, the MSAR received a 2% growth factor and last year the increase was 2% again but only applied to direct care salaries. We strongly believe these increases resulted because of the advocacy and leadership of the Legislature, post-budget, focused directly on the administrative process between the Office of Child and Family Services (OCFS) and the Division of Budget (DOB), which establishes the MSAR rate each year.

We hope you will be a champion, again this year, for our agencies, their workforce, but most importantly the children and youth in foster care. This year we are advocating for a 4% increase to the MSAR for the period of July 1, 2017 to June 30, 2018. While we very much appreciate two years of growth, the increases that we received do not begin to address the very real costs our providers face to provide quality care to children and youth that have complex needs at the same time it is becoming more difficult to recruit and retain our staff. The improving economy with thousands of new jobs when combined with managing the efforts required to comply with Justice Center mandates, new state overtime thresholds, and state minimum wage standards are crippling our capacity to find quality workers.

In addition to growth within the MSAR, we are advocating for the state to cover increased costs associated with the NYS Department of Labor's newly imposed overtime regulations that are going to have a fiscal impact on our foster care and preventive agencies. In case you are not aware, the state imposed its own overtime rule that is more aggressive than the rule put forward by the federal government. New York's rule sets a higher minimum weekly salary threshold on a phase-in schedule according to different regions of the state. When fully implemented, the state's overtime exemptions will well exceed the previously proposed federal standard that has been stayed by a federal court.

Our COFCCA 2015 Workforce report reveals an average statewide starting salary of $33,967 for all Bachelors-level caseworkers, and the average statewide starting salary of $38,682 for a

Masters-Level caseworker. The current average statewide starting salaries of our BA-level caseworkers qualify them for overtime immediately, and the current average statewide starting salaries for our MA-level caseworkers qualify them for overtime eligibility in NYC, Nassau, Suffolk and Westchester immediately as well—and, in areas upstate, at the end of 2017.

Our caseworkers are charged with promoting and protecting the safety, permanency, and well-being of children and youth in foster care. Part of a caseworker's job description involves ensuring that case standards (federal and state requirements) are met consistently and with quality. As federal and state requirements emerge, agencies manage the need for workers to receive training on the new standards in order to deliver the highest quality of service—while still balancing their caseloads. Workers are required to make casework contacts with each child on their foster care caseload and to document every aspect of their work with both the children in foster care as well as their families; such contacts must be made at least twice during the first thirty days of placement, and, thereafter, they are required to make face-to-face contacts at least once per month with the child. Of course those are the minimum required contacts, in reality most children and families must be seen more often to ensure safety and progress in moving towards a permanent discharge.

Due to the requirements such as this one and also due to the nature of their work, foster care caseworkers often work in excess of a forty hour work week. Their work is a critical component of ensuring that children in foster care in NYS are supported and that we are moving with expediency towards an effective permanency solution for the child. Foster care is meant to be temporary. Our dedicated workforce is the critical link to making sure that a child is not in foster care longer than he or she needs to be—whether it be working towards safe return to the child's family, or finding a kin relative, or working towards a goal of adoption for the child. In addition to contacts, our foster care workers in NYC are required to attend Family Court sessions on their cases, troubleshoot issues as they emerge, ensure school and medical attendance, etc.

Additionally, counties across New York State contract with provider organizations to provide preventive services. The preventive caseworkers working for our member organizations are the front line in working with a family to prevent a child's entry into foster care while ensuring their safety. They work collaboratively with families, engaging support services the family may need such as mental health counseling, public assistance, housing, and daycare. As part of their work, they make home visits and continually assist and coordinate the family's progress towards ensuring a safe, healthy home environment. Their work is critical to providing families the supports they need to care for their children safely in their home. While our preventive caseworkers will very much be affected by the new overtime regulations, solving this funding challenge is more difficult as it would require increasing individual contracts' amounts between counties and provider agencies.

