COFCCA

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

Council of Family and Child Caring Agencies

Testimony Presented by

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And

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Joint Legislative Hearing

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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 55,000 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 Weinstein for the opportunity to testify before you today.

COFCCACares4Kids

Our advocacy agenda for 2018-19, COFCCA Cares4Kids, was developed based on the current needs of the children and youth in foster care around the state as well as proposals contained in the Executive SFY 18-19 budget. Collectively, our requests promote the safety, permanency, and well-being of children and youth in foster care and juvenile justice.

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 three years, the nonprofit voluntary foster care agencies received 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; in 2016, the increase was 2% again, but only applied to direct care salaries. Last year, we received 2% growth on the whole rate as well as salary increases for our hard-working direct care staff. We strongly believe these increases resulted in part 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 the children and youth in foster care by supporting the workers they depend on. This year we are advocating for a 4% increase to the MSAR for the period of July 1, 2018 to June 30, 2019; in addition, we are advocating for salary increases for our direct care staff and our clinical staff in line with what the Governor and the Legislature have provided for OMH, OASAS, and OPWDD programs. While we truly appreciate the past three years of growth, the rate increases we have received do not begin to address the very real costs our providers face to provide quality care to children and youth who have complex needs.

We are experiencing increasing difficulty, statewide, in recruiting and retaining our staff. As the state's economy has improved over the past few years, combined with the increasing minimum wage, many of our lower-paid staff have left our agencies to work in less challenging environments, such as fast food or retail—and even in the new casinos. Our agencies continue to contend with increasing challenges as new state mandates, including rising state thresholds for overtime payment, increasing state minimum wage standards (without recognition for these increased costs in our rate system), and the efforts required to comply with state oversight, from the Office of Children and Family Services, the Justice Center, and others.

Our COFCCA Child Welfare Workforce report reveals an increasingly devastating trend of worker turnover in our field. A survey of all of our agencies shows an average turnover statewide of 47% in fiscal year 2016 for our child care workers—our front line, direct care staff working with children in foster care every day. This figure is up from fiscal year 2015, when our programs were experiencing a 41% turnover in their child care staff. Much of this turnover is due to low pay; in 2016, our child welfare workforce report shows an average starting pay statewide for child care workers of $12.34 per hour.

Our work with children in foster care is driven by relationships. Children succeed when they know that adults around them care for them, support them, and have high expectations for them. When a worker leaves our program, children in our programs experience that event as yet another loss in their young lives. The children and youth in foster care have experienced unimaginable trauma—many witnessed domestic violence, experienced abuse and/or neglect, the loss of a parent, or parental substance abuse. We must do better as a state to provide stable relationships for children in foster care. When the state gives regular increases through the MSAR, agencies are able to give salary increases to staff—thereby improving retention.

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 4% growth to the MSAR through the administrative rate setting process that occurs between OCFS and DOB, as well as salary increases for our direct care staff and clinical staff in line with what the state provides for OMH, OASAS, and OPWDD programs.

Proposed Cuts to Child Welfare and Juvenile Justice in Executive Budget

The Executive Budget proposes two extremely concerning cuts to child welfare and juvenile justice in New York City. Although these cuts as written pertain to NYC, we believe that the cuts, if enacted, will have devastating impact across the state in years to come.

Proposed Cap on NYC Child Protective and Preventive Services:
First, the Executive Budget proposes to cap this appropriation which has been an open-ended funding stream for all counties and NYC to fund child protective services, preventive services, adoption administration, and independent living. You may recall that last year, New York State authorized through the final state budget the continuation of this child welfare financing mechanism for five years, including preserving this open-ended funding at 62% state share for county child protective services as well as for preventive, adoption, and independent living services. We strongly supported this continuation as we believe that New York State's robust investment and commitment to preventive services through open-ended reimbursement to counties has dramatically decreased the foster care census over the past several years.

Indeed, this year's Executive Budget briefing book "Human Services Performance Profile" section includes the following: "Reducing Foster Care Caseload: The foster care caseload declined from 37,000 in FY 2003 to 17,000 in FY 2017 due to the state's emphasis on preventive services" (NYS FY 2019 Executive Budget Briefing Book, page 85). The uncapped state funding at 62% for preventive services assists counties in investing more dollars for services to keep kids safely at home with their families, while the foster care block grant has a cap on dollars given to each of the counties for their children and youth placed in foster care.

New York State has been a leader in our country in preventive services, as no other state in the country has such a commitment to preventive services provision in the form of open-ended reimbursement at this level. Twenty-five years ago, our state had over 60,000 kids in foster care. As noted above, today there are about 17,000 children in foster care—though we understand that in several upstate counties, the opioid epidemic is causing increases in the foster care caseload. The overall reduction in census is saving the state and the counties hundreds of millions of dollars every year. And it has been precisely this state investment in preventive services that has made the difference for NYC and the counties in reducing their foster care caseload. Our goal is to keep children and youth safely in their homes with their families, and preventive services providers help to support children and families as they navigate temporary challenges in order to accomplish that goal, preventing additional entries into foster care. We understand that of the core services that would be affected in NYC by this cut in 2019, 50% currently funds staffing (70% of which is child-protective staff), 45% currently funds child welfare services, mostly preventive programs such as family counseling and substance abuse treatment, and 5% currently funds child care.

