

# New York Public Welfare Association

**NYPWA Statement on the Executive Budget for SFY 2022-23 for the**

**Joint Legislative Budget Committee on Human Services**

Sheila Harrigan, Executive Director

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*The New York Public Welfare Association (NYPWA) represents all fifty-eight local departments of social services statewide. Our members are dedicated to improving the quality and effectiveness of social welfare policy so that it is accountable to taxpayers and protective of vulnerable people.*

## **LEADING THE WAY FORWARD**

Governor Kathy Hochul has proposed a Human Services fiscal plan that together with the guidance of the NYS Legislature will boldly lead us forward as we embrace new challenges in human services. The infusion of federal dollars and state initiatives enabled an effective collective response during the public health emergency. The world today is different from two years ago and we need to recalibrate for the work ahead.

Local Departments of Social Services are at the very heart of what it takes to keep adults, children, and families safe at home. Our budget testimony will focus on areas covered under OTDA and OCFS.

## **Housing and Temporary Assistance**

The eviction moratorium and rental assistance programs were essential strategies. The human hardships would have been far more devastating if we had not kept people housed. Now that the eviction moratorium has ended, we are facing a new world.

The Executive Budget includes additional housing development, which is critical for the long-term. Nevertheless, throughout New York State, we are poised for housing disruptions as they unfold all around us. We recognize that tenants are at risk of eviction by landlords and by public housing authorities in spite of the legal protections and funding streams that have been implemented.

*Restore the 50/50 State & Local Safety Net Assistance Share*

What we need to do now, is re-establish a partnership that moves us forward. This includes restoring Safety Net Assistance (SNA) benefits and administration to a 50/50 state/local share. Initiatives such as increasing the earned income disregard and eliminating the 45-day wait for eligibility, belong in the context of this partnership.

### *Focus on the Standard of Need*

With many tenants on the verge of eviction, and others in shelters with nowhere to go, the time has come to focus on the standard of need. By delaying action on this problem, we are increasing reliance on temporary housing assistance in shelters and motels.

The benefits are composed of allowances for basic needs, home energy and shelter. Together they determine the “standard of need” for a given household size—which varies per county. For example, in Albany County, the maximum benefit level (or standard of need) is \$367 per month for a single individual, or \$698 per month for a household of three with children. The standard of need for each county is set by State regulations. The last time the standard of need was increased was in 2012. Rent has increased significantly in the past ten years. Local districts can apply for a supplement, but often their proposals have been denied or held indefinitely without approval. When approved, it has typically been narrowed to a tiny segment of the population.

### *Avoid Over-Reaching Hotel/Motel Temporary Housing Regulations*

Most counties in New York State are rural and rely on hotel and motels for temporary housing. Even large urban districts with multiple shelters use motels and hotels especially during Code Blue conditions in the cold winter months. Any new regulations that would further burden motels and hotels increase the risk of people living on the street.

### *Encourage Cross-Systems Collaboration Serving Vulnerable New Yorkers*

We are encouraged by the collaboration among state commissioners on cross-systems issues. A subset of people who apply for public assistance experience extreme poverty laced with other social issues. Severe, persistent mental illness, intense substance abuse, developmental disabilities, lack of education and a variety of other problems come with them when they arrive at the local social services office. The staff are eligibility examiners. They are not able to provide clinical interventions. There are chronically homeless people that have complex needs who are not served by the shelters. They may have behavior problems, violent tendencies, or be severely delusional, paranoid, or severely

intoxicated, which makes them difficult to place. Sometimes people who cannot cope in a shelter do better in a motel room. We need intensive intervention for those with untreated mental illness and substance abuse issues. We need wrap around services that follow the person so that trust can be built, services can be received, and the appropriate placement made. The local DSS does not have the capacity or resources. We need services from OMH, OPWDD and OASAS providers.

The focus on child poverty and on housing for young adults is part of the broader policy conversation on poverty and housing for persons of all ages.

