

25

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TESTIMONY: UJA-FEDERATION OF NEW YORK

Joint Legislative Public Hearings

2016/17 Executive Budget Proposal

HUMAN SERVICES

February 9, 2016

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HUMAN SERVICES
February 9, 2016

Thank you for the opportunity to testify today. My name is Hillary Stuchin, Senior Advocacy Advisor, Government and External Relations, UJA-Federation of New York. UJA-Federation of New York is one of the nation's largest local philanthropies. Central to UJA's mission is to care for people in need. UJA gives millions of dollars in grants and services to a network of more than 80 New York State nonprofits that serve the vulnerable and build communities.

My testimony today highlights the needs of our most vulnerable New Yorkers and the community based organizations that serve them. In particular, I would like to draw attention to the needs of aging New Yorkers and proposed programs to help combat poverty, health and social services issues affecting this population.

NEW YORK'S SENIORS

NORCs and Neighborhood NORCs

As New Yorkers age, an increasing number of residents will require the special health and social services facilitated by Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs (NNORCs). These vital programs and resources help enable low-middle income New Yorkers age in place, thrive in their communities and delay hospitalization, assisted living, or nursing home placement.

The programs and services that N/NORCs provide support a group that might otherwise fall through the cracks. In our conversations with N/NORC directors, we learned of the resources that many in their programs have come to rely on, including case management, socialization programs, transportation and shopping assistance, as well as basic health services that allow seniors to remain in their homes, greatly improving their quality of life. This relatively small investment allows the State to realize greater cost savings over time while strengthening communities.

Governor Cuomo's FY 2016-2017 Executive Budget provides level funding for NORCs and Neighborhood NORCs (NNORCs) to the SFY 2015-2016 budget—each at \$2,027,500. While we are grateful that this funding stream has been maintained, we are very concerned with new language that intends to cut funding by an estimated \$951,000 for these vital programs that successfully serve seniors and allow them to age in place.

UJA recommends that at a minimum, language in the Executive Budget terminating contracts with N/NORC programs should be excluded from the final SFY 2016-2017 budget. However, we feel it is essential that the state also adopt significant changes to the elder law, including a review of program demographic and density requirements and an increase in funding statewide to \$10 million—\$5

million for NORCs and \$5 million for Neighborhood NORCS—to better serve this vulnerable population. These changes will more adequately finance existing programs and increase eligibility for these essential services throughout New York State.

The intended program cuts evaluate N/NORC programs based on out of date density and demographic requirements in the current elder law (subdivision 1, section 209), which has not been updated in the last 20 years. This means that programs whose numbers do not meet statutory requirements by even one or two percent will have contracts terminated at their next renewal date (July 1, 2016 or January 1, 2017). This proposal is estimated to affect nearly half of the 33 NORC and NNORC programs funded by New York State. Instead of taking funds from existing services, the state should be focused on meeting the needs of its seniors and expanding services for this ever-growing cohort.

Survivor Initiative in New York

New York State is home to nearly 60,000 Holocaust survivors—just over half of the 110,000 survivors in the United States. While the majority of this population lives downstate, the Mid-Hudson Valley, Western and Central New York regions are also home to survivors.

According to the Claims Conference and the United States Holocaust Memorial Museum, “[a] survivor is any person, Jewish or non-Jewish, who was displaced, persecuted or discriminated against due to racial, religious, ethnic and political policies of the Nazis and their allies between 1933 and 1945. In addition to former inmates of concentration camps, ghettos, and prisons, this definition includes, among others, people who were refugees or were in hiding.”¹

Survivors experience complications beyond the normal scope of aging, and the needs of this group can be more complex than those of the senior community at large. They live with the aftermath of trauma and experience higher rates of depression, anxiety and distrust of others. Childhood malnutrition and inadequate medical care has resulted in brittle bones and poor oral health. Some will not shower and keep food close by at all times.

Many survivors live in poverty, subsisting on fixed incomes that do not adequately cover the cost of care or basic necessities such as housing, food, utilities or medications. More than half of New York’s survivors live at 200% percent below the federal poverty guidelines; and nearly 35% are coping with chronic illness and require assistance with both activities of daily living and instrumental activities of daily living.

Specialized programs and services are required to best care for this population, and assistance for aging survivors in our state is critical. Following the support of both the Federal Government and New York City Council, we respectfully request that New York State fund the Survivor Initiative at \$4 million. The Survivor Initiative will provide funding for specialized case management, caregiver training, mental health, transportation, socialization and legal services statewide, as well as end of life care. Providing these critical supports enhances the quality of life for Holocaust survivors as they live out their remaining years.

¹ www.ushmm.org

Supportive Housing & Affordable Housing

There are an estimated 280,000 seniors living in poverty in New York City, barely surviving on a fixed income, often struggling to balance how to pay for medical, nutritional and housing needs, including the challenges of heating and cooling. This population is at risk, sometimes only one step away from becoming homeless or institutionalized.

