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New York Public Welfare Association

**NYPWA Commentary on the Executive Budget for SFY 2012-2013
Joint Legislative Budget Committee Public Hearing**

Sheila Harrigan, Executive Director
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Thank you for the opportunity to address the Joint Fiscal Committees of the New York State Legislature regarding Governor Andrew Cuomo's Executive Budget recommendation. The New York Public Welfare Association represents all fifty-eight local departments of social services statewide. Our members are dedicated to improving the quality and effectiveness of social welfare policy so that it is accountable to taxpayers and protective of vulnerable people. The State and counties are partners in carrying out the State's commitment for social services programs. In recent years, the State's financial support has diminished creating an increased reliance on local dollars. Examples include the reduction in the state share for adoption subsidies last year and the earlier elimination of the state share for the administration of the supplemental nutrition assistance program (food stamps) and the safety net assistance program. The budget proposal maintains a steady course while exerting a tight squeeze on all social services programs. Our focus today is centered on a handful of core issues. In these times of continued fiscal constraint, our comments on the budget promote the guiding principle of the alignment of state public policy priorities and the state budget.

Support Temporary Assistance to Needy Families (TANF) Target Areas

The executive budget proposal effectively aligns TANF funds with the greatest needs by targeting four critical spending areas: caseloads, the Flexible Fund for Family Services, child care, and administration. This recommendation has our support.

OPPOSE Elimination of State Share for Child Support Administration

We oppose the executive budget proposal to eliminate state funding for Child Support administration. This action would undermine one of the state's most successful programs for supporting children and families. Instead, the state should continue to honor the success of the child support enforcement program by maintaining the current financial commitment at 50 percent for the non-federal share for child support administration. The executive proposal is painfully reminiscent of when the state share for the administration of the food stamp program and the safety net assistance program were eliminated in spite of the fact that caseloads were rising. The transfer of TANF dollars did not compensate for the losses then and would not compensate for the losses in child support administration now. Why attack a program that is working? The loss of state funding would create a fiscal incentive to reduce staff in child support administration, which would ultimately lead to a reduction in financial support for children.

Support Takeover of the Growth in the Local Share of the Cost of Medicaid Benefits

We support the executive proposal to take over the growth in the local share of Medicaid as perfectly consistent with the State's goals to manage the entire Medicaid program. We urge the legislature to move forward as rapidly as state and federal funding opportunities allow.

OPPOSE Premature Cap on Medicaid Administration

We oppose the executive recommendation to cap local Medicaid administration spending at CY 2011 levels. The NYPWA is working in close partnership with the State Medicaid Director to move forward with the Medicaid transition. However, by implementing this cap ahead of schedule it would create an incentive to reduce staff based on the premise that the State is already managing the Medicaid enrollment process in a manner that has reduced the local workload. However, that is not the case. The State simply does not have the technology in place to move ahead at a faster pace. Local administrative funding should not be reduced or capped until such time as the state assumes significant administrative responsibilities for Medicaid eligibility that would provide local fiscal relief. This is anticipated to begin with the State takeover of Medicaid Administration on April 1, 2018, or on a date aligned with the State's actual progress on implementation.

OPPOSE Language to Remove State Responsibility for Medicaid Overburden

We oppose the executive budget language that would prohibit counties from claiming overburden expenses incurred prior to January 1, 2006. The State should continue its responsibility for any funds due to counties.

Support Open-Ended Child Welfare Funding but Retain 65/35 Language

We support the continuation of open-ended funding for child preventive, protective, and related child welfare services and the continuation of funding for foster care. However, when the economy improves funding for child welfare should return to 65/35 instead of today's formula of 62/38 (state/local share). Therefore, we oppose the executive budget language that would eliminate 65/35 from the underlying statute.

Support Close to Home Initiative

The NYPWA supports the "Close to Home Initiative" which would provide New York City with the ability to provide an array of juvenile justice services in order to pursue improved outcomes for youth. As part of this initiative, we ask that budget language be added to hold counties harmless for state facility rate increases.

For additional information, contact:

Sheila Harrigan, Executive Director
New York Public Welfare Association
nypwa@nycap.rr.com
(518) 465-9305