

TESTIMONY: UJA-FEDERATION OF NEW YORK

**Before the Joint Fiscal Committees of the New York State Legislature
Human Services Budget Hearing for Fiscal Year 2019-2020**

Submitted by:

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On behalf of UJA-Federation of New York, our network of nonprofit partners and those we serve, thank you for the opportunity to testify on the importance of maintaining and expanding support for the human services sector.

Established more than 100 years ago, UJA is one of the nation's largest local philanthropies. UJA's mission is to fight poverty, connect people to their communities and respond to crises both locally and around the world. UJA supports nearly 100 nonprofit organizations serving those that are the most vulnerable and in need of programs and services.

SUPPORTING NEW YORK'S NONPROFITS

Minimum Wage, COLA and Capital Investment

UJA's nonprofit partners deliver programs, services and resources such as access to food, educational and after school programs, mental health services, workforce development training, subsidized and supportive housing, and access to benefits that support the wellbeing of all New Yorkers across their lifespans. However, static or reduced funding has forced nonprofit program budgets to adjust, leaving them unable to expand service delivery to meet the needs of New Yorkers.

Over the long term, expanded investment in the nonprofit sector will allow for contracts that cover the real cost of providing services; appropriate, competitive compensation for the workforce, and investments in core programs that help bring communities from crisis to stability.

The state can make the following investments to respond to the needs of nonprofits and ensure stability in the sector:

- First, fund the minimum wage increase for state contracts not yet adjusted to reflect the increased cost of service provision, keeping nonprofits from filling the gap of another unfunded mandate. This would cost \$25 million for FY2020 for human services providers with direct service contracts.

- Second, provide salary increases for workers who have not seen an increase in over nine years. A statutory cost-of-living adjustment would cost \$140 million. This would encompass the entire human services sector, including organizations contracting with the following State agencies: OTDA, OCFS, DOL, DHCR, DHR, NCS, OMH, OPWDD, OASAS, DDPC, CQCAPD, DOH and NYSOFA. This investment would help ensure that our agencies can continue to provide essential services and that their programs can be sustained throughout the State.
- Third, allocate \$100 million in recurring funds to support nonprofit infrastructure and technological improvements. This funding will enable targeted investments in projects to improve the quality, efficiency, accessibility and reach of nonprofit human services organizations throughout the state.

These three investments will help promote a healthy, stable nonprofit sector capable of delivering high-quality, efficient and effective services to its clients.

Holocaust Survivor Initiative in New York

New York State is home to nearly 45,000 Holocaust survivors—almost half of the total population of survivors living in the United States. While the majority of this population lives downstate, the Hudson Valley, Western and Central New York regions are also home to survivors.

In FY 2016-2017, the enacted budget allocated \$200,000 to support programs and services for Holocaust survivors at four organizations. This funding supported specialized case management, caregiver training, mental health, transportation, socialization and legal services statewide, as well as end of life care. To maintain and expand these supportive services, we respectfully request the inclusion of \$1 million in the FY 2019-2020 budget.

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 severe physical and psychological trauma and experience chronic post-traumatic stress disorder, including higher rates of depression and anxiety. Due to inadequate medical care, many have brittle bones and poor oral health. For many, their increasing frailty and avoidance of institutionalization requires specialized at-home care.

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. An estimated 40% of New York’s survivors live in poverty; 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. Assistance for aging survivors in our state is critical so that we may help enhance the quality of life for Holocaust survivors as they live out their remaining years.

Naturally Occurring Retirement Communities

UJA-Federation thanks the legislature for supporting N/NORCs, and especially for the program enhancements that the legislature helped secure in FY 2019. Because of the enthusiasm for this

program, we have been able to bring resources and attention to the needs of a large and rapidly growing senior population.

N/NORCs were founded with the ultimate goal of transforming residential complexes and neighborhoods to meet the needs of a growing cohort of older residents and enable them to remain living independently in their homes; thrive in their communities, and delay hospitalization or nursing home placement. The density of older adults and their proximity to each other further fosters creative approaches to providing health and social services. N/NORC programs provide case management services; nursing services; recreational, social and cultural activities, and ancillary services tailored to meet the needs of each community. Programs actively encourage healthy aging by providing access to health care, promoting health and wellness activities, addressing disease prevention and responding to chronic health conditions.

A key component of the N/NORC program model is health care management and assistance; most programs employ nurses to fulfill this requirement. Nurses provide services to N/NORC residents that might not otherwise exist in the community, such as medication education, diabetes testing, flu shots, mobility and balance screenings, and helping clients get in touch with doctors. Many residents rely on these services as a main source of health care and value the consistent, quality care they provide.

