



TESTIMONY OF

WILLIAM T. GETTMAN, JR.

CHIEF EXECUTIVE OFFICER

NORTHERN RIVERS FAMILY OF SERVICES

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 MENTAL HYGIENE

STATE FISCAL YEAR 2019-2020

February 7, 2019

SUMMARY OF RECOMMENDATIONS

1. Invest in Not-for-Profit Workforce

- Support State agency appropriations for worker-level funding.
- Enact statutory required cost-of-living increases at 2.9 percent for not-for-profit agencies to allow for the funding of salary and fringe benefits increases.

2. Support a \$100 million appropriation to fortify the capital needs of nonprofit organizations.

3. Continue Support for expanded mental health services in schools and community-based settings.

Good afternoon. My name is William Gettman, and I am the CEO of Northern Rivers Family of Services located in the Capital Region.

About Northern Rivers Family of Services

Northern Rivers Family of Services was established in 2012 through affiliation with long-standing family services agencies **Parsons Child & Family Center** and **Northeast Parent & Child Society**. Together, the 1,400-strong workforce of Northern Rivers and member agencies serve more than 16,000 children and families in 35 upstate counties each year, with \$85 million invested through more than 60 social services programs.

Northern Rivers builds a strong, successful, and healthy future for our children, families, and communities through quality services, collaboration, and innovative leadership. Our program areas include:

- Residential and community-based child welfare programming including foster care, preventive service, postadoption services, and evidence-based home visiting programs;
- Educational services for 400 students including early learn pre-K and Head Start as well as accredited middle-high school 853 schools;
- Community-based mental health and crisis services programs for children and adults including mobile crisis, school-based services, and licensed clinic programs; and
- Community-based waiver programs for children and adults including health home services.

I would like to thank Chairwomen Liz Krueger and Chairwomen Helene E. Weinstein 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 2019–2020.

As has been stated many times:

The budget is not just a collection of numbers,
but an expression of our values and aspirations.

Governor Cuomo's has proposed a \$178 billion Executive Budget to deal with our state's needs and priorities including closure of a \$3 billion deficit, managing the impacts of the federal proposals, improving the infrastructure, increasing county and education efficiency, and promoting economic growth and development across the state.

While Northern Rivers Family of Services 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, **more needs to be accomplished to make New York State a great place to live, raise a family, and operate a business. Unless the proposed Executive Budget is adjusted to support the human services sector and the children, adults, and families we serve each day, New York State will not reach its goals. Without support and opportunity for ALL New Yorkers, we will not be truly successful.**

We all understand the challenges we face today. Economic difficulties, including the impacts of federal tax policy, are forcing critical conversations and new approaches to innovation at the state, local, and not-for-profit sector level. Yet these challenges give us the chance to make lasting, positive change. 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 shows an understanding of the importance of initiatives that help children, such as maintaining preventive services funding for at-risk families, supporting the implementation of children's behavioral health services, supporting mental health in school programming, expanding support for education and pre-K education statewide, and ongoing support for the Raise the Age programs.

That represents a good start, but falls short of creating a real, lasting impact. That represents a good start, but falls short of creating a real, lasting impact. Following are specific recommendations with regard to the proposed budget.

1. Invest in Not-for-Profit Workforce

New York's families have faced many challenges in the past seven years: the down economy, joblessness, homelessness, opiate/substance abuse, and violence in already plagued communities. When families are in crisis and children are at risk, New York's network of not-for-profit children and family services providers are both the first line of defense and the safety net. **The women and men in the not-for-profit workforce are Human Services first responders for at-risk and vulnerable families, children, and individuals.** Throughout the state, not-for-profit

human services and not-for-profit child welfare agencies respond to family crises 24/7/365, and our workers are not immune from the trauma that affects victims. They too are under stress. The safety and lives of children and families are in their hands. **The Executive Budget demonstrates an understanding of the need for these services; yet it does not demonstrate enough support for the dedicated professionals who deliver these services.** We must support these frontline workers who play critical first responder type roles when a family is in crisis.

