

Submitting only

TESTIMONY
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ST. CATHERINE'S CENTER FOR CHILDREN
PRESENTED TO THE
NEW YORK STATE SENATE FINANCE COMMITTEE
AND
NEW YORK STATE ASSEMBLY COMMITTEE ON WAYS AND MEANS
REGARDING THE
NEW YORK STATE EXECUTIVE BUDGET PROPOSALS FOR
HUMAN SERVICES
STATE FISCAL YEAR 2014-2015
FEBRUARY 4, 2015



Good afternoon. My name is William Gettman and I am the Executive Director of St. Catherine's Center for Children. Founded as an orphanage in Albany in 1886, St. Catherine's has a long and rich history in the Capital Region. From the start, St. Catherine's has prided itself on the ability to create new programs and services to meet the changing needs of the community. We've grown from a home for sick orphans to a multi-service agency offering residential services, a special education elementary school, therapeutic foster care, homeless family services, and community-based prevention programs. Today, St. Catherine's is a leading regional provider of human services in the Capital District servicing 15 counties.

I would like to thank Chairman Farrell and Chairman DeFrancisco and members of the Assembly Ways and Means and Senate Finance Committees for this opportunity to testify on the Governor's Executive Budget for State Fiscal Year 2015-2016. Governor Cuomo's \$141.6 billion Executive Budget in conjunction with prior enacted budgets and one time revenue closes structural billion dollar deficits, while aiming to strengthen our State's education system, improve the infrastructure, increase county and education efficiency and better protect our state from unpredicted disasters such as Super Storm Sandy. St. Catherine's Center is grateful for many of the measures the Governor and the Legislature have taken over the past few years to stabilize the State's economy and help to build a better New York.

We all understand the challenges we face today. Economic challenges are forcing critical conversations and new approaches to innovation at the state, local, and not-for-profit sector level. These conversations and innovative approaches can help us meet the complex needs of families and children and achieve improved outcomes.

The Governor's Executive Budget takes some notable steps to improve the lives of children such as maintaining preventive services funding for at risk families, expanding Homeless Housing programs, investing in Pre-K education on a statewide basis, implementing managed care for adults and children and continuing to reform the juvenile justice system.

Below please find specific recommendations in regard to the proposed budget.



Not-for-Profit Workforce and Program Stability Investment Needed

There have been many challenges to New York's families in the past five years - the down economy, joblessness, homelessness, substance abuse, and violence in already plagued communities - but this past year was unique in the damage wrought by Irene and Super Storm Sandy. Despite dedicated effort and around the clock intervention, coupled with Leadership from NYS, communities remain in crisis from the devastation to homes, schools, and community centers. When families are in crisis and children are at risk, New York's network of not-for-profit children and family services providers are on the job.

Throughout the state, not-for-profit human services and child welfare agencies are responding to family crises around the clock. And our workers are not immune from the trauma that affects victims. They too are under stress. The expectations are unrelenting. We must support these front line workers who play critical first responder type roles when a family is in crisis.

Today not-for-profit workers represent 13% of the total workforce in NYS. The not-for-profit sector is an economic engine that is nimble and responsive to emerging needs and crisis. The success of many state and local programs is based on the not-for-profit sector. We must support this relationship and ensure that the front line staff are prepared and supported.

Over the past several years, not-for-profit agencies have worked with government on countless new initiatives to reduce costs, focus on outcomes, use of evidence based practices, and improve quality services. These efforts come in a climate where the rates and contracts our agencies receive are frozen, or lower. These staff, who we expect to do such vital work, are facing staff cutbacks, frozen salaries, reduced health benefits, and little or no contributions to their pensions. Not-for-profit agencies have always raised private dollars to supplement government resources.

There have been no Cost of Living Adjustments (COLA) to cover required cost increases including health insurance, pension obligations, food, gasoline, etc. for workers for 4 and, in



some areas, 5 years. The proposed budget includes a COLA increase for April 1, 2015 and fully funds the January 1, 2015 COLA payment for direct care workers.