As the fastest growing demographic group in New York, by 2030, seniors will occupy an estimated 46 million homes statewide. A recent study conducted by LiveOn NY found at least 102,000 low-income seniors on waitlists for an average of seven years. New York's insufficient supply of affordable senior housing must be addressed.

In collaboration with Leading Age NY, we support the following investments:

- Capital - \$50 million per year for five years to provide \$100,000 per unit for 500 units per year for five years, which developers will combine with other capital funding sources to accelerate development of affordable rentals for seniors
- Rental Assistance - \$4.5 million to create and fund a rental assistance component of the Senior Affordable Housing Program for 500 units per year over five years.
- Service Coordination - \$10 million for a Resident Advisor Program to enhance service coordination in existing and new senior housing

We respectfully urge the state to continue to consider policies and funding to create additional opportunities for supportive, low income and affordable housing units and look forward to assisting the state on its efforts to support the housing needs of seniors.

Advanced Home Health Aides (A.7188)

This proposal provides certification for properly trained direct care workers to deliver an expanded range of services and advanced tasks, including routine medication administration, under the supervision of a registered nurse. This legislation expands home care availability and options to individuals with disabilities or older adults who would otherwise have to live in an institutional setting. Direct-care workers, including home health aides, personal care attendants and certified nursing assistants, in New York State are underutilized in our health care system. Increasing the responsibilities and tasks of properly trained direct care workers and deploying workers in this capacity can lead to better health, better care, and potential cost-savings. We urge passage of legislation to authorize this important resource in our communities.

Spousal Refusal

New York has long protected individuals who need access to the Medicaid long term care program through a provision called "spousal refusal". This allows one spouse to "refuse" the other so that for the purposes of eligibility only the assets and income of the spouse needing long term care will be counted. Similar provisions apply for children in need of long term care. UJA-Federation does not support the Governor's proposal to eliminate the longstanding right of "spousal/parental refusal" for

children with severe illness, low-income seniors who need Medicaid for home care and services excluded by Medicaid. Under the Governor's proposal, the "refusal" would be honored and Medicaid granted only if a parent lives apart from a sick child, or the well spouse lives apart from or divorces a spouse with long-term needs.

Elimination of "spousal refusal" means that one spouse would need to impoverish themselves in order to seek long term care for their spouse. The projected cost savings from this action are small and not worth the impact on spouses and families. In fact, the increased insecurity of these consumers and their families may incur further health care and social costs that have not been adequately understood or included in predictive budget assumptions.

Prescriber Prevails

Individuals with serious mental health and medical conditions should receive the medication and therapies deemed most effective by their prescriber. This principal is not protected under New York law and the Governor's proposal to eliminate "prescriber prevails" makes exceptions only for atypical anti-psychotics and anti-depressants but no other psychiatric medications. It also does not provide exceptions for the anti-retroviral, anti-rejection, seizure, epilepsy, endocrine, hematologic and immunologic therapeutic classes that have been protected in the past. UJA supports a restoration of prescriber prevails for anti-psychotic medications to ensure that there is no interruption or obstacle to the medically approved treatment for people with serious mental illnesses and other medical conditions.

ORGANIZATIONS THAT PROVIDE CRITICAL COMMUNITY SERVICES

There are more than 50,000 community based organizations that provide critical programs and services to support New York's most vulnerable and neediest residents, nearly 100 are UJA-Federation of New York beneficiary agencies.² The work these organizations do, many times on behalf of the government, must be recognized and properly supported so that these crucial efforts can continue.

Nonprofit Infrastructure Capital Investment Program

The New York State Nonprofit Infrastructure Capital Investment Program is a critical lifeline to the nonprofit provider community and to the many New Yorkers we serve. It is in the State's interest to have a healthy, stable nonprofit sector capable of delivering high quality, efficient, and effective services to its residents. The \$50 million investment in the SFY 15/16 budget is an excellent start to meeting this need and will fund projects for technology upgrades (especially needed for health information technology connections), physical renovations for direct program services (including accessibility renovations), and modifications to provide for sustainable, energy efficient spaces that would result in overall energy and cost savings.

However, \$50 million neither makes up for years of underfunding of the human services sector, nor does it begin to cover the current need of community based organizations to make necessary capital and infrastructure improvements. Working in concert with the Human Services Council and United

² <http://nccsweb.urban.org/PubApps/profile1.php?state=NY>

Neighborhood Houses, UJA respectfully requests additional funding for the Nonprofit Infrastructure Investment Fund in the SFY 16/17 budget.

COLA (Cost of Living Adjustments)

The cost of providing quality health and human services to the poor and needy is increasing every year, and the demands on agencies that care for our most vulnerable populations are growing. We must ensure that the nonprofit sector can retain quality workers through state funded annual COLA increases for nonprofit health and human service agencies. While we were pleased to see that the Governor provides a COLA in the SFY 16/17 budget, at just .02 percent, this funding is deeply disappointing and insufficient.