More than ever, we must make the human services workforce a priority. I urge Governor Cuomo and the Legislature to provide workforce increases for the not-for-profit sector. This level of support must include passage of the annual COLA amount at 2.9 percent—a promise the state made to our sector more than a decade ago, yet one that has time and again been deferred because other issues were deemed more worthy of the funds.

Workforce Support Is a Social Justice Issue

Women make up an astonishing 81% of the human services and direct-care workforce in New York. This equates to 268,900+ skilled, well-educated workers who are paid significantly less than women in New York's private sector, leading to increased staff turnover and jeopardizing the quality of service delivery,

The passage of the Women's Health Legislation on Tuesday of this week is another example of the Legislature's leadership and commitment to justice and fairness.

Governor Cuomo has an extensive women's agenda, including the launch of a Gender Gap study and Women's Economic Empowerment Initiative to provide

training and job placement services for women. Incredibly, the enacted budgets actually make **cuts** at the expense of already-underpaid human services workers, who are predominantly women and heavily women of color. Chronic underfunding constrains these workers to the edges of poverty, reinforcing the gender wage gap and preventing New York from meeting its equity goals.

For too long, State government has relied on human services employees to provide vital services to the public without doing its part to pay them a livable wage. If this Administration is really the women's champion it purports to be, it must take concrete steps to resolve decades of underinvestment and fairly compensate the workforce. Reinstating the statutory human services COLA is the necessary step in this direction. **We are not asking for the world; we are merely asking that the state finally begin funding the COLA they agreed our sector deserves more than a decade ago.**

Not-for-Profit Organizations Are an Economic Engine

New York's not-for-profit workforce is not only hard working but also an economic engine. Across New York State, 1 in 6 workers are employed by a not-for-profit organization. And while 1 in 6 workers are employed in the sector, *every* New Yorker feels our impact. These workers contribute billions to the state's economic health; including the payment of income, sales, and property tax. Beyond the direct economic impact, the not-for-profit workforce allows all New Yorkers to stay employed, avert costly medical costs, and educate our young persons. A strong not-for-profit sector, with a viable direct-care staff, creates additional economic growth and allows New York State to attract new business investments and companies.

Not-for-Profit Sector Operates as an Efficient Business

Our sector understands the need to maximize utilization of our resources and to provide value to our funders. We have worked in partnership with government on countless initiatives to reduce costs, focus on outcomes, use evidence-based practices, and improve quality services. These efforts come in a climate where the rates and contracts our agencies receive are frozen or lowered. These staff, who we expect to do such vital work, are facing staffing cutbacks, frozen salaries, reduced health benefits, and little or no contributions to their pensions. Not-for-profit agencies have always raised funds from private donors to supplement government resources.

New York State Already Recognizes Workforce Support in Some Areas

New York State and New York City recently announced a significant economic development award package for Amazon.com, Inc. to construct a large corporate headquarters in Queens. The agreement provides tax and job creation incentives from the state and local governments.

During a similar period, we were recently made aware of the agreement that the state reached with the merger of Centene and Fidelis Health Care that provides \$1.5 billion to support an increase in the hourly pay rates for health care workers. Gov. Cuomo also recently urged the Port Authority of New York and New Jersey to increase the minimum wage for airport workers to \$19 an hour.

While certainly the hospital and airline workforce are in need of funding and support, the human services sector is also in great need and also provides a vital service to the state. New York has more than 200,000 nonprofit human services workers,

contracted by the state and local governments to take care of our children, our physically and mentally challenged, our domestic violence survivors, our elderly and other vulnerable citizens.