We support the Governor's proposal to improve teaching and continued achievement for school age students. The incentives and the Master teacher system are valuable tools that should be extended to the not-for-profit sector. Not-for-profit teachers teach and support some of the most challenging students. It is just and needed. It is clear that the problems resulting from the lack of financial support for agencies cannot continue without further eroding the caliber of the workforce at a time when qualifications, skill, and experience are most needed to meet the challenges of working with the most at-risk, most troubled, and most damaged children and youth - children and youth who previously were placed in other systems and higher levels of care and treatment. 853 schools provide the last opportunity for children with mental health, educational, and behavior needs. The schools are fully licensed and staffed by certified teachers and professionals. We need to provide adequate funding and incentives for the 853 school settings.

Concurrently, we support and ask for an increase in the proposed Nonprofit Infrastructure Capital Investment Program: The Executive Budget proposes a new \$50 million capital program to make targeted investments, including renovations, expansions, and technology upgrades to eligible nonprofit human services. We recommend a total appropriation of \$100 million to support the many needs of NFP providers.

We recommend

- **Full funding of the Human Services COLA in FY 15-16,**
- **Expanded funding for the Nonprofit Infrastructure Capital Investment Program, and**
- **Invest in educational rate reform and mandate relief efforts for 853 schools licensed by SED that provide services to children with special needs, behavior risks, or developmental delays**

Continue Juvenile Justice Reform

St. Catherine's Center for Children appreciates the Governor and the Legislature's continued commitment to improving New York's Juvenile Justice System. The past few Executive Budgets have eliminated costly and empty beds; enabled youth placed in non-secure facilities to be placed close to home; created a statutory funding mechanism for alternatives to detention and placement programs, and led to the expansion of these more cost-effective and more effective alternatives to detention and incarceration/placement.

The Governor proposes implementation of a robust set of reforms that were developed by the Commission on Youth, Public Safety and Justice. The recommendations create a thoughtful planning process that will allow for local government, judicial, private provider, and state officials to carefully design the process so that the balance of community safety and positive youth development are successfully implemented.

We recommend continued innovation and reform of the State's Juvenile Justice system. We also recommend passage and timely completion of the Raise the Age recommendations and detailed implementation plan to support the development of a detailed implementation and resource plan to treat young people in a manner that promotes long-term youth development and public safety. In this regard, thoughtful planning at all levels of government and the judiciary and the provider community are needed to ensure that the implementation is successful.

Support Foster Care Transition to Managed Care:

The Governor's proposed budget allocates \$15 million to support voluntary foster care agencies in their efforts to transition foster care youth from Medicaid fee-for-service to managed care. The money will support training and consulting services for voluntary agencies to prepare for the transition of foster care youth into Medicaid managed care, including the ability to use health information technology, and authorize a pilot program initiative with the Office of Children and Family Services and Department of Health to develop rates for health care services for this population. Additional language requires that users of the funds must document effectiveness.



Given the importance of ensuring a smooth transition to improve the outcomes for vulnerable children, we recommend passage of this critical investment!

Promoting Housing and the Reduction of Homelessness:

The Executive Budget proposes significant increases to deal with the homeless housing crisis, including the essential programs that prevent homelessness and provide shelter for homeless youth and families.

The FY 2016 Executive Budget expands the House NY program, financed through a combination of bonding and Mortgage Insurance Fund (MIF) surplus money, by adding \$10 million in new capital resources for construction and renovation of affordable housing for low income individuals and families, coupled with \$63 million in the Office of Temporary and Disability Assistance (OTDA) Homeless Housing and Assistance Program (HHAP). In light of the increased poverty and housing instability among youth and families caused by the economic downturn, St. Catherine's Center for Children believes it is necessary for the State to aggressively implement these initiatives.

We recommend passage of the funding request to reduce homeless housing!

Conclusion:

In closing, we urge the Legislature to negotiate a budget with the Governor that ensures that the state remains committed to the programs that produce positive outcomes for children, and ultimately saves the state money on more expensive interventions such as foster care, medical care, homeless shelters, and the juvenile justice system. We also strongly encourage the Legislature to support COLA payments to ensure a stable and effective not-for-profit workforce. While we appreciate that very difficult choices about investments, revenue increases and expense reductions need to be made, we urge you to protect the services that will ultimately be less costly to the children of today and the taxpayers of tomorrow.

Thank you for the opportunity to testify.