



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

## Council of Family and Child Caring Agencies

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Joint Legislative Budget Hearing on:

Mental Hygiene

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The Council of Family and Child Caring Agencies (COFCCA) is a strong, statewide network of nonprofit child and family serving organizations that collectively advances practices and policies to secure the wellbeing of children, youth, families, and communities. 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 recommends the following additional state actions and investments to ensure access to and enhance interventions that support families' needs, strengthen neighborhoods, and prevent entry into or escalation within the child welfare system:

### **COFCCA Budget Request Summary**

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

- Expanding and Improving the Targeted Inflationary Increase and Wages in the Human Services Sector (HMH, Part P):
  - Increase the Governor's proposed 1.7% investment to 2.7% for nonprofit human services programs— to support the workforce and sustain critical services for hundreds of thousands of New Yorkers;
  - Equitably invest across the human services workforce by including prevention and health home care management programs as proposed in S.1580 (Persaud)/A.2590 (Hevesi) or S3669 (Persaud);
  - Ensure annual investments are fully realized by Voluntary Foster Care Agencies as proposed in A.718 (Hevesi);
  - Establishing a Human Services Employee Wage Board as proposed in S.3953 (Ramos)/A. 5589 (Bronson) to review to investigate pay disparities and develop recommendations for equitable wages in the human services sector; and
  - Establish a "Blue Ribbon Commission" to examine the crucial role of nonprofit human services workers to New York's economy and community health.

Council of Family and Child Caring Agencies

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- Enhancing Career Pathways in Child Welfare through:
  - The Governor’s Executive Budget proposal to providing \$4 million for a loan forgiveness program for Mental Health Clinicians Serving Children (ATL- OMH); and
  - Increasing funding for the Child Welfare Worker Incentive Scholarship Program and the NYS Child Welfare Worker Loan Forgiveness Incentive Programs (ATL-HESC).
- Ensuring Access to a robust continuum of care through:
  - Establishing “Intensive Services Programs” to meet the high acuity needs of young people in foster care;
  - Expanding populations served under Article 29-I Health Facilities as proposed in A.2726-A (Paulin); and
  - Investing \$200m to implement rate enhancements and reforms across the children’s behavioral health continuum.

### **COFCCA Budget Request Detail**

#### **Expanding and Improving the Targeted Inflationary Increase and Wages in the Human Services Sector**

In addition to the magnitude of services that it provides, the Child Welfare sector is also a large employer in the state. According to data collected by COFCCA, more than 55,000 people are employed by our member agencies. Ensuring the viability of the sector is vitally important for the economy of the state.

We appreciate that Governor Hochul and the legislature have recognized the need for investments in the nonprofit human services sector in recent years through the provision of and Targeted Inflationary Increases. We recognize the Governor’s proposal for a 1.7% investment in the Human Services sector again this year, but note that the increase falls short of the full 2.7% request from the sector to keep up with inflation. Programs must have the ability to provide increases to their staff, and to keep up with significant inflationary costs for their operations. Our member organizations report experiencing significant continuing increased health insurance costs of up to 15%-20%, food (upwards of 10% increases), liability insurance (an average 19% increase), utilities, and maintenance. Additionally, agencies are struggling with costs associated with staff recruitment efforts given high vacancy rates and unabated turnover rates in the field. Our COFCCA Workforce Compensation data shows that salaries for caseworkers and direct care staff at COFCCA member agencies rose on average 7–8% since 2022, but state investments to support those increases lagged behind inflation and market pressures, including the need to align salaries being provided for workers in other settings with similar credentials and experience.

- **COFCCA strongly supports increasing the Targeted Inflationary Increase to 2.7% in the final budget (MHM, Part P).**

We urge the state to ensure that Human Services investments are fully realized with equity for all programs supporting children and youth in New York State.

For the past several years, the Human Services investments through previous COLAs and now Targeted Inflationary Increases has been subtracted out of the calculation for foster care programs of their state-set rates, the Maximum State Aid Rates (MSAR) before adding the new investments. Given that our rates are based on costs from 2 years prior, and the investment is applied only on a 1 year basis, this represents a loss of cash flow to our agencies, hindering their ability to increase spending, which negatively impacts the opportunity for our agencies to build up their future rates to reflect the actual costs they are experiencing.

- **COFCCA strongly supports legislation--A.718 (Hevesi)—to ensure that the foster care rates continue growth year over year as we understand that is the intent of the Human Services investments—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.**

We must also address the human services workforce that has previously been left out of prior Human Services Cost of Living Adjustments. As the State continues to prioritize community based preventive services, we must include the workforce that supports children and families in their communities. The turnover rate among caseworkers in prevention programs in 2024 remains high, at 36% statewide, 44% in prevention programs outside NYC. The average starting salary for an NYS Prevention caseworker (Bachelors) is \$49,342 compared to \$65,001 in the public sector.