While the MSAR is established, post- budget, we hope you will use the budget process to highlight the need for investments into the foster care system and join our advocacy efforts for a 4% increase the MSAR through the administrative rate setting process that occurs between OCFS and DOB. In addition, we hope you will support our request for the MSAR to fully cover increased overtime costs that are the result of the state's new overtime rules.

State Minimum Wage Impact

Last year's passage of new state minimum wage standards is an unfunded mandate for our providers. We advocated during the post- budget administrative rate process for increased costs to be covered by the MSAR, especially because the Legislature included targeted funding to cover these costs for certain Medicaid providers and services licensed by State Education Department (SED), Office of Mental Health (OMH) and the Office of People with Developmental Disabilities (OPWDD). The MSAR rate established for July 1, 2016 to June 30, 2017 did not contain any provisions for these costs to be covered.

The Executive proposed budget includes funding to cover increased minimum wage costs for certain Medicaid providers as well as private special education providers licensed by SED. The Executive proposed budget acknowledges increased costs and the difficulty for providers who are funded by rates to cover these costs, but did not include any funding for OCFS programs. While the impact in this first year of phase-in to the new minimum wage was very small, we note that it will certainly represent significant cost in the next few years. In 2015, the average starting wage for a child care worker (front line staff) in our programs statewide with a high school education was approximately $11.88/hour. Thus this average starting wage is higher than the new minimum wage that began on 12/31/16, but the gap begins to widen with the next scheduled increase coming at the end of 2017. *We surveyed our programs statewide and we estimate that at full implementation, the minimum wage requirement represents an unfunded mandate of $55 million statewide.* We have documented the fiscal condition of our member agencies for the past 9 years, and only a very few have the funds available to cover mandated cost increases of this magnitude.

In addition, to our agencies not having the resources to cover minimum wage increases at full implementation, the Executive's proposal to cover costs associated with certain programs and not others will only further complicate the ability of our agencies to attract and retain qualified workforce. For example, many of our agencies have either an 853 school or Special Act on their campus. Under the Executive's proposal, the 853 school or Special Act will receive increased funding to help cover costs associated with minimum wage but the foster care agency will not.

The reality is a teacher's aide at the school and the child care worker at the cottage are the same worker, providing care to the same child. Increased costs for the teacher's aide will be covered, but not for the direct care worker who is employed by the foster care agency.

We request the Executive and Legislature include funding in the final enacted budget to cover increased minimum wage costs for foster care agencies that are in line with funding provided to other providers.

Child Welfare Financing

The Executive Budget extends child welfare financing mechanisms for the next five years. We are especially pleased that the funding for county child protective services as well as for preventive, adoption, and independent living services remains funded at 62% state share on an open-ended basis. However, we have concerns about the cuts made to the fixed appropriation for the Foster Care Block Grant.

New York State has made a very impressive commitment to supporting preventive services by providing open-ended reimbursement to counties for these services. We support the Executive Budget's commitment to continuing 62% open-ended reimbursement of preventive and protective services, as well as independent living and adoption administration services. New York State is a leader in the country when it comes to providing its localities with 62 cents reimbursement on every dollar invested. This significant investment has enabled the field to work collaboratively with families to prevent entry into foster care when there are better approaches, and, indeed, has contributed to reduction in the foster care census.

The Executive Budget proposes to cut the Foster Care Block Grant significantly by a total of $62 million. Approximately $23 million of this reduction is the elimination of state support for tuition expenses of New York City foster youth who are placed into residential treatment centers which are campus based. Thus while the Executive Budget provides an additional $1 Billion for schools, it actually eliminates all support for these youth from NYC who require residential placements like these. While we are told this cut is to address overall balances in the complex state budget, we remain stunned that these youth in foster care do not warrant any state support for their education.

The remaining portion of the cut, $39 million, represents a reduction in the state share of payment for foster care statewide; apparently evenly split between NYC and all of the other counties. While the counties and NYC have reduced foster care census over the past few decades, the current population in foster care has very high needs. Providers invest in training their staff members in evidence based models and trauma-informed care in order to equip their staff with the tools needed to support the current population of children in care. We are very concerned about the burden this cost shift will place on local government, especially as OCFS reports rising placement numbers in some counties due to the impact of parental opiate use, and the currently increasing number of foster care placements in NYC.