This cap replicates a failed approach taken 25 years ago. In his first year in office Governor Pataki created a block grant that included foster care, child protective services, and preventive services – all of which had heretofore been shared costs between the state and the counties and New York City. Six months later 6 year old Elisa Izquierdo was killed in NYC. In his next Executive Budget Governor Pataki quickly removed Child Protective Services from that block grant. Several years later OCFS conducted a review of the impact of the block grant that now included foster care and preventive services. One of their conclusions was that preventive services were being steadily eroded in many places because the costs of foster care in a given budget year exceeded the expectation of preventing future foster care placements. So 15 or so years ago the Governor and legislature pulled preventive services out of that misguided block grant and returned to funding them along with CPS on an open ended 65% basis. That decision led to today's historically low foster care census.

And let us note that while the Executive briefing materials refer to a cap on preventive services, it makes no mention of capping child protective services. Make no mistake – this proposal caps both. It's true this is targeted this year only at New York City. But all of our agencies across the state—from Suffolk County to the north country to Jamestown—along with the counties they serve, believe that they too will be treated the same in a future state budget.

This cut must be reversed and we call on the legislature to do so in conjunction with the Administration. If the cap is not reversed, the questions we will all have to face in the future will be, not "did we balance the shares in the 2018 budget" but "why did New York City or another county, impacted in the future, not have enough child protective workers to investigate every allegation in a thorough and timely way or why were there no services to help those families which could, with help, keep their children out of foster care?"

These child welfare mandates are state laws and the state must share fully in their execution. This is a permanent and dangerous proposal.

Close to Home:

In addition to the proposed cap on child welfare reimbursement to NYC, the 2018-19 Executive Budget proposes to eliminate all state funding ($41.4 million) for Close to Home, the NYC juvenile justice program. Close to Home began in 2013 as NYC and NYS worked to bring children and youth who were placed in upstate facilities back to NYC to be "closer to home." The overall goals of the program, which we believe have been achieved, included improving educational outcomes for children and strengthening family engagement. Kids can now get school credits and there is an expectation that some of the youth can attend their community school prior to discharge.

The program has impacted not just individual children positively, but also families and communities. Providers report that they have young people who were formerly at their agency living in a Close to Home program site now working at the agencies as staff members. In addition, now that children live "closer to home" and no longer live upstate, staff are able to engage families in fun activities with their children, such as monthly family nights, talent shows, and basketball games. Importantly, family engagement in family therapy and family team conferences has increased. These linkages to schools and to families that providers have been able to achieve through Close to Home prove critical to the success of kids upon discharge from the program.

We are informed that in fiscal year 2019, there is a total cost for Close to Home of $75.5 million, which was estimated to be paid for through $30.5 million in NYS funds, $38 million NYC funds, and $7 million of federal funds. Prior to Close to Home, the State spent 32% more per young person in New York City's juvenile justice system than under Close to Home. The total cost to the State of housing this population in facilities was much higher than $30.5 million. In the last year before Close to Home started, the state spent as much as $86 million to house these young people. Therefore, the state has experienced a cost savings of more than $50 million through the Close to Home program.

Last year, the final enacted budget included a $62 million decrease to the Foster Care Block Grant. Approximately $23 million of this reduction constituted 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). The remaining portion of the cut, $39 million, represented a reduction in the state share of payment for foster care statewide, split between NYC and all of the other counties. The Foster Care Block Grant has been held level in the proposed Executive Budget, maintaining the decreased funding level from last year's enacted budget. Therefore, the 2018-19 state budget proposed cut to Close to Home and cap on preventive and protective services comes on the back of already reduced state funding share to NYC for child welfare expenses.

Finally, this elimination of state matching funds for NYC's juvenile justice programs comes as the Administration is promising 100% funding for the implementation of Raise the Age. Elimination of state share for these NYC juvenile justice services has implications for counties' level of trust in the state to fund that new set of juvenile justice services, even as the state withdraws all funding for serving younger youth in juvenile justice programs.

We strongly urge the Legislature to reject the Executive Budget's proposed cap on NYC child welfare spending and the Executive Budget's proposal to eliminate state funding for the NYC Close to Home program.

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

Thank you for supporting our child welfare workforce in last year's state budget through the creation of two programs, the NYS Child Welfare Worker Incentive Scholarship and the NYS Child Welfare Worker Loan Forgiveness Incentive Program. These programs, funded at $50,000 each in last year's state budget, will begin to help our workforce in supporting their higher education goals. In addition, our workforce appreciates the recognition of the Legislature through the creation of these programs.