### **Children's Services and Foster Care**

#### **Restore Open-ended Funding to 65% Under Child Welfare Funding Reauthorization**

(ELFA, Part N)

The NYPWA recommends that the state return to open-ended 65 percent state reimbursement, as required by statute, for the non-federal share of child protective services, preventive services, independent living, aftercare, and adoption administration services. This restoration to 65 percent is fully aligned with the state's goals for supporting children at home and preventing placement. Local districts and voluntary agencies use this funding stream to support children and families through a wide range of effective services. Lowering state reimbursement to 62 percent, when the law says 65 percent, conveys a reduced state commitment that counties cannot make up.

#### **Ensure Sufficient State Funding to "Modernize" Foster MSAR Methodology**

After a lawsuit that extended over 10 years, the State of New York agreed to a settlement to increase subsidies to foster care and adoptive parents. The NYPWA supports efforts to pay parents fairly for the important stability and care they provide.

There are a variety of ways this might be pursued, and the Executive Budget proposes that this be accomplished by making the Maximum State Aid Rate (MSAR) mandatory [ELFA, Part O]. Specifically, the proposed budget would mandate that districts pay 100 percent of the MSAR for children in regular, therapeutic, special needs, and emergency foster boarding homes. Districts currently paying the maximum would need to continue—while those below the maximum would need to pay at least half the difference between their current rate and the full rate effective July 1, 2022. By July 1, 2023, all must pay the full rate. The Executive Budget does not appear to cover the additional

cost for the increase in foster care rates—and is only covering the state cost of the adoption increase. This proposal affects the foster care rates and adoption subsidies rates because the two are linked.

The reasons some districts pay the maximum and others pay less, is based on each district's Foster Care Block Grant (FCBG) allocation and local resources. In SFY 2022-23, making the MSAR mandatory will increase costs to the districts that are below that level now and not increase the costs to others. The statewide aggregate number is not sufficient, and districts need to know what fiscal assumptions have been made for each county since the numbers may vary widely.

The NYPWA has requested OCFS provide a fact sheet on the state dollars that will be allocated to cover additional MSAR costs and information on how they calculated the increase in local cost (SFY 2022-23 and SFY 2023-24) since full implementation of the MSAR is in the second year. Counties need to know if the plan is to index the MSAR each year, what will be the basis for an annual increase, and how the cost will be covered.

Another question left to answer is that under the settlement, the state agreed to create a higher, 'extraordinary' rate category by regulation. It is unknown what will qualify the child for this rate, whether a new level of care will be created, and what will make up the new rate methodology. Each of these details would have fiscal implications.

On a historical note, when the FCBG was created it was intended to limit New York State's fiscal liability, but it did not include any suggestion of a 50/50 split. Instead, the state hoped counties would save funds as foster care days declined and reinvest the monies in preventive services. It is only in the past couple of years, that the state has mentioned an intent for it to be 50/50. This fiscal policy makes it unlikely that counties will have any unused foster care funds available to invest in other children's services.

### **Saying 'Yes' to Children with Complex Needs**

Any conversation about foster care, merits consideration of cross-systems children with complex needs. On a local level, districts collaborate to cobble together a patchwork of services. They provide a band-aid approach to help kids with developmental disabilities, psychiatric disorders, emotional disturbances, and aggressive behaviors. Collectively, state and local agencies, share a deep compassion for these children and a desire to help them.

Social services departments offer multiple preventive programs, child protective services, foster care, and adoption as well as financial assistance and other public benefits to families. Youth are boarded in hospital ERs because they do not meet the criteria for inpatient admission. They are rejected from other programs, often due to behavioral concerns, and they have no place else to go. Powerful local collaborations are in place, but collaboration does not equal resources and services. Every state and local agency involved needs to bring tangible assets to the table—funding, programs, and services. Many developmental centers, psychiatric institutions, residential care facilities, and congregate care settings have closed. Children are being supported at home, but not everyone. Hospitals, detention centers, and street corners are seeing the kids with complex needs that would have previously been placed in residential care. The NYPWA has attached a brief policy paper on this matter to our testimony [see [Attachment A](#)].

### **Support Human Services COLA Increase**

NYPWA supports the 5.4 percent COLA for SFY 2022-23 and related state-funding measures to support the human services workforce.

### **Fund KinGap Apart from FCBG**

The subsidized guardian assistance program, known as in KinGap, should be funded outside of the FCBG. Unlike foster care, KinGap and adoption are both permanency options and should not be funded as a temporary program. KinGap provides children with a permanent relative caretaker when neither a return home to parents or adoption is an option.