Statutory Base for Fair Compensation Exists in the Law

The current state law has created a statutory requirement to provide annual increases for the not-for-profit sector. In 2009, the State Legislature passed, and the Governor signed, language that required an annual COLA. What's even more frustrating is that dating back to 2011 the State Budget has repeatedly eliminated statutory cost-of-living adjustments for our sector. This has resulted in nearly \$500 million in lost wages for our workforce—money that would have made a real difference in the lives of these employees, a constituency that is approximately 80 percent female and 50 percent individuals of color, whose average salaries range from \$23,000 to \$30,000 per year.

One point worthy of emphasis is while deferring COLA—say in 2009 at the beginning of the Great Recession—may have made sense, we are now in the tenth year of economic growth. There has been only one COLA during that entire period of growth.

If there is no COLA when the economy is good, what can we expect when the next recession comes, next year or the year after?

Not-for-profit agencies are the backbone of our State's mental hygiene, children's, and human services systems, and in many ways the public health system. By

necessity, they have had to learn how to provide essential services to persons with serious needs in the most cost-effective manner possible.

Turnover and Record High Vacancy Rates Create Chaos in Service Delivery

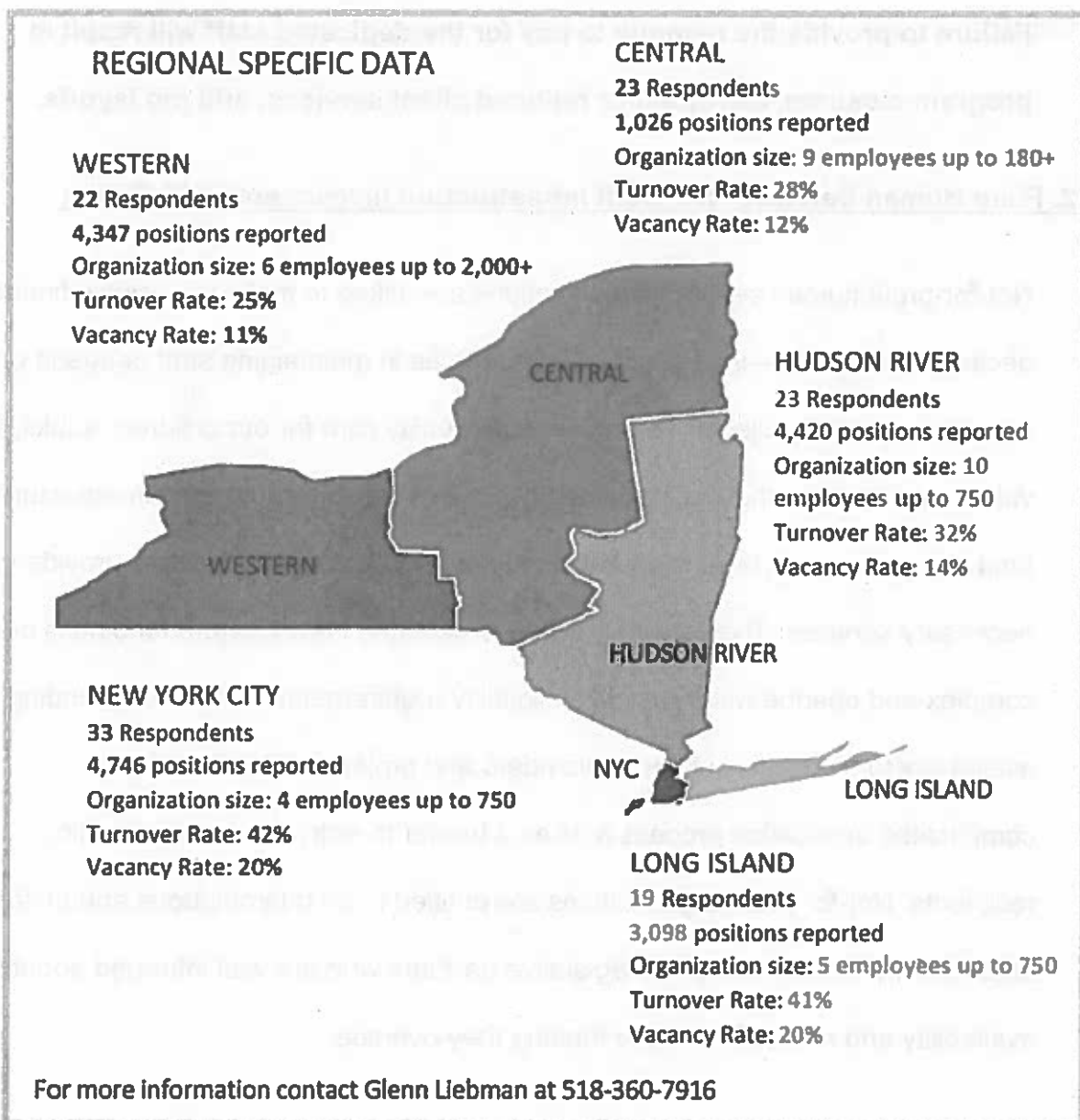
Today, thousands of job openings exist in the not-for-profit world. Not-for-profit executives report that starting about five years ago they have had trouble filling jobs because of the low pay for challenging work, which has historically paid more than the minimum wage. Upcoming minimum wage increases and growing competition from other employers are expected to make recruiting and retaining staff even more challenging. In addition, turnover rates are increasing, ranging from 25 percent to 44 percent depending on the position. Turnover leads to disruption of services, challenges in maintaining quality care, and diversion of scarce not-for-profit resources that must be devoted to constant recruitment efforts.

