



TESTIMONY OF  
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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 HEALTH  
STATE FISCAL YEAR 2018-2019

FEBRUARY 13, 2018

## SUMMARY OF RECOMMENDATIONS

### **1. Invest in Not-for-Profit Workforce**

- Support State agency appropriations for worker level funding.
- Support cost-of-living increases for not-for-profit agencies to allow for the funding of salary and fringe benefits increases.
- Support the principals of fair and equitable rate setting for all non profit mental health, substance abuse, child welfare agencies and 853 schools (including an increase to the state issued rates for 2018–19).
- Support a \$1 million investment to create opportunities for our workforce to attain higher education. The child welfare workforce provides stability, trust, and confidence to the children and youth in our care who have often experienced profound trauma during their lifetime. We support the COFCCA Cares policy, which includes:
  - \$500,000 for the New York State Child Welfare Worker Incentive Scholarship to provide current employees a scholarship to obtain a degree that would enhance their ability to work in such agencies and continue to work full-time in the child welfare field for five years after receiving their degree.
  - \$500,000 for the New York State Child Welfare Worker Loan Forgiveness Incentive Program to encourage recent college graduates or incentivize current employees to pursue careers in the not-for-profit child welfare sector in New York State by providing loan forgiveness awards if they agree to work full-time in the field for five years.
- Support a \$15 million appropriation to fortify the capital needs of foster care.

- We are very supportive of other ideas regarding workforce whether through credentialing, tuition reimbursement, career ladders and other ideas that will insure the recruitment and retention of quality staffs.

## **2. Reinstate Children’s Services Transition to Managed Care and Expanded State Services Under Medicaid**

- Reinstate the previous policy position to support voluntary foster care agencies in their efforts to transition youth from Medicaid fee-for-service to managed care and the expansion of expanded state services under Medicaid as previously planned

## **3. Strengthen Mental Health Education in Schools**

We recommend funding for one million dollars to be able to create a School Mental Health Education Resource Center.

## **4. Continue Juvenile Justice Reform**

- Continue innovation and reform of the State’s Juvenile Justice System.
- Support the Raise the Age recommendations to support development of an implementation and resource plan to treat young people in a manner that promotes long-term youth development and public safety.

## **5. Assess the Impact of the Justice Center for the Protection of People with Special Needs**

- Identify areas and ways to improve client safety, worker retention, and public faith.
- Review of the legislation and its impacts upon client safety and protection, and worker retention.

## **6. Reinvestment**

- We urge the legislature to support the proposed closure of the 100 psychiatric beds and insuring that this funding is reinvested into community support

## **7. Support and Expansion of Recovery Schools**

- We recommend expansion of the Recovery School Program to meet the educational, substance abuse and mental health needs of young persons fighting the impact of the substance abuse.

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

### **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 1,300-strong workforce of Northern Rivers and affiliates serve more than 14,000 children and families in 40 counties each year, with \$85 million invested through more than 70 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;
- Community-based waiver programs for children and adults including health home services.

I would like to thank Chairwomen Helene E. Weinstein and Chairwomen Young 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 2018-2019. Also, we thank our Mental Hygiene Committee Chairs, Assemblymember Gunther and Senator Ortt, who have been wonderful advocates for our cause as have all the committee members.

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 \$168.2 billion Executive Budget to deal with our State's needs and priorities including closure of a 4.4 billion-dollar deficit, managing the impacts of the federal proposals, improving the infrastructure, increasing county and education efficiency, and creating economic gains across NYS.

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. Specifically we must make adjustments to the proposed Executive Budget to support the mental health and substance abuse services sector and the children, adults and families we serve each day. The current budget must be more focused on the needs and values of family and child centered set of priorities.**

We all understand the challenges we face today. Economic challenges are forcing critical conversations and new approaches to innovation at the state, local, and not-for-profit sector level. 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 takes some steps to improve the lives of children such as maintaining preventive services funding for at-risk families, expanding homeless housing

programs, increased support for education and Pre-K education on a statewide basis, implementing managed care for adults and continuing to reform the juvenile justice system.

Following are specific recommendations in 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 on the job. **The men and women 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 around the clock, and our workers are not immune from the trauma that affects victims. They too are under stress. The expectations are unrelenting. We must support these front line workers who play critical first responder type roles when a family is in crisis.

New York's not-for-profit workforce is not only hard working but also an economic engine. Across New York State, 1 in 7 workers is 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 tax. Beyond the economic impact, the not-for-profit workforce, especially the direct care staff in child welfare, mental health, child care, aging, health, and developmental disability programs care for hundreds of thousand individuals with unique and special mental health, social, health, and physical needs. These consumers, ranging from young children in foster care and daycare settings, to teens and adults served in outpatient clinics, day programs,

and specialized treatment settings often require 24-hour care, intensive supervision, and caring support.

