



NORTHERN RIVERS

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TESTIMONY OF
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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 2024-2025

FEBRUARY 13, 2024

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Summary of Recommendations

- 1. Build and fund a comprehensive workforce strategy across Mental Health and Human Services**
- 2. Innovate the Mental Health Funding Dynamic and Invest in Community Based Delivery of Services**
- 3. Exempt health homes serving children from the health home restructuring proposed cost savings of \$125 million in the executive budget; thereby avoiding hospital admission, residential placement and family crisis**

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 longstanding family services agencies Northeast Parent & Child Society and Parsons Child & Family Center. In 2019, we affiliated with Unlimited Potential, whose operations began in Saratoga Springs. Together, the 1,400-strong workforce of Northern Rivers and member agencies serve more than 18,000 children and families in 41 upstate counties each year, with \$88 million invested through more than 60 social services and child welfare 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 services, postadoption services, and evidence-based home visiting programs;
- Educational services for 400 students including early learning, pre-K, and Early Head Start, as well as accredited 853 schools (elementary, middle, and high school);
- Community-based child welfare 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, Human Services Committee Chairs, and members of the Assembly Ways and Means and Senate Finance Committees for this opportunity to testify on the Governors Executive Budget for State Fiscal Year 2024-2025.

As we provide recommendations for your consideration, we want to remind everyone of two key concepts related to the budgeting of public dollars and investment. First, as has been stated many times:

The budget is not just a collection of numbers.

but an expression of our values and aspirations.

Second, the NYS Constitution helps define the responsibility to care for the needy.

“The aid, care and support of the needy are public concerns and shall be provided by the state and by such of its subdivisions, and in such manner and by such means, as the legislature may from time to time determine.”

— Article 17, NYS Constitution

What do we owe to the members of our community who need help? Those who struggle with child abuse and neglect, mental health challenges, substance abuse, housing, domestic violence, or other issues that make it harder for them simply to survive in this world, if we believe in the document that guides our great state, are deserving of our help and support

Governor Hochul has proposed a \$233 billion Executive Budget to deal with our states needs and priorities.

While Northern Rivers Family of Services is grateful for many of the measures the Governor Hochul proposes, we believe adjustments to the budget need to be made to make New York state a great place to live, raise a family, and operate a business. Our testimony recommends changes and suggestions for the final budget. Unless the proposed Executive Budget is adjusted to adequately support the mental health and 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.

One lesson from the past years is that the needs of children and families don't fit neatly into budget codes, state agency silos, or generic diagnoses. Our Human Services sector provides mental health, child welfare prevention, and residential, educational and another vital services-based on the needs of the child, family, and complicated trauma faculties.

Our budget for the coming year must provide cross-discipline solutions. Undeniably, child welfare professionals provide mental health services, outpatient mental health professionals provide family stability and positive functioning, and residential care agencies provide specialized education.

1. Build and fund a comprehensive workforce strategy across Mental Health and Human Services

New bold ideas and innovation require the skills and expertise of a strong workforce. The recommendations in the proposed budget require recruitment and retention of thousands of individuals across every county, borough, and neighborhood. We need nurses, direct-care staff, medical professionals, cooks, drivers, case managers, peers, teachers, aides, and many more. The proposed state budget includes a 1.5% COLA effective April 1, 2024. While we appreciate the partial investment, the CPI as calculated by the federal government is 3.2%.

We recommend the legislature act and fund an adequate cost-of-living increase at 3.2% to allow the current and emerging workforce to stay in the field. Furthermore, this increase needs to apply throughout the sector, or we run the very real risk of professionals leaving one position for another; in essence damaging one service to bolster another.

At the same time, New York State needs a coherent workforce recruitment and retention strategy. The proposed budget contains many solid ideas, yet they are scattered in various agency budgets. We need to compile these ideas to build a Human Services workforce plan.

The turnover rate for front line staff in New York's foster care programs is 49%; turnover for front line staff, clinical titles, and caseworkers in New York's mental health and child welfare care programs is 24%. The state must invest in this workforce to turn the tide from family's current reality of beginning therapeutic work again and again, too often, each time a new caseworker starts with them. Each budget year that New York does not invest in creating career pathways for child welfare professionals and in raising their salaries to retain them in the field is another year that New York wastes the opportunity to make a real difference in achieving positive outcomes for children-promoting family stability, reducing lengths of stay in residential care, and achieving lasting permanency for children.

Toward that end, we recommend retention and policy strategies including:

- Add an additional \$1 million to the OMH Community Mental Health Loan Repayment Program for a total \$15 million investment.
- Increase child welfare and community based services in scholarship and future loan repayment programs.
- Include the mental health workforce in the Healthcare Workforce Development program. The "Financial Burden Relief for Healthcare Workers" category presently supports elements that our workforce needs including replacement of loss income while in school, childcare, and transportation. This program is "still being developed" according to the state's website so there may be opportunities to add the BH workforce prior to the RFA prior to release. Specifically, we envision the agency adding our workforce as eligible or carving out a portion of funds specifically for them to apply for.