WORKFORCE TURNOVER AND VACANCY SURVEY FINDINGS

Compiled by NYS Behavioral Health Providers and Advocates

STATE-WIDE DATA

- 126 respondents representing organizations in 61 Counties (Livingston is not represented)
- 14,449 positions reported
- Organization size: 4 employees up to over 2,000 employees
- Turnover Rate for 2017 = 34% (Range: 0% up to 55%)
- Vacancy Rate for the week of October 15 – 21, 2018 = 14%



More than ever, we must make the human services workforce a priority. We urge Governor Cuomo and the Legislature to provide workforce increases for the not-for-profit sector. This level of support must include passage of the annual COLA amount at 2.9 percent.

Failure to provide the revenue to pay for the dedicated staff will result in program closures, disrupted or reduced client services, and job layoffs.

2. Fund Human Services Nonprofit Infrastructure investment \$100 Million

Not-for-profit human services organizations are asked to make impossible financial decisions every day—invest available resources in maintaining staff or spend on necessary capital projects. To provide safe quality care for our children, adults, and vulnerable families, the State should have a dedicated, permanent infrastructure fund for not-for-profit organizations, because providers need places to provide these necessary services. The current process of securing infrastructure funding is overly complex and opaque with restrictive eligibility requirements that confine funding availability to a specific subset of providers and projects. What's more, a complicated application process acts as a barrier to entry to potential funding recipients. Not-for-profit organizations are entitled to an unambiguous and uniform application process, as well as legislative partners who are well informed about the availability and mechanics of the funding they oversee.

3. Continue Support for Expanded Mental Health Services in Schools and Community-Based Settings

Funding Commitment to Parity. The good news is that the State budget continues a strong commitment to behavioral health parity.

Several million dollars are being dedicated to enhancing staff at the Department of Financial Services and the Department of Health to ensure network adequacy and reviewing existing health plans to ensure compliance with parity. We are pleased to see that the State budget is committing resources to parity, and we hope that they will focus much of their attention on the Non-Quantitative Treatment Limits, which continues to be a major reason for denial.

- **Commitment to Mental Health Education.** The State is committing \$1.5 million in the education budget to mental health in schools with an emphasis on school climate, bullying, trauma, and suicide prevention in middle schools. We were pleased that the Governor's budget also references the MHANYS School Mental Health Resource Center. There is also a commitment in funding to recovery high schools.
- **Suicide prevention.** The state continues their commitment to suicide prevention based on the recommendations of the Governor's Task Force, and we are still attempting to find out how much money has been dedicated to suicide prevention.
- **Reinvestment.** The budget includes \$5.5 million for reinvestment that is annualized to \$11 million for community services.