**Today, thousands of job opening exist in the not-for-profit world. Not-for-profit executives report that starting about five years ago they have 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.

Through all of your leadership last year, the mental hygiene workforce received greater funding and support than we have had in over a decade. Providing a three and a quarter percent increase for much of our community staff on January 1<sup>st</sup> and April 1<sup>st</sup> responds to the need for a living wage for many of the hardest working people in New York State.

Your commitment and that of Governor Cuomo are greatly appreciated and are a strong step in the living wage fight. That said, it is a significant step, but it is **one step in a staircase of need.**

**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:**

- **State agency appropriations for worker level funding, and**
- **Cost-of-living increases for not-for-profit agencies to allow for the funding of salary and fringe benefits increases.**

**Failure to provide the revenue to pay for the increased wages will result in program closures, reduced client services, and job layoffs.**

We will be serving our vulnerable children, adults, and families for years to come, and we must have a workforce ready for those changes by being fairly compensated, well-trained, and equipped for the challenges that lie ahead. The investment and impact will be good for all of New York State's citizens and communities and guarantee a brighter future.

Over the past several years, not-for-profit agencies have worked with government on countless new initiatives to reduce costs, focus on outcomes, use of 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.

A wage increase for these (and all) workers is particularly essential now that the minimum wage for fast-food and tipped workers has been increased, leaving health and human services employers at a significant competitive disadvantage.

The special challenge here is that, in many cases, employers in this sector are not-for-profit organizations funded to care for people through State programs or public contracts. For these not-for-profit employers to be able to cover the wage increase without cutting hours or services, New York State needs to increase rates, fees, and contracts associated with the provision of these services. In addition, an increase in the minimum wage creates a "compression" impact on other staff positions. Any wage increase must reflect the compression impact.

Other workforce actions must also be supported to ensure that the most vulnerable members of our community are prepared for a life of success and self-sufficiency. These proposals include:



- **Support the principals of fair and equitable rate setting for all non profit mental health, substance abuse, child welfare agencies and 853 schools (including an increase to the state issued rates for 2018–19).**
  
- **Support a \$1 million investment to create opportunities for our workforce to attain higher education.** The child welfare workforce provides stability, trust, and confidence to the children and youth in our care who have often experienced profound trauma during their lifetime. We support the COFCCA Cares policy, which includes:
  - \$500,000 for the New York State Child Welfare Worker Incentive Scholarship to provide current employees a scholarship to obtain a degree that would enhance their ability to work in such agencies and continue to work full-time in the child welfare field for five years after receiving their degree.
  - \$500,000 for the New York State Child Welfare Worker Loan Forgiveness Incentive Program to encourage recent college graduates or incentivize current employees to pursue careers in the not-for-profit child welfare sector in New York State by providing loan forgiveness awards if they agree to work full-time in the field for five years.
  
- **Support a \$15 million appropriation to fortify the capital needs of foster care.** Due to years of stagnant rates, COFCCA agencies have not been able to financially support
  
- **We are very supportive of other ideas regarding workforce whether through credentialing, tuition reimbursement, career ladders and other ideas that will insure the recruitment and retention of quality staffs.** We were pleased that ideas were referenced in the State of the State and we look forward to working with the Executive and the Legislature in insuring a productive and well trained workforce.

## **2. Reinstate Children’s Services Transition to Managed Care and Expanded State Services Under Medicaid**

The Governor’s previous budgets included transition plans, strategy, and funding to support voluntary foster care agencies in their efforts to transition foster care youth from Medicaid fee-for-service to managed care. In addition, the Children's Medicaid Review Team (MRT) proposed implementation of expanded home and community based services (HCBS) in July 2018. The proposed budget does not include this level of support and in fact delays implementation for two years. This delay is not in the best interest of children and their families in need of low cost family centered care.

Agencies have worked for over 5 years to prepare for these needed transitions. In addition, tens of millions dollars of private agency investments in funding for IT upgrades, staff re-organization, and training have made without any hope of reimbursement. To delay the transition for an additional two years amounts to walking away from a commitment to meet the needs of children in an economic and long terms sustainable way.

**We recommend the reinstatement of the previous policy position to support the expansion of expanded state services under Medicaid as previously planned and support voluntary foster care agencies in their efforts to transition youth from Medicaid fee-for-service to managed care.**

## **3. Strengthen Mental Health Education in Schools**

Through your leadership and that of Governor Cuomo, New York became the first State in the nation to provide mandatory mental health education in schools. There has been a dramatic increase in the need for mental health in schools and the ability to teach about mental health at a younger age will help provide young people with the ability to have a greater understanding of mental health and to seek support when necessary. Not only has this been validated by those of

us in the mental health community but many of the major statewide educational associations recognize the importance of mental health in schools.