- Establish a scholarship program for students pursuing mental health practitioner degrees, including Masters in Mental Health. This would especially help low-income individual's access higher education and would promote diversity in the field. We recommend modeling it after the existing "Nurses for our Future" program.
- Investing in foster care workforce salaries in response to inflation and the rising minimum wage to ensure the sector has the workforce needed to care for children and youth. (A3411/Darling; S3101/Brisport)
- Increasing funding for the Child Welfare Worker Incentive Scholarship Program and the NYS Child Welfare Worker Loan Forgiveness Incentive Programs, to create meaningful career pathways in child welfare.
- Include COLA for prevention programs and health home care management.
- Establishing a Human Services Employee Wage Board (S4675/Ramos)

Directly related to the stability and viability of the child welfare sector is the financial uncertainty related to the resolution of child victim claims. We believe in justice for the victims for past harm! At the same time, the claims are over 40 years old and not generally covered by insurance. The settlement of these claims will have a serious and cross system impact on the financial feasibility of many providers. We strongly recommend creating a settlement fund for survivors that have filed Child Victims Act suits.

Workforce Support Is a Social Justice Issue

Women comprise 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.

Not-for-Profit Organizations Are an Economic Engine

New York's not-for-profit workforce is not only hard-working, but is also an economic engine. Across New York State, 1 in 6 workers are employed by a not-for-profit organization. These workers contribute billions to the state's economic health, including the payment of income, sales, and property taxes. Beyond the direct economic impact, the not-for-profit workforce allows all New Yorkers to stay employed, avert costly medical costs, and educate our youth. 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 use 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. Staff who we expect to do such vital work face staffing cutbacks, frozen salaries, reduced health benefits, and little or no contributions to their pensions. Not-for-profit agencies have always been forced to raise funds from private donors to supplement government resources—simply to continue to be able to do the work we are asked to do.

Again, the cost of living as expressed by the CPI justifies a 3.2% increase. Again, our sector, and by extension the New Yorkers we serve, will once again be left behind.

2. Innovate the Mental Health Funding Dynamic and Invest in Community Based Delivery of Services

Policy makers tout that New York's Mental Health system is one of the best financed system in the world. By dollars this may be true, but the devil is in the details.

According to data, there were 715,000 people in New York's Community public mental health system. Of that number, less than ten thousand reside in State Psychiatric hospitals. Yet, \$1.3 billion is spent on those individuals while \$4.3 billion is spent on the other 705,000 individuals. This imbalance must be corrected.

In addition, New York, has 24 state hospitals while no other State has more than eight. New York spends one fifth of its overall mental health budget to maintain these number of psychiatric hospitals which houses a total of less than 4,000 people according to 2023 census findings.

We recommended the creation of a Mental Health Finance Commission comprised of State Officials, Legislators and Stakeholders to review the Financing of New York's Mental Health System and have the enforcement powers to close mental health hospitals and/or hospital beds.

Savings need to be invested in the workforce of today and of the future

In that regard, support the Healthy Minds Healthy Kids HMA commissioned rate study that found \$195M investment is needed to raise rates across HCBS, CFTSS, and Article 31 clinic services for young people to appropriate levels that will allow providers to pay their staff a livable wage.

3. Exempt health homes serving children from the health home restructuring proposed cost savings of \$125 million in the Executive Budget; thereby avoiding hospital admission, residential placement and family crisis

During her budget presentation, Governor Hochul stated, our children need so much help. And she's right, they do. As do the parents and caretakers who are trying tirelessly to navigate New York States complex child-serving systems, some of whom are battling their own mental health conditions.

Unfortunately, the proposed budget creates a virtual elimination of the children health home program. The budget proposed a \$228m cut to the health home program.

This program is statewide and serves nearly 30, 000 children and families. Health home services provide the case management, service referral and coordination of other state funded services. They are designed to support families and kids in the community, avoid ER/ED visits, reduce 911 calls and reduce family disruption. Absent the case manager, the other services funded (called HCBS and CFTS) can't be delivered as they are strict fee for service paid work.

Make no mistake, a cost savings of this magnitude, in addition to the \$100 million enacted in last year's budget, would end the health home program for children in New York State. Where do almost 30,000 children and families go for help then?

According to the Department of Health, there is no plan for this. Since the end of 2016, health homes serving children have focused on prevention, remediation, maintenance, and improving long-term outcomes for our most vulnerable children and families. Over the last 7 years, care management services for children have been consolidated under the Health Home model to streamline and simplify the children's system of care. OMH Targeted Case Management transitioned in 2016 and then 6 waiver programs previously under OMH, OCFS, and OPWDD state agencies transitioned in 2019.

Now, health homes are the pathway to DOH waiver services for children with serious emotional disturbance, medical complexities, and developmental disabilities. We are the Early Intervention Ongoing Service Coordinator for children who require the Medicaid waiver and Early Intervention. We are the solution for OPWDD for children under the age of 5 as it has become increasingly difficult to qualify for their services. And finally, after years of outreach and engagement, we have become the default referral source for community providers and school systems who need assistance with complex cases.

Care management was developed as part of the Medicaid redesign in previous years and is the critical link to the delivery of community service that:

- Prevent hospital placements and unnecessary trips to the emergency departments
- Prevent placement ins state licensed mental health and child welfare residential settings
- Prevents 911 calls to law enforcement and mobile crisis teams
- Family disruption, escalated violence and crisis

Conclusion

In closing, we urge the Legislature to negotiate a budget with the Governor that ensures New York remains committed to the programs that produce positive outcomes for our most vulnerable 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 the not-for-profit mental health sector. Failure to fund an increase for not-for-profit Human Services agencies will have a significant negative impact on the ability of individuals and families to receive services and ultimately on the physical, mental, and financial health of New York State as a whole.

Simply stated, we recommend investments in our vital not-for-profit Human Services organizations and communities that yield positive outcomes for all New Yorkers. We must make New York state a great place to live, a great place to raise a family, and a great place to operate a business. Thank you for the opportunity to testify.