In addition, the Executive Budget proposal eliminates the state share to support New York City's children placed by the Committees on Special Education (CSE) in residential placements. Currently, CSE residential placements throughout the state are paid for with an LDSS share (43.152%), the placing school district (38.424%) and the state (18.424%). The Executive Budget proposes to eliminate the state share only for those CSE residentially placed youth from New York City. Therefore, while the state will continue to pay its share for "rest of state" CSE residentially placed youth, NYC youth will not receive any state support for room and board residential costs. Instead, NYC will need to pay the full cost. Again, we are very concerned about the shifting of this cost onto NYC from the state.

We support the Executive's proposal to reauthorize child welfare refinancing for five years, especially the commitment to continue open ended prevention and protection funding at 62% but urge reconsideration of the proposals that shift costs from the state to localities for foster care as well as youth residentially placed by CSEs.

Providing a Career Pathway for the State's Child Welfare Workforce

Our COFCCA agencies collectively employ more than 51,000 NYS residents. As the state's economy has improved in recent years, unfortunately, our agencies have experienced significant worker turnover. In 2015, our average caseworker turnover (for all degree and licensure levels, statewide) was 35.9%. This is a significant increase from our 2013 survey, which showed 31.9% average turnover statewide. Our direct care (or front line) staff turnover was 40.9% in 2015, up from 33% in 2013. Some individual programs reported upwards of 50% turnover this year. This level of turnover is unsustainable. Our work in child welfare is driven by relationships. Every day, our workers nurture relationships with the young people in our care—whether it is by helping to support their academic progress, showing them how to make a basketball shot, or holding them accountable to behavioral expectations. When we asked our young people to tell us their favorite part of living on a residential campus, all across the state, we received the same answer: their staff. One young woman living on the campus of Elmcrest, a Syracuse agency, told us the story of how one of her favorite staff members encouraged her to pursue a summer internship opportunity. During that internship, she learned professional job skills that drove her to keep her focus on making strong academic progress; she proudly told legislators present at our roundtable discussion that she now wishes to become a lawyer.

COFCCA

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

Our workers provide mentoring every day for our young people in foster care, helping them to envision their future.

Unfortunately, our agencies are often the "training ground" for staff to gain experience and training on trauma informed care and interventions, only to take their experience to the public sector—schools, hospitals, or public agencies—after a few years with one of our agencies. We are now experiencing a workforce crisis; we are not only losing our staff to more well-paid positions where they can earn more and do not have to be subject to the oversight of the Justice Center, but in addition, we cannot find enough staff to hire to staff our programs appropriately. One of our larger agencies reports that a quarter of the agency's workforce is working a second job beyond their position at the agency, just to make ends meet. Some of their staff work 3 jobs.

Our agencies report to us that they hold job fairs and open interviews at their programs, and while years ago they would receive several dozen resumes to consider for new hires, now they are lucky to even hit half a dozen applicants. The impact that this turnover and vacancy rate has on programs cannot be overstated. Every time a worker leaves, the children who saw that worker every day experience a breach of trust and one more broken relationship with an adult they had come to rely on. Our kids have experienced unimaginable trauma and the flow of adults working with them coming in and out of their lives adds to their sense of loss. Turnover additionally causes longer lengths of stay—an outcome that is unacceptable for our children that are affected. We must have a stable workforce in New York State to assist in providing the best outcomes for kids and families in our child welfare system.

When we spoke with COFCCA agencies' workers at our regional roundtables, we heard their devotion to working in a field despite its low salaries and challenges. We surveyed our agencies to understand how we could best promote retention efforts; the response was unanimous: help to pay for higher education opportunities for child welfare workers in order to keep them in the field. Many of our staff are struggling with repayment of student loans—often with monthly payments of several hundred dollars. Others have shared that they wish to go back to school for a master's or advanced degree so that they can advance their career in child welfare to become leaders in the field. As a state, we need to invest in cultivating the highest quality child welfare workforce for our young people. If we provide them with financial awards for higher education, we propose to require that they work full-time in the field for five years as a condition of receiving the award. New York State invests in several other sectors—for example, farmers and physicians—it is time that the state invest parallel resources in building a quality child welfare workforce.