N/NORCs were previously able to secure nursing hours pro-bono by partnering with hospitals, retired nurses, or supervised student nurses. However, in the wake of recent Medicaid Redesign and billing changes, in addition to an aging population with increased needs, these arrangements are becoming unstable and many nursing services providers are cutting back on their pro-bono hours. With many of these partnerships greatly diminished or fully terminated, N/NORCs must find funding to pay for hours that were previously free, essentially spending more to maintain the same level of service.

A survey of N/NORCs statewide found that on average programs have experienced a 50% reduction in pro-bono nursing hours over the past three years and currently spend 38.3% of their SOFA funding to maintain these services. An additional \$775,000 would sufficiently cover these losses across all 29 existing N/NORC programs. It is important that this money not impact unit of service requirements or statutory caps on funding levels. Further, it is crucial to note that while this funding would address existing losses, it does not account for future potential reductions in pro-bono services, which appear to be forthcoming. These cuts would create additional fiscal challenges for N/NORCs in the future that will have to be addressed.

The Executive Budget Proposal includes \$8.06 million for N/NORC programs, maintaining \$4 million in program enhancements that the legislature added in the FY 2019 budget. This funding will support the existing 29 state-funded N/NORCs and the 13 anticipated N/NORCs under a new RFA. This funding is vital to ensure that current programs can continue to provide services and supports expansion of the model to new areas in New York State, particularly for underserved areas with rapidly growing aging populations, who can remain living in their homes.

We ask that the legislature maintain the FY 2020 Executive Budget proposal of \$8.06 million for N/NORCs, which will provide stable funding for all 29 existing programs, as well as any new programs. An additional investment of \$775,000 will further cover the loss in pro-bono nursing services.

Affordable Senior Housing with Services

Service coordinators in senior housing residences have proven to reduce health care costs. A recent study released by Selfhelp Community Services of the residents in their senior affordable housing program comparing Medicaid data for residents in their housing in two zip codes with other seniors living in the same zip codes over two years found that seniors living in Selfhelp's affordable housing with services had much more positive outcomes including:

- 68% lower odds of being hospitalized
- \$1,778 average Medicaid payment per person, per hospitalization for Selfhelp residents, versus \$5,715 for the comparison group
- 53% lower odds of visiting an emergency room compared to a non-Selfhelp resident

In addition, a 2016 study of residents in affordable housing in Oregon showed that Medicaid costs declined by 16% just one year after seniors moved into affordable housing communities. Results also showed that primary care visits increased by 20%, while emergency room visits decreased by 18% and that properties with on-site health services produced the largest decrease in emergency room visits. A 2014 evaluation of the SASH program in Vermont revealed that growth in the annual total Medicare expenditures of program participants was lower by an estimated \$1,756-\$2,197 per person when compared to the growth of total Medicare expenditures in comparison groups.

Thus, in addition to an ongoing investment in capital funding for affordable senior housing we urge the Legislature to pass legislation and for the state to fund \$10 million for a new senior housing resident coordinator program. A new dedicated funding stream for affordable existing and new senior housing buildings that includes an array of services would assist residents in remaining healthy and independent and allow them to age in place in their homes. This new program could be a strong pillar of Governor Cuomo's Age Friendly Executive Order and Health Across All Policies Initiative.

SYEP (Summer Youth Employment Program)

UJA-Federation appreciates the commitment in the Executive Budget to provide a \$4 million increase in funding for SYEP, bringing the state's total investment to \$44 million. This will cover the costs associated with the increase in minimum wage for state funded SYEP slots. We ask that the legislature support this funding increase in the final budget.

Advantage After School

Three of our UJA nonprofit partners receive funding through Advantage After School. Using this funding they provide after school programming for youth in areas not covered by the Empire State After-School initiative. The Executive Budget funded the Advantage After School program at \$28.041 million, a \$5.7 million increase from the 2018-2019 Enacted Budget. While UJA appreciates this increase in funding for a one year minimum wage increase that was approved in 2018-2019 Enacted Budget, we further support the minimum wage increase to be funded through FY 2023-2024.

UJA also recognizes how much Advantage After School has been under-funded in the past. UJA recommends that Advantage After School receive an increase of \$15.2 million in overall funding in order to increase per student rates providing the resources required by programs to maintain high quality services.

Childcare

Childcare is not only critically important in that it gives working parents stability, allowing them to earn a living for their family and boost the economy, but it also provides the basis for quality learning for young children. However, the cost of childcare in New York is among the highest in the nation, causing working families to make difficult choices about how their children will be cared for. There are not enough childcare subsidies to assist all the low-income eligible families causing four out of five of those who apply to be turned away. UJA appreciates the \$26 million included in the Executive Budget to increase the value of the child care subsidies for low income households to access child care. We urge the state to consider fully addressing the rising cost of childcare in the SFY 2019-2020 budget.

