



Testimony of Hillside Family of Agencies

On the Executive Budget Proposal for SFY 2012-2013

Before the New York State Senate Finance Committee

and Assembly Ways and Means Committee

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Senator DeFrancisco, Assemblyman Farrell, members of the Legislature, thank you for giving Hillside Family of Agencies the opportunity to present testimony regarding this year's human service budget.

Hillside Family of Agencies is a nearly 175 year old non-profit organization based in Rochester, serving more than 12,000 families a year, with 120 programs in 45 locations in 24 counties across New York State. Hillside is a leading provider of an integrated system of care delivering proven and effective services in child welfare, mental health, youth development, juvenile justice, adoption, special education and others. At Hillside we recognize the need to ensure that donor and tax payer dollars are invested wisely and have the deepest impact possible. This is why Hillside's strategic intent is to be a leader in translating research into effective practice solutions for children and families.

There is no mistaking the difficult economic conditions New York State faces and while we fully recognize that each of us must find a way to do more with less, it is critical that both the state and its partners do all we can to ensure that working class and poor families do not suffer disproportionately. We recognize the almost impossible and thankless task you faced last year in closing a 10 billion dollar deficit and we applaud you for those efforts. We believe that the governor's 2012 -2013 Executive Budget, while still not what we might wish for, is a very strong start, given the continued difficulties we face, and it is our hope that you will support or even enhance such executive budget items as;

- The Reauthorize child welfare financing through June of 2017.
- At minimum, maintain Community Optional Preventative Services (COPS) funding.
- Support the effort to incentivize, increased private investment, through the Public Private Partnership Pilot Program.

As one of the largest children and family services organizations in New York State, the reauthorization of Child Welfare Financing is vital to the young people and families we serve. Hillside believes that this reauthorization provides an opportunity for New York State to renew its commitment to those vulnerable citizens that need us most and to drive the necessary innovation and changes that will allow for continued improvement in the Child Welfare System.

As we work to reauthorize this critical funding it is important to take a moment to look at what has worked and to celebrate those successes. It is clear that the open-ended or uncapped prevention services are playing a critical role driving down the number of children in foster care and saving taxpayer dollars. In just over 10 years the number of children in foster care has dropped by more than 50%, so now, more than ever, we must continue the efforts to keep children out of the foster care system.

We join our colleagues from across the state in asking for a renewed commitment to open ended funding for preventive services and that the current 62% state share is maintained. It is clear that the open-ended nature of this funding has allowed the counties to invest in programs that are keeping children out of foster care and saving taxpayer dollars.

Programs such as Family Preservation, where in partnership with Monroe County Hillside is utilizing the Homebuilders service model, an evidence based short-term crisis-intervention treatment that offers intensive services directly in the home within 24 hours of the crisis. Trained Family Preservation specialists assist families in stabilizing the crises and preventing family disintegration. This is a proven and effective model nationally and, within our program, we have seen incredible results – 99.4% of the 350 children we served in 2009 avoided foster care placement and, and as a result avoided moving deeper into the system.

On average, according to the most recent figures from Monroe County, the cost of county-run foster family care for one child is \$24,115 per year while therapeutic foster care is \$54,312. Residential care for a young person in Monroe County averages almost \$115,000 per year. Compare this with the cost of preventive services – just \$1,925 per child per year, and it is clear that we need to invest more in these programs that are both having tremendous results and saving tax payer dollars.

We believe that changing the funding formula or capping these funds in these challenging times would force counties to make decisions that would both hurt children and families in the short run and cost taxpayers more in the long run.

While I think we can all agree that, when and wherever possible children should stay with their families, the simple and unfortunate reality is, this is not always possible. In these cases it is critical that the safety and well-being of the child is protected. Once a child has been removed from his or her home, government cannot abdicate our collective responsibilities for that child. It is vital that provider agencies are paid the reasonable cost of providing quality care so we can have the intended outcomes that all of us desire, which is why it is critical to maintain the current Foster Care Block Grant.

It is our hope that you will support the reauthorization of Child Welfare financing through June 2017.

As you know Community Optional Preventive Services or COPS funds are aimed at supporting community services, that work with youth and families, before serious problems develop with the long-term goal of reducing risk of foster care and offering less costly alternative to placement. At Hillside, we partner with Monroe County through COPS to offer our Hillside Work-Scholarship Connection program to Rochester City School District students who are at real risk of dropping out of school and a life time of unemployment or underemployment. This program has been shown to significantly increase graduation rates

as well as prepare these urban youth for meaningful employment and college, helping to break the cycle of poverty.

Hillside Family of Agencies and the Hillside Children's Foundation raise more than one million dollars annually to help support Monroe County in its efforts to leverage COPS funding. The state designed COPS, at least in part, to spur locally raised private investment into proven and effective prevention programs and, in Monroe County; this has been a tremendous success. COPS has been a model public private partnership but, at Hillside we are highly concerned that the business community will not continue to invest in a state funding mechanism with an uncertain future. Again, while we understand the difficult economic times we all face and support the Executive Budgets efforts to level fund this program in the 2012 – 2013 budget, the reality is these funds have been cut in half in the last 12 months and it is our hope that as the economy improves we will find a way to increase government investment into to proven programs that are getting results and saving taxpayer dollars.