### **Prioritize Child Care in New York State**

The NYPWA supports the Executive Budget’s intention on making child care a priority. However, expanding eligibility presents challenges that must be addressed:

- Loss of child care providers statewide with many regions considered “child care deserts”
- Child care utilization declined while many parents stayed home and worked remotely when possible—while their children attended school remotely, or while young children waited for vaccine eligibility
- Lack of an available and skilled child care workforce to enable services to be provided
- Reliance on temporary federal funding and a need for an ongoing, stable state investment

- Child Care Market Rate of 69 percent is cited by child care providers as inadequate for them to operate.

***In closing***, we wish to thank the NYS Assembly Ways and Means and NYS Senate Finance Committees for your leadership in bringing attention to the challenging fiscal and policy issues affecting social services.

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## ATTACHMENT A

New York Public Welfare Association

### *Hope, Optimism, and Finding a Way to Say Yes to Kids with Complex Needs*

On a local level, we collaborate to cobble together a patchwork of services. We provide a band-aid approach to help kids with developmental disabilities, psychiatric disorders, emotional disturbances, and aggressive behaviors. Collectively, state and local agencies, share a deep compassion for these children and a desire to help them.

#### Present Day

- Social services departments offer multiple preventive programs, child protective services, foster care, and adoption as well as financial assistance and other public benefits to families.
- Youth are boarded in hospital ERs because they do not meet the criteria for inpatient admission. They are rejected from other programs, often due to behavioral concerns, and they have no place else to go.
- Agencies in NYS offer foster care and prevention but they do not have the added resources and staff that these kids need. The result is often out-of-state placements, far from families.
- Powerful local collaborations include Systems of Care, Single Point of Access, Cross Training, DSS-MH-Probation-Schools-BOCCES-CASACs-No Wrong Door-Cross Agency Meetings, County-Voluntary Agency Partnerships, Multi-Disciplinary Teams, and more. At the end of all the troubleshooting, children are not receiving the services that they need and more collaboration without resources will not help them.

#### Future

Let's fully embrace the commitment to serve cross-systems kids and provide the necessary programs and funding. We need to breakdown the system's eligibility barriers that discriminate against these children. With concerted effort, we can reduce further trauma, end time languishing in hospital emergency rooms, avoid out-of-state placements, and enable more families to keep their children at home. We can say "yes" to services for these kids. Every state and local agency involved needs to bring tangible assets to the table – funding, programs, or services. Many developmental centers, psychiatric institutions, residential care facilities, and congregate care settings have closed. Children

are being supported at home, but not everyone. Hospitals, detention centers, and street corners are seeing the kids with complex needs that would have previously been placed in residential care.

OPWDD has a rich history of helping children as strong parent advocates came forward. The system is steered toward adults now, but it doesn't have to be that way. Children with developmental disabilities need the same supports whether they are at home or living with foster parents and regardless of difficult behaviors or IQ. They require person centered care, wrap around services, respite options, education, and treatment for the unique challenges that make their care so complex. Some children need OPWDD Individual Residential Alternatives.

We need to stop blocking kids from services because they do not have the right IQ or diagnosis. The system lets these children down. They end up in a series of failed foster placements, hospital ERs, or in detention. Our foster care model is not robust enough to manage their care. We need dually certified foster homes, which bring in OPWDD and OMH services, with skilled staff. We need professional foster care options, enriched program models, and crisis intervention. When all of this is not enough, we need community placements.

It is imperative that we have effective programs to help kids reduce physical aggression and threatening behaviors. Families become scared and children are repeatedly denied services because providers have safety concerns for their staff and for the other children. Let's respond to these challenges and help these kids.

**Moving forward, we need coordinated open-ended funding from OPWDD, OMH and OCFS and to tap Medicaid for eligible treatment. Shared cross-systems responsibility means that we all bring tangible resources to the table. Until the child receives a “yes” response, and has access to services, our collective work is not done.**

*This paper frames the discussion based on broad input from local commissioners and their departments of services. It presents a statewide perspective to supplement the wealth of information that local districts can articulate individually.*