This legislation is being operationalized on July 1 of this year. This is a massive undertaking that involves all parts of the education and mental health systems. As the lead agency that fought for this change, there is a need to provide clarification on what should be taught; how it should be taught; what are the role of teachers, counselors, and parents; and an array of other questions related to the new law.

Though we believe that this legislation will change the course of the future of teaching about mental health in schools, the reality is that there is no funding associated with this new law. This will be a seismic shift in the way that mental health is discussed and taught in schools. New York is leading the way in this change but we don't want to look back years from now and say how could we not have provided necessary funding for this sea change?

**We recommend funding for one million dollars to be able to create a School Mental Health Education Resource Center. This Center would provide phone and web based information to educators and families; referral services; additional updates and resources for interested parties; regularly scheduled regional summits; webinars; in person professional development as well as CTLE credits.**

#### **4. Continue Juvenile Justice Reform**

Northern Rivers Family of Services appreciates the Governor's and the Legislature's continued commitment to improving New York's Juvenile Justice System. The past few Executive Budgets have eliminated costly and empty beds; enabled youth placed in nonsecure facilities to be placed closer to home; created a statutory funding mechanism for alternatives to detention and placement programs, and led to the expansion of these more effective and more cost-effective alternatives to detention and incarceration/placement.

**We recommend continued innovation and reform of the State's Juvenile Justice System.**

**We also recommend passage and timely completion of the Raise the Age recommendations**

**including detailed implementation plans to support the development of an implementation and resource plan to treat young people in a manner that promotes long-term youth development and public safety. In this regard, thoughtful planning at all levels of government and the judiciary and the provider community are needed to ensure that the implementation is successful.**

#### **5. Assess the Impact of the Justice Center for the Protection of People with Special Needs**

More than three years ago the Legislature unanimously passed legislation creating the New York State Justice Center for the Protection of People with Special Needs. Since implementation, the Justice Center has played an important role in protecting vulnerable adults and children in licensed and regulated residential and community programs.

From day one, the Justice Center has implemented positive procedures including creating a toll-free number for reporting statewide clearance of prospective employees, establishing the staff exclusion list, implementing statewide training, and cultivating increased provider awareness. With three years of data and trends, mandated reporting is clearly happening and patterns are stable. For example:

- The majority of allegations occur in OPWDD and OMH facilities.
- The substantiation rate is approximately 30 percent to 31 percent.
- Intake reporting and calls have remained stable.
- More than 400 individuals are on the staff exclusion list.
- The majority of allegations and findings are neglect not abuse.

Despite these accomplishments, unintended consequences of the legislation have had an impact on workforce retention and practice and the delivery of services by public and private providers.

With more than five years of data, information, and feedback, it is important to assess the impact of the legislation and identify areas of improvement that will improve client safety, worker retention, and public faith. We encourage a review of the legislation and its impacts upon client safety and protection, and worker retention.

## **5. Reinvestment**

We are appreciative of the legislature's continued commitment to reinvesting the money from bed closures in New York's psychiatric facilities and adding the funding back into community services. The community funding system is dramatically underfunded. We also thank Governor Cuomo and OMH Commissioner Sullivan for their continued commitment to this community funding. For every hospital bed that closes, there is \$110,000 added to the community mental health budget to spend in the priority areas around housing, peer services, family engagement, jail diversion and a myriad of other community based programs that help enhance individual recovery.

This year's budget proposes closure of 100 beds that would result in \$11 million added to community services. This would bring the total annualized reinvestment allocation to over \$100 million a year. MHANYS strongly support this investment.

**We urge the legislature to support the proposed closure of the 100 psychiatric beds and insuring that this funding is reinvested into community support**

## **7. Support and Expansion of Recovery Schools**

In his 2017 State of the State, Governor Cuomo outlined a proposal to create New York's first recovery high schools in areas around the state that have been hit hardest by alcohol and drug addiction. According to the proposal, "Boards of Cooperative Educational Services" were designated to submit proposals to the Office for Alcoholism and Substance Abuse to establish the first schools, one upstate and one downstate, in partnership with local social service agencies. The new schools will be operated by the Board of Cooperative Educational Services, which are funded by sponsoring school districts. Enrollment will be open to all high school students with a diagnosis of a substance abuse disorder and a commitment to recovery. We applaud the leadership and hard work of Commissioner Arlene González-Sánchez and OASAS staff in developing the program design.

**We recommend expansion of the Recovery School Program to meet the educational, substance, abuse and mental health needs of young persons fighting the impact of the substance abuse disease**

### **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, families, and individuals and one that ultimately saves the state money on more expensive interventions such as residential care, unnecessary medical care, homeless shelters, and the juvenile justice system. I also 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, I 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.