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, individuals, and families, one that ultimately **saves the state money on more expensive interventions such as foster care, unnecessary medical care, homeless shelters, and the juvenile justice system.** We strongly encourage the Legislature to support the need of direct-care workers and other specialized titles. Failure to fund an increase for not-for-profit agencies will have a significant negative impact on the ability of individuals and families to receive services.

Simply stated, we recommend investments in our workforces and communities that yield positive outcomes for all New Yorkers. We must make New York State a great place to live, raise a family, and operate a business.

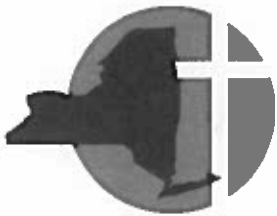
Thank you for the opportunity to testify.



County	Total	HIP	IHA	METRO	MVP	SCHC	UHC	UNIVERA	WELLCARE
Albany	5,100	0	0	0	271	0	90	0	50
Allegany	686	0	0	0	0	0	0	140	0
Broome	3,023	0	0	0	0	0	105	0	0
Cattaraugus	1,332	0	0	0	0	0	0	288	0
Cayuga	1,687	0	0	0	0	0	131	0	0
Chautauqua	2,101	0	0	0	0	0	8	119	0
Chemung	1,027	0	0	0	0	0	79	0	0
Chenango	1,059	0	0	0	0	0	43	0	0
Clinton	1,581	0	0	0	0	0	43	0	0
Columbia	1,348	0	0	0	65	0	15	0	0
Cortland	1,069	0	0	0	0	28	0	0	0
Delaware	682	0	0	0	0	0	0	0	0
Dutchess	5,566	0	0	0	2,088	0	0	0	386
Erie	12,993	0	4,919	0	0	0	0	1,677	123
Essex	839	0	0	0	0	0	17	0	0
Franklin	792	0	0	0	0	0	0	0	0
Fulton	1,439	0	0	0	0	0	6	0	0
Genesee	1,198	0	0	0	334	0	47	0	0
Greene	941	0	0	0	33	0	0	0	0
Hamilton	90	0	0	0	0	0	0	0	0
Herkimer	1,682	0	0	0	0	0	9	0	0
Jefferson	1,944	0	0	0	116	0	695	0	0
Lewis	842	0	0	0	38	0	117	0	0
Livingston	1,161	0	0	0	136	0	0	0	0
Madison	1,297	0	0	0	0	0	83	0	0
Monroe	14,029	0	0	0	1,256	0	497	130	0
Montgomery	1,258	0	0	0	0	0	0	0	0
Nassau	32,053	1,928	0	0	0	0	8,830	0	397
Niagara	3,527	0	664	0	0	0	160	0	17
Oneida	4,896	0	0	0	51	0	221	0	0
Onondaga	7,853	0	0	0	0	536	727	0	0
Ontario	2,498	0	0	0	163	0	45	19	0
Orange	10,323	0	0	0	2,666	0	448	0	245
Orleans	893	0	0	0	0	0	0	0	0
Oswego	2,429	0	0	0	0	62	332	0	0
Otsego	1,184	0	0	0	0	0	0	0	0
Putnam	1,867	0	0	0	166	0	0	0	0
Rensselaer	2,844	0	0	0	128	0	29	0	33
Rockland	13,164	0	0	0	1,555	0	727	0	381
St. Lawrence	1,801	0	0	0	0	0	248	0	0
Saratoga	4,517	0	0	0	275	0	0	0	0
Schenectady	3,449	0	0	0	190	0	0	0	24
Schoharie	632	0	0	0	0	0	0	0	0
Schuyler	339	0	0	0	0	0	0	0	0
Seneca	568	0	0	0	0	0	34	0	0
Steuben	1,481	0	0	0	0	0	0	0	3
Suffolk	40,326	1,806	0	0	0	0	11,759	0	0
Sullivan	1,644	0	0	0	995	0	0	0	0
Tioga	868	0	0	0	0	0	31	0	0
Tompkins	1,363	0	0	0	0	160	0	0	0
Ulster	4,051	0	0	0	1,344	0	88	0	176
Warren	1,632	0	0	0	79	0	22	0	0
Washington	1,875	0	0	0	48	0	0	0	0
Wayne	2,464	0	0	0	0	0	78	0	0
Westchester	17,161	852	0	0	7,955	0	955	0	0
Wyoming	896	0	0	0	0	0	0	16	0
Yates	481	0	0	0	0	0	0	0	0
Bronx	20,929	660	0	3,876	0	0	1,139	0	678
Kings	55,336	1,290	0	5,054	0	0	15,929	0	745
New York	10,746	561	0	1,060	0	0	868	0	263
Queens	56,140	2,851	0	7,889	0	0	6,470	0	1,801
Richmond	7,811	289	0	207	0	0	906	0	0
Total	386,807	10,237	5,583	18,086	19,952	786	52,031	2,389	5,322
County	Total	HIP	IHA	METRO	MVP	SCHC	UHC	UNIVERA	WELLCARE