Nonprofits as employers are one of the ladders out of poverty (see Fiscal Policy Institute studies of 2008). However, the newly proposed minimum wage increases have the potential to adversely impact nonprofits. The Governor's proposal does not include provisions for funding workers at nonprofits, and the concern is that nonprofits will be required to self-fund these workers, a deeply challenging proposal. UJA strongly requests that all increases by Government be funded evenly and equally by Government to address the repercussions of this public policy change.

YOUTH AND OTHER VULNERABLE POPULATIONS

SYEP (Summer Youth Employment Program)

UJA-Federation recognizes the commitment in the Executive budget to provide a \$1 million increase in funding for SYEP in the proposed budget. However there continues to be huge unmet demand: in each of the past five years, two out of three applicants have been turned away from the program. In conjunction with a broad coalition, we urge that the state fund SYEP at \$48.2 million, allowing for 10,000 additional youth to participate.

Afterschool

Community-based human service agencies have an excellent track record in providing quality afterschool programs, but state funding has been substantially reduced in recent years—including a more than \$2 million cut in funding for the Advantage Afterschool program in the proposed budget. A substantial increase in funding is needed. This would support existing program service levels as well as the several hundred viable new applications for competitive afterschool grants, which could not begin services due to insufficient funding levels. UJA-Federation supports an investment of at least \$178.5 million in new funds for afterschool statewide.

Pre-Kindergarten

Many of the nonpublic schools and UJA-Federation of NY network agencies provide pre-kindergarten to children of all backgrounds. We note that it is important that the state continue to ensure the availability of funding for half-day programs and a five hour program so that providers can meet their community's needs. Also, it is essential that the state ensure that nonpublic schools and CBOs continue to have a right to apply directly to the state for funding if they are turned down for inclusion in their local school district's application. In addition, UJA-Federation requests that the state invest \$125 million to expand access to Pre-K for approximately 12,000 young learners in high quality full day services and \$25 million to support early childhood programs and schools to meet and exceed quality

standards. In addition, we urge that you do not limit expansion to just three year olds and keep the promise to the State's four year olds. Further the State should invest \$ 190 million in child care supporting working families and promoting early learning expanding access to subsidies and meeting the new quality standards established by the federal government.

Anti-Hunger

UJA-Federation supports Governor Cuomo's plans to increase funding for the state's emergency food system and the proposal to raise the Gross Income Test level for SNAP to 150 percent of federal poverty guidelines for all households with earned income—a move that will extend eligibility to an estimated 750,000 households currently not participating in SNAP. We also support all proposed efforts to increase access to SNAP and other federally funded, underutilized child nutrition programs, including the CACFP, Summer Food and school meals programs.

UJA-Federation is also concerned about the plight of an estimated 51,000 New Yorkers who cannot find work and will be limited to participation in SNAP to only three months every three years, due to federal ABAWD provisions. We strongly urge the state to take action to remedy this issue.

Safe Harbor Funding

The Safe Harbor Act was established to address the widespread sexual exploitation and commercial trafficking of thousands of children occurring in New York State. This program was partially funded at \$3 million in SFY 15/16, but the Executive budget proposal for SFY 16/17 did not appropriate any funds for this important program. In conjunction with a broad coalition, UJA supports full funding of the Safe Harbor Act.

Job Readiness

Funding for essential job readiness / training programs must be provided in the final State budget, including **Wage Subsidy Program** and the **Career Pathways Program**. Both programs have been severely underfunded in recent years, funded at \$950,000 in recent years (down from a \$14 million annual investment). These programs were again zeroed out in the Governor's proposed budget; UJA-Federation strongly supports a significant increase in funding in the 2016/17 budget for these proven programs.

Medicaid Redesign

The human services sector is greatly impacted by the state's Medicaid redesign initiatives. MRT has impacted nonprofits both fiscally and in terms of administrative time and effort, issues which as yet are largely unrecognized by the state. Nonprofits have had to fundamentally change their service delivery models. The rapid implementation of the changes that comprise the MRT effort have disrupted cash flow for nonprofit providers. To design and implement the new billing and coding systems requires extreme expertise, is costly and requires the development of enhanced skill sets and the use of new health information technology systems.

NYS has invested in an initiative to unify access to all electronic health records through the SHIN-NY. It is essential that the State now take the next step and provide an ongoing funding mechanism to pay for staff training, software and technology infrastructure for all essential community based health and

social service provider agencies. This support will help agencies establish or upgrade their electronic health information technology systems in order to establish connectivity and interoperability and maximize service coordination throughout the system. Creating a streamlined system ensures that clients receive the best quality of care in an efficient and cost effective manner.

Nonprofits do not have the financial resources to self –fund this transition and the entire fabric of the nonprofit network is threatened. The state must invest in the nonprofit sector with at least the same level of resources provided to the hospital sector.

CONCLUSION

UJA-Federation of New York respectfully urges your consideration and support of these vital programs that assist our state's most vulnerable and neediest individuals and the organizations that serve them.