Council of Family and Child Caring Agencies
254 West 31 Street, New York, NY 10001 212.929.2626 | 6 Executive Park Dr., Albany, NY 12203
518.453.1160 | www.cofcca.org

We request $1 million to support higher education opportunities for our child welfare workforce in NYS; we would propose that $500,000 of that funding be available for tuition support, the NYS Child Welfare Worker Incentive Scholarship, and the remaining $500,000 be available for loan forgiveness for our staff, the NYS Child Welfare Worker Loan Forgiveness Incentive Program.

Improving Safety and Living Spaces for Youth in Foster Care

As agencies experienced seven years without growth to the foster care rate, they had to make difficult decisions to plan and execute their budgets. As a result, our residential programs across the state have not been able to perform regular maintenance and instead have had to defer necessary projects. Many of the residential programs have roofs in need of repair, and several have aging boilers that will very soon need replacement. When teenagers are living in a building, the inevitable wear and tear happens and many of our facilities need to repair carpets or walls. Agencies additionally need funding to put cameras in their residential programs to aid in worker and child safety; the Justice Center recommends these cameras be put in residential facilities as an added safety measure. Many of our programs are seeking to convert existing double or triple rooms into single bedrooms for safety reasons. We have heard from staff in our programs that the conversion to single bedrooms truly helps reduce behavioral problems within a cottage. The residential cottages are the homes for our children and youth in foster care, and we must make repairs and improvements to make them safe.

We appreciated the Legislature's support of the Nonprofit Infrastructure Capital Investment Program, funded in the prior two state fiscal years, for a total of $100 million. While some of our agencies were able to benefit from this funding, the $100 million was open to the entire not-for-profit sector, and the amount of applicants for funding far exceeded the available state resources for the program. There is no additional funding included for the NICIP in this year's Executive Budget.

We request $15 million in capital funding for deferred maintenance projects in this year's budget and $15 million in next year's state budget.

Providing Health Services to Children and Youth in Foster Care

The Executive Budget proposes to create the ability for voluntary foster care agencies to become licensed to provide health services. The timing coincides with the date that we expect to begin enrolling children in foster care into Medicaid Managed Care, starting January 1, 2019. Without this license our agencies will be unable to bill managed care organizations for services provided. COFCCA has advocated to promote this licensure status for some time, as it

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

will facilitate reimbursement by Managed Care Organizations to the voluntary foster care agencies.

We support the Article VII Education, Labor, and Family Assistance (or ELFA) bill, part N, language that will facilitate licensure of voluntary foster care agencies providing health care services to children and youth in foster care.

Council of Family and Child Caring Agencies
254 West 31 Street, New York, NY 10001 212.929.2626 | 6 Executive Park Dr., Albany, NY 12203
518.453.1160 | www.cofcca.org

Other Initiatives COFCCA Supports

Educational Opportunities for Youth in Foster Care

For two years now, New York State has committed resources to assist youth in foster care as they pursue higher education. Currently, there are two cohorts of 500 foster youth attending NYS colleges and universities through the Foster Youth College Success Initiative. The program uniquely provides necessary social, academic, and financial supports to ensure that barriers to opportunity for the foster care population are mitigated. Our young people in foster care want to pursue post-secondary education to be able to succeed and to pursue their desired career path; we need NYS to continue the great commitment it has begun to assist foster youth in achieving their goals.

We support the Governor's inclusion of $1.5 million for this program, and support the Fostering Youth Success Alliance's request for an additional $3 million, for a total of $4.5 million; this funding total would ensure continued support for the existing two cohorts of foster youth, and would additionally enable a third cohort to enter their first year in college.