County	Total	AFFINITY	AMERIGROUP	CDPHP	COMMBLUE	FIDELIS	FLCBCS	HFPHSP
Albany	5,100	0	0	3,233	0	1,456	0	0
Allegany	686	0	0	0	132	414	0	0
Broome	3,023	0	0	125	0	816	1,977	0
Cattaraugus	1,332	0	0	0	263	781	0	0
Cayuga	1,687	0	0	0	0	1,026	530	0
Chautauqua	2,101	0	0	0	202	1,772	0	0
Chemung	1,027	0	0	0	0	672	276	0
Chenango	1,059	0	0	28	0	638	350	0
Clinton	1,581	0	0	7	0	1,166	365	0
Columbia	1,348	0	0	619	0	649	0	0
Cortland	1,069	0	0	0	0	804	237	0
Delaware	682	0	0	56	0	487	139	0
Dutchess	5,566	0	0	115	0	2,977	0	0
Erie	12,993	0	0	0	1,971	4,178	125	0
Essex	839	0	0	22	0	559	241	0
Franklin	792	0	0	1	0	510	281	0
Fulton	1,439	0	0	220	0	1,168	45	0
Genesee	1,198	0	0	0	73	744	0	0
Greene	941	0	0	454	0	454	0	0
Hamilton	90	0	0	0	0	78	12	0
Herkimer	1,682	0	0	21	0	1,280	372	0
Jefferson	1,944	0	0	0	0	276	857	0
Lewis	842	0	0	0	0	288	399	0
Livingston	1,161	0	0	0	0	251	774	0
Madison	1,297	0	0	3	0	797	414	0
Monroe	14,029	0	0	0	0	1,521	10,625	0
Montgomery	1,258	0	0	346	0	869	43	0
Nassau	32,053	1,382	6,163	0	0	8,223	0	5,130
Niagara	3,527	0	0	0	146	2,540	0	0
Oneida	4,896	0	0	29	0	3,119	1,476	0
Onondaga	7,853	0	0	0	0	4,430	2,160	0
Ontario	2,498	0	0	0	0	273	1,998	0
Orange	10,323	1,682	0	98	0	5,184	0	0
Orleans	893	0	0	0	111	494	288	0
Oswego	2,429	0	0	0	0	1,615	420	0
Otsego	1,184	0	0	111	0	645	428	0
Putnam	1,867	0	389	0	0	1,312	0	0
Rensselaer	2,844	0	0	1,892	0	762	0	0
Rockland	13,164	502	0	0	0	9,999	0	0
St. Lawrence	1,801	0	0	0	0	867	686	0
Saratoga	4,517	0	0	2,399	0	1,843	0	0
Schenectady	3,449	0	0	1,601	0	1,634	0	0
Schoharie	632	0	0	427	0	205	0	0
Schuyler	339	0	0	0	0	220	119	0
Seneca	568	0	0	0	0	113	421	0
Steuben	1,481	0	0	0	0	886	592	0
Suffolk	40,326	3,818	3,462	0	0	9,894	0	9,587
Sullivan	1,644	0	0	0	0	649	0	0
Tioga	868	0	0	83	0	462	292	0
Tompkins	1,363	0	0	0	0	692	511	0
Ulster	4,051	0	0	159	0	2,284	0	0
Warren	1,632	0	0	305	0	1,226	0	0
Washington	1,875	0	0	535	0	1,292	0	0
Wayne	2,464	0	0	0	0	382	2,004	0
Westchester	17,161	1,494	1,634	0	0	4,271	0	0
Wyoming	896	0	0	0	248	632	0	0
Yates	481	0	0	0	0	74	407	0
Bronx	20,929	2,028	1,736	0	0	2,963	0	7,849
Kings	55,336	678	11,724	0	0	9,210	0	10,706
New York	10,746	629	1,743	0	0	1,813	0	3,809
Queens	56,140	1,391	9,713	0	0	11,989	0	14,036
Richmond	7,811	45	2,807	0	0	2,602	0	955
Total	386,807	13,649	39,371	12,889	3,146	121,430	29,864	52,072
County	Total	AFFINITY	AMERIGROUP	CDPHP	COMMBLUE	FIDELIS	FLCBCS	HFPHSP