Our COFCCA agencies collectively employ more than 55,000 NYS residents. As we have shared with you over the past few years, our child welfare agencies continue to struggle with recruitment and retention of staff. In 2016, our average statewide starting salary for a caseworker/case planner working in a preventive, family foster care, or residential care program begins at $34,753 (for a BA/BS graduate) or $41,570 (for an LMSW). The average annual statewide salary is $37,858 (for a BA/BS graduate) or $45,354 (for an LMSW). The salaries we are able to pay are simply not enough to compete with what the public sector can pay, with better benefits. Our agencies report losing caseworkers to public schools, hospitals, and Managed Care Organizations. Our programs all too often act as a "training ground" for employees, as they receive excellent training and experience in trauma-informed approaches that then make them marketable to other organizations. In 2016, our average caseworker turnover was 40.9% for all programs (preventive, family foster care, and residential care). This is an increase in average turnover of 5 percentage points from our last workforce survey conducted in 2015, when turnover was 35.9%. This constant churn of worker turnover causes longer lengths of stay for children in foster care—this is an unacceptable outcome for the children and families we serve, and New York State must do better to invest in our child welfare workforce which, in turn, supports our state's children and families navigating the child welfare system.

We have heard overwhelmingly from our child welfare staff that in addition to salary increases, they need support in achieving their higher education goals. Many staff in our programs are desirous of becoming supervisors or even senior leadership such as a CFO or a CEO someday; however, they need advanced education degrees to pursue those positions. In addition, we have many staff members working in our child welfare programs who struggle each month to pay their student loan bills, often amounting to several hundred dollars—comparable to a rent or mortgage payment. We believe that increased state investment into our child welfare workforce's higher education pursuits will not only assist in our staff recruitment and retention efforts, but will also create the next generation of child welfare leaders in the field.

We support the Executive Budget's inclusion of $50,000 each for the NYS Child Welfare Worker Incentive Scholarship and for the NYS Child Welfare Worker Loan Forgiveness Incentive Program.

We request an additional $900,000 investment to support higher education opportunities for our child welfare workforce in NYS; we would propose that $450,000 of that funding be available for tuition support, the NYS Child Welfare Worker Incentive Scholarship, and the remaining $450,000 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 in need of 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 past three fiscal years, for a total of $120 million. While some of our agencies were able to benefit from this funding, the RFP 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. Despite an overwhelming need for more investment in nonprofits' infrastructure priorities, 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.

Other Initiatives COFCCA Supports

Educational Opportunities for Youth in Foster Care

For three years now, New York State has committed resources to assist youth in foster care as they pursue higher education. Currently, there are three cohorts of more than 450 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. Without funding being added to the program beyond the Governor's inclusion of $1.5 million in his Executive Budget, not only will high school seniors not be funded to attend college next year, but those students currently benefiting from Foster Youth College Success Initiative funds will not have funds available to support them through to graduating college.

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 $4.5 million, for a total of $6 million; this funding total would ensure continued support for the existing three cohorts of foster youth, and would additionally enable a fourth cohort to enter their first year in college.

Raising the Age of Criminal Responsibility

We support the proposed $100 million in the Executive Budget to begin to implement Raise the Age starting this fall. We have recently reviewed the Request for Applications that the state has just issued for Raise the Age residential programs and aftercare services (upstate and Long Island, outside of New York City). While we appreciate that there is a "hold harmless" period proposed so that the rate paid is not initially dependent upon meeting expected utilization, we remain concerned that this "hold harmless" period applies only to the MSAR for vacant RTA beds, and not to the educational or Medicaid/health care costs.

In addition, we have communicated to the state that it will be vitally important to ensure that there is adequate career and technical education available for the young people our programs will serve through Raise the Age. We seek to support these 16 and 17 year olds in credit recovery, linkage to job training and building workforce readiness.

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Post-Adoption Services

New York State has increased its financial commitment to providing post-adoption services over the past few years; we are pleased to see a continuation of that increased commitment this year proposed in the Executive Budget. Post-adoption services provide adoptive families with support as they navigate challenges. Examples of these services include peer support groups for 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.

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Summary of 2018-19 RECOMMENDATIONS:

The Council of Family and Child Caring Agencies supports:

- Continuing to invest in open-ended prevention and child protective services funding at 62% state reimbursement for New York City and all counties.

- Fully funding Close to Home.

- 4% increase in funding for foster care, as well as salary increases, 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).

- The Executive Budget's proposal to fund the NYS Child Welfare Worker Incentive Scholarship and the NYS Child Welfare Worker Loan Forgiveness Incentive Program at $50,000 each; we request an additional $900,000 in funds for the programs.

- 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 for a commitment to funding post-adoption services at $7 million.

- Raising the age of criminal responsibility: we support the Executive Budget's inclusion of $100 million for costs associated with implementation of Raise the Age and we seek to work with our government partners to implement Raise the Age.

- $6 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).

Council of Family and Child Caring Agencies
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