Raising the Age of Criminal Responsibility

We are pleased to see that the Governor has included language in his proposed budget to raise the age of criminal responsibility. As has been introduced in prior legislation, the Governor proposes to phase in "raising the age," with a two year phase-in process. We support raising the age of criminal responsibility and agree that a phase in makes sense. We know that children under the age of 18 lack the executive functioning necessary for proper decision-making, as brain studies show us that the frontal lobe (the area of the brain responsible for reasoning ability and controlling impulses) is last to develop, in one's early twenties. It is appropriate that these adolescents are not treated as adults under the law. New York State is one of only two states in the country to consider these youth as adults under the law.

Post-Adoption Services

Last year, the state increased its financial commitment to providing post-adoption services; we are pleased to see a continuation of that increased commitment this year. Post-adoption services provide adoptive families with support as they navigate challenges. Examples of these services include peer support groups for both adoptive parents and children, respite services, and counseling. The services assist in preserving adoptions and in preventing re-entry into the foster care system.

We support the Governor's recommendation of $7 million for post-adoption services that is included in the Executive Budget.

Safe Harbor: Services for Sexually Exploited Children and Youth

The Safe Harbor program, last year funded at $3 million thanks to the support of the Legislature, provides vital services to children and youth who are sexually exploited, and ensures that they are treated as child victims. Youth in foster care are at increased risk of becoming victims of sex trafficking.

We urge the State to continue funding of direct services to victims of trafficking, including but not limited to street outreach, trauma-informed, holistic community based care and counseling, safe houses, and continued funding to counties performing important services for this population such as case management and coordination and health services and counseling.

We welcome the opportunity to continue the conversation with you on these important issues and to be helpful to you; we are available for any assistance that you need.

COFCCA

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

Summary of 2017-18 RECOMMENDATIONS:

The Council of Family and Child Caring Agencies supports:

- 4% increase in funding for foster care through the Maximum State Aid Rates (MSARs) that are set post-budget between the Office of Child and Family Services (OCFS) and the Division of Budget (DOB).
- Costs associated with New York's new overtime rules must be covered by the MSAR rate that will be set post-budget for period of July 1, 2017 to June 30, 2018.
- Funding be included in the final enacted SFY 17-18 budget to cover increased minimum wage costs for foster care agencies that are in line with funding provided to other providers.
- The Executive's proposal to reauthorize child welfare refinancing for five years, especially the commitment to continue open- ended prevention and protection funding at 62% but requests reconsideration of the proposed cost shifts from the state to localities for foster care as well as youth residentially placed by CSEs.
- A $1 million investment in creating higher education opportunities for the child welfare workforce.
- A $15 million investment in capital improvements on residential campuses for children and youth in foster care and an additional $15 million in next year's budget for the same.
- The Executive's proposal (Part N of the Education, Labor, and Family Assistance Article VII Bill) to create the ability for voluntary foster care agencies to become licensed health providers.
- The Executive's proposal for a commitment to funding post-adoption services at $7 million.
- Raising the age of criminal responsibility: we seek to be part of the effort to implement this change in the best interest of the youth, their families, and their communities.
- $4.5 million in funding to assist youth in foster care in pursuing higher education. This is a request put forth by the Fostering Youth Success Alliance, of which we are proud to be a steering member.
- The continuation and expansion of funding for services devoted to supporting sexually exploited children and youth (Safe Harbor).

COFCCA

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

Appendix 1: COFCCA Agencies' Employees by REDC Region

REDC Region	Number of Employees
NYC	24,976
Mid-Hudson	8,610
Long Island	3,943
Capital Region	3,399
Central NY	3,070
Western NY	2,826
Finger Lakes	2,465
Southern Tier	1,372
Mohawk Valley	542
North Country	268
Total	**51,471**

Council of Family and Child Caring Agencies
254 West 31 Street, New York, NY 10001 212.929.2626 | 6 Executive Park Dr., Albany, NY 12203
518.453.1160 | www.cofcca.org