- **COFCCA strongly supports including programs that have previously been left out of Targeted Inflationary Increases, including community-based prevention services programs and Health Home Care Management Programs serving children, in TII as is proposed in S.1580 (Persaud) /A.2590 (Hevesi) and S3669 (Persaud).**

The Child Welfare workforce is comprised of professionally trained and deeply committed individuals, 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. However, COFCCA’s 2024 Child Welfare Workforce Report<sup>1</sup> continues to find that staff salaries are not sufficient compared to those for similar jobs in other sectors, particularly within government. When taken together, caseworkers across Child Welfare programs make 31% less than their public employee counterparts<sup>2</sup>. Additionally, residential direct care workers salaries annually only hover slightly above minimum wage, with many workers in these positions report needing to hold two or more jobs to support their families.

As a result, workers are turning elsewhere for higher pay and less stressful jobs. The average turnover rate in 2024 was staggering—about 48% among residential child care workers and caseworker turnover in foster care programs averaged 31% statewide. Vacancy rates also remain high at 19% for residential child care positions.

Quality in the workforce supporting children and youth in child welfare is directly tied to the quality of care and overall experience children and families have. Young people in foster care come to develop relationships and rely upon their direct care staff and their caseworkers. High worker turnover negatively impacts children and youth in foster care, and it impacts outcomes.

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. Current salaries are not competitive for recruitment and retention of staff. We cannot continue to under-support the professionals who are doing this challenging work.

- **COFCCA supports the establishment of:**
  - **A Human Services Employee Wage Board as proposed in S.3953 (Ramos)/A. 5589 (Bronson) to review to investigate the pay disparities and develop recommendations for equitable wages in the human services sector.**

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<sup>1</sup> [2024 Child Welfare Workforce Report \(Enclosed\)](#)

<sup>2</sup> When compared to an equivalent state position (PEF Grade 18). [https://oer.ny.gov/system/files/documents/2024/01/pef-salary-schedules-2023-2026-final\\_0.pdf](https://oer.ny.gov/system/files/documents/2024/01/pef-salary-schedules-2023-2026-final_0.pdf)

- **A “Blue Ribbon Commission” to examine the crucial role of nonprofit human services workers to New York’s economy and community health.**

### **Enhancing Career Pathways in Child Welfare**

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.

- **COFCCA requests a significant expansion of the impact of the NYS Child Welfare Worker Incentive Scholarship Program to \$1 million (ATL- HESC).** We thank the legislature for including an additional \$100,000 in the last 2 enacted budgets for this program. We note that the Governor’s FY 2027 Executive budget proposal eliminated this critical funding—we urge the restoration and expansion of the investment this year.

We also often hear that staff 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). 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.

- **Expand the NYS Child Welfare Worker Loan Forgiveness Incentive Program by increasing funding to \$1 million (ATL- HESC).**
- **COFCCA strongly supports the Executive Budget proposal to continue the \$4 million Loan Forgiveness Program for Mental Health Clinicians Serving Children (ATL- OMH).** 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’s workforce compensation report shows that Master’s-level caseworkers have declined by 58% since 2020, with agencies struggling to recruit and retain social workers.

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.

### **Ensuring Access to a Robust Continuum of Care**

We know that accessing appropriate and timely care for families has been difficult due to the fragmented State systems and limited availability of services in the community at any given time.

In late 2025, the Council of Family and Child Caring Agencies (COFCCA) and the New York State Coalition for Children’s Behavioral Health (CCBH) partnered to produce a comprehensive statewide analysis of children and youth with

complex behavioral health needs<sup>3</sup>. Together, we retained Health Management Associates (HMA) to examine trends, service access, and system gaps using Medicaid claims data from 2019 through 2023 for New York youth ages 0–21.

As two statewide coalitions representing nonprofit providers serving children, youth, and families across New York, we were proud to jointly issue the data to our government and stakeholder partners. While many of the findings mirror the daily experiences of providers, this data now gives us a factual foundation to drive urgent systems change.

Youth with complex needs are distributed across all ages, underscoring the need for strong, developmentally responsive supports from early childhood through young adulthood, and a strong emphasis on supporting families' needs from the beginning.

The data show regions with high emergency department (ED) utilization show lower utilization of outpatient behavioral health services, while areas with robust outpatient care utilization show lower ED use — a clear indication that community-based treatment reduces crisis-driven care. Lower-income communities show higher concentrations of youth with complex behavioral health needs, highlighting deep inequities and the critical importance of accessible and comprehensive support statewide.