Foster Care-Maximum State Aid Rate

The Maximum State Aid Rate (MSAR) supports expenses related to the care of New York's children in foster care including the salaries of direct care and clinical staff. During the recession and years after, the MSAR was not increased for seven years, forcing foster care agencies to struggle to cover the costs of providing a safe therapeutic environment for New York's most vulnerable and traumatized youth. Over the past four years the legislature has graciously increased the MSAR. In FY 2019 alone, the MSAR was increased by 2% and included a 3.25% salary increase for staff in foster care agencies. However, four years of increases to the MSAR does not fully address the funding gaps created during the years the MSAR remained stagnant. UJA recommends that the MSAR be increased by 4% and that direct care and clinical staff receive the same salary increases the state provides for direct care workers in OMH, OASAS and OPWDD programs.

Adult Literacy Education (ALE)

ALE funds English for Speakers of Other Languages (ESOL), Adult Basic Education (ABE) and High School Equivalency (HSE) preparation classes. In New York State, there are over 3.5 million individuals who lack their high school diploma, English language proficiency or both. There are 15,000 New York City residents on a waitlist for adult literacy classes. Each of these programs strengthens the abilities of adults to compete in the job market and improve their financial well-being across New York State.

However, the Governor's Executive Budget Proposal cuts the addition \$1.5 million added by the Legislature in the FY2018-19 Enacted Budget, funding ALE at \$6.3 million. We respectfully request your support for the restoration of \$1.5 million and the investment of an additional \$7.5 million in ALE programs. This additional investment would raise ALE funding to \$15.3 million.

Changes to the federal Workforce Innovation and Opportunity Act (WIOA) have resulted in a loss of funding for English Language and Civics instruction as this funding has now transitioned

to supporting a new Integrated English Literacy Program. This transition and focus on post-secondary and employment outcomes for students has left thousands of individuals no longer able to benefit from WIOA services. In addition, the requirement for programs to demonstrate employment outcomes to qualify for WIOA Title II funding has created a barrier for thousands of English Language learners with lower levels of English language proficiency. ALE is one of the few state funding streams able to address the current and expected new need by supporting community-based English for Speakers of Other Languages (ESOL), Adult Basic Education (ABE) and High School Equivalency (HSE) preparation programs. Expanding ALE would allow the State to serve an additional 7,500 learners, helping to fill the gap created by changes to WIOA-funded programs.

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

Thank you for continuing to support the child welfare workforce in the Executive Budget state budget by including \$50,000 for the NYS Child Welfare Worker Incentive Scholarship and the NYS Child Welfare Worker Loan Forgiveness Incentive Program. These programs will help our workforce in supporting their higher education goals. Our child welfare agencies continue to struggle with recruitment and retention of staff. In 2016, the average statewide starting salary for a caseworker/case planner working in a preventive, family foster care, or residential care program began 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 our agencies 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. This constant churn of worker turnover causes longer lengths of stay for children in foster care.

In addition to salary increases, child welfare staff also report needing support in achieving their higher education goals. In addition, many staff members working in child welfare programs 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 \$950,000 investment in each of these programs, for a total increased investment of \$1.9 million, to support higher education opportunities for our child welfare workforce in NYS.

Innovative Approaches to Increasing Access to Culturally Appropriate Food

Governor Cuomo’s executive budget includes the creation of new initiatives to reduce household food insecurity by ten percent by 2024. UJA-Federation supports the creation of programs to increase access to food for those who are food insecure. Simplifying access to SNAP for older or disabled adults and enhancing resources and referrals in clinical settings to increase enrollment

in programs that reduce food insecurity will help ensure that individuals and families are aware of and have the tools necessary to enroll in these critical programs. Additionally, participation in a SNAP online purchasing pilot will increase access to food for the elderly, those with disabilities, and others who live in areas without access to retailers that offer healthy food.

Our nonprofit partners provide vital services and supports to all New Yorkers, including access to food. We urge the State to invest in these innovative approaches to increasing access to food, especially culturally appropriate food, for vulnerable individuals and families throughout the state.

Safety and Security Projects for At-Risk Facilities

UJA-Federation of New York appreciates the inclusion of \$25 million in the Executive Budget to address the capital needs of at-risk facilities, including community centers, day care facilities, and nonpublic schools. We request that eligibility guidelines for this funding be expanded to include summer camps.

Fifteen of UJA's Jewish Community Center partners run summer camp programs in New York City, Long Island, and Rockland County, serving more than 6,000 children of all races, ethnicities and religions and employing 1,500 teen counselors and staff. Most summer camps throughout the state are outside of the Urban Area Security Initiative and are not eligible to apply for federal security grants. Training and preparation are integral to combatting security threats, but with few hard security measures, a concentrated population and instances of anti-Semitic vandalism, summer camps need access to these critical capital funds. Expanding eligibility will ensure that camps are protected from these kinds of attacks.

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.

Thank you for the opportunity to testify.