Hillside was also pleased to see a regionally based public private partnership pilot program and applauds the effort to incentivize increased philanthropic giving and greater cooperation between the public and private sector to address the critical issues that impact communities across the state.

One concern we do have however, is with a loss of funding for a critical program called Community Reinvestment Program. In April 2010, Hillside Family of Agencies was awarded one of seven OCFS Community Reinvestment contracts to serve 100 youth (typically 31 youth are served at one time for a period of 3 to 5 months) residing in one of 8 OCFS-identified, Rochester zip codes. The program targets youth ages 11-15 who would otherwise be in detention due to involvement with probation and family court. Hillside, through a collaborative network of nine other community based organizations, provides everything from skill-building to therapy, as well as the necessary educational support to ensure proper placement and attendance. To date, this program has been highly successful at preventing both placements and re-arrests - only 4 youth have entered placement.

Data from the most recent quarter of the Community Reinvestment Program, in which 21 youth were served, found the following results:

- Diversion from Detention=100%
- Prevention of re-arrest=100%
- Prevention of failure to appear=100%
- Prevention of pregnancy/impregnation=100%
- Prevention of gang involvement=90%
- Improvement in School Attendance=60%

We were very disappointed in November 2011 when we received our 90 day termination notice and learned that each of these 7 contracts from across the state would not be renewed, due to a lack of funding. As we have closed beds in the juvenile justice system over the past year, we believe that it is critical that those dollars saved, are reinvested into quality community based programs that are keeping juveniles out of the far more expensive system. It simply does not make sense to defund a program like Community Reinvestment that is both getting results, and saving taxpayer dollars, especially at a time when the state is looking to create alternatives to our state run facilities and to keep youth close to home. It is our hope that the legislature, in its wisdom, will find a way to restore the 4 million dollars necessary to save this program and we ask you to join us in that effort.

Hillside Family of Agencies supports and applauds the administration's and the legislature's efforts to reform and reduce the cost of Medicaid. We understand that the escalating costs of Medicaid are simply not sustainable and we believe that smart and well thought-out reform could both save taxpayer dollars and improve service to those that need it most. We understand that much of the Medicaid conversation over the past year, has been about the adult population and we are concerned that the children's voice is getting lost in that conversation. More importantly, we are concerned about the special populations, dually diagnosed and children in foster care that we serve and their ability to continue to receive the services they need. It is critical that these populations are not seen simply as little adults, and that all policy makers recognize that they have a unique sets of needs and service requirements. An early investment in those needs and services has proven to have a profound impact. We also know a failure to properly invest in the needs of this population will have a far greater cost as they transition into adulthood.

Over the next few years, it is the state's intent that all Medicaid will be managed. For children's services, this means that the payment and management systems will change into: basic Medicaid managed care with insurance companies, Regional Behavioral Health Organizations, Health Homes for over 18, Health Homes for children (currently under design), new APG system for outpatient mental health services, medical homes, Developmental Care Individual Support and Care Coordination Organizations etc.

As stated above, we are extremely concerned how the children we serve will be impacted by these various proposals, how the proposals will interact with one another, and the dramatic rate at which our systems are changing. Right now, much of this remains a work in progress and we cannot determine the actual impact to the children and families we serve or the services they current receive. We do, however, plan to monitor these proposals and their development and intend to come back to the Legislature as issues with Medicaid Redesign arise. We hope you will support our efforts.

While we still have a way to go, I think all of us can be proud of the progress we have made over the last 10 years in reducing the number of children in foster care. We have however

made very little progress in reducing lengths of stay in foster care. Findings from the Child and Family Service Review (2009) demonstrated that NYS has some of the poorest permanency outcomes in America. Of the 47 states measured, New York ranked 40<sup>th</sup> on the timeliness of children's return home from foster care, with an average length of stay of 29 months. Far too often young people are aging out of the foster care system without the supports or family networks they need to lead productive lives and the results are often disastrous with far less than half graduating from high school and 80% unable to support themselves.

With some 80 % of all college graduates needing to move back home for at-least a year after graduation, even in the best of circumstances we know that young adults need continued support and assistance. Why should we expect an 18 year old young man who has spent most of his life in the child welfare system to need less?

For this reason Hillside was the first in the state and one of the first in the nation to invest in Family Finding, an intensive six-step model that establishes a lifetime network and a set of permanency resources for disconnected youth.

Through the family finding process, social workers identify family members who may have lost contact with or are unknown to youth in need of sustainable relationships. Workers then engage those family members and identify a network of relatives who are willing to become permanent resources for the youth. Upon completion of the Family Finding process, youth have a lifetime network of people who will be a true resource and will support them through and beyond their transition to adulthood in the same way most of our families supported each of us.

At Hillside Family of Agencies, we believe Family Finding can play a critical role in helping to fundamentally transform the child welfare, mental health, developmental disabilities and juvenile justice systems of out-of-home care and save countless tax payer dollars. We believe that now more than ever the state must find ways to invest in proven and innovative models that can both improve the way we serve children and families, reduce lengths of stay and dramatically reduce costs. At Hillside we welcome the opportunity to work with you in the legislature, the administration to expand this model across the state.

On behalf of Hillside Family of Agencies, our 2300 employees and the more than 12,000 families we serve each year, thank you for the opportunity to testify on this important issue. We look forward to working with you and the administration to save dollars, ensure that families can stay strong and together, and that every New Yorker has the opportunity to grow up happy and productive.