These are the young people who are falling through the cracks, who are stuck in hospitals for weeks and months after they are ready for discharge, and whose caregivers cannot access the support they need to safely and effectively manage symptoms, support healthy development, and thrive in their communities.

The state must ensure a NYS Budget that invests in a robust continuum of care by providing greater investment in workforce to ensure that youth with complex needs have access to care and creates the systems flexibility needed to offer families the support they need when they need it, regardless of which state agency may or may not take responsibility for their needs.

COFCCA and CCBH have been highlighting for a number of years that New York State does not currently have the system of care required to support the acuity of young people's needs. We lack in-state capacity to support the highest level of needs for children and youth in the child welfare system, leaving us at risk of increasing out of state placements which are both inappropriate for the needs of children, placing them at a distance from their families, and incredibly costly.

There is an urgent need for creation of intensive services models for Residential Treatment Centers and to adjust MSAR rates to reflect the true cost of care. We continue to offer our support to focus on solution-based approaches to ensuring that New York has the appropriate continuum of care for supporting its young people needing clinically appropriate treatment and care. COFCCA and our member agencies appreciate ongoing discussion with OCFS to engage in creative thinking about how to address the needs of youth with complex needs, in particular through the creation "Intensive Services Programs." However, the development of these programs have long been in the pipeline and have yet to come to fruition.

- **COFCCA strongly urges the state to continue to work with providers to establish "Intensive Services Programs" that includes sufficient rates to support enhanced staffing and the high acuity needs of young people which provide appropriate mechanisms to ensure the safety of those in crisis.**

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<sup>3</sup> Analysis of Service Utilization for New York Youth with Complex Needs (Enclosed)

Voluntary Authorized Agencies are charged with addressing the complex needs of the families and children as they become known to them through child welfare system involvement. These organizations provide a wide variety of services, including trauma informed medical and behavioral care to children and youth in foster care in Article 29-I clinic settings, CFTSS and HCBS services to families in the community, and prevention services for families to access needed care and services that address parents' and caregivers' identified needs and assist them in getting the resources to keep their families safe, healthy, and together.

Article 29-I Health Facilities, one aspect of these services, are a specialized health care model established under the federal Medicaid State Plan Amendment specific to New York State, created in the Public Health Law (hence the name) and Social Services Law, that are designed to provide comprehensive healthcare services to children in foster care. Voluntary Foster Care Agencies (VFCA's) receive a license authorizing them to provide limited health-related services and contract with and bill Medicaid Managed Care Plans only for services for children and youth placed in their care as a result of educational need (Committee on Special Education (CSE) placement through the School District) and through LDSS or county Foster Care placement.<sup>4</sup> In providing services to these children and youth, staff often become aware of the clinical needs of the entire family, but are unable to enroll them in services due to this limitation.

Prevention programs serve families referred to them from the county LDSS, many of whom either have previously been placed into foster care or are at risk of placement without intervention. However, prevention programs, even in organizations with Article 29-I facilities, often must refer individuals who in need of medical, developmental, and/or behavioral health services, to community providers for treatment, where there exist significant shortages and delays in service provision.

Expansion of Article 29-I VFCA's authority to provide clinical services to families connected to the child welfare system will help enhance family supports by addressing conditions that may be affecting the safety and well-being of those in the home, preventing out-of-home placement, reducing out-of-home lengths of stay, and strengthening the overall wellness of the family unit through coordination and provision of clinical services through the Article 29-I health facility.

- **COFCCA Strongly Supports expanding the populations served under Article 29-I Health Facilities as proposed in A.2726-A (Paulin).**

We know that there is a shortage in the availability of services to support child and youth mental health, which creates wait lists for treatment. The Healthy Minds Healthy Kids Campaign (HMHK), a collaboration between 19 of New York's leading children's and behavioral health advocacy groups, commissioned a study that found what our providers have said for years: the rates in children's outpatient services are inadequate to cover costs, let alone support a sustainable system for the future.

- **COFCCA supports a \$200 million investment to implement rate enhancements and reforms across the children's continuum of care – including but not limited to Article 31, Article 32 (822), CFTSS, and HCBS programs – to create a sustainable children's behavioral health system that enhances quality and access to services across the state.**

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<sup>4</sup> <https://ocfs.ny.gov/programs/managed-care/about-a29-i.php#purpose>

In closing, we must ensure that the final state budget includes investments in our child welfare workforce, community-based supports and services to provide every opportunity for children, youth and families to have access to what they need to be well and to thrive.

Thank you for the opportunity to provide testimony.