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Testimony
of the
New York State Catholic Conference
regarding the
2019 – 2020
Mental Hygiene Budget

Submitted by:
Michael A. Lawler
Director of Catholic Charities
NYS Catholic Conference

Hearing Room B
Legislative Office Building
Albany, N.Y.

February 7, 2019

Senator Krueger, Assembly Member Weinstein, distinguished members of the Senate and Assembly, Ladies and Gentlemen.

My name is Michael A. Lawler and I am Director of Catholic Charities for the New York State Catholic Conference. I am representing the New York State Council of Catholic Charities Directors, the policy board for Catholic Charities and its programs operating in all 62 counties of this state. I am also on the Advisory Board of the Strong Nonprofits for a Better New York campaign. We are a group of nearly 400 human services agencies from every region of the state that has come together to work on human service workforce needs. Catholic Charities is also a large provider of substance use disorder prevention and treatment services; a provider of mental health services in many communities and in our schools; and we are a provider of health home services to adults and children.

Our top priority over the past three years has been the human services workforce. The human services sector, broadly defined, is in crisis. Recruitment and retention is a serious problem across the board. This is particularly true in the behavioral health sector.

We believe there is one way to begin to address this crisis: fund the statutory 2.9 percent cost-of-living-adjustment (COLA) for all human services in this budget.

A decade ago, the human services COLA was put into law. Upon its immediate passage, it was deferred. This pattern has continued year in and year out. To date, the entire human services sector has lost nearly \$700 million in state funding. This budget proposal continues this trend and withholds another \$140 million from the human services sector.

The entire behavioral health community stands together in support of a 2.9% COLA for the human services sector. The not for profits in the behavioral health community are on the front lines every day providing housing, treatment and support to over 1 million New Yorkers. In order to prevent the opioid epidemic, the increase in suicide completions and the increase in homelessness and incarceration, we need the valued support of the behavioral health sector. In addition, more than 80 percent of the human service workforce is comprised of women and more than 40 percent are individuals of color. Many of these individuals are working one or two additional jobs. We urge your support to ensure that there is \$140 million included in this year's budget to help provide the necessary funding to help support New York's not for profits.

I know that each and every one of you reading this testimony believes in the nonprofit sector and the great work we do in your communities. We also know that you support us in our quest to get the COLA.

Thank you for your service to this state and thank you for supporting the entire Human Services sector.