

**Council of Family & Child Caring Agencies****Testimony Presented by  
James F. Purcell, CEO****Before the  
Assembly Ways and Means and Senate Finance Committees  
Joint Legislative Hearing****February 16, 2011**

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Good afternoon, my name is Jim Purcell and I am the CEO of the Council of Family and Child Caring Agencies (COFCCA), the primary statewide representative for nearly all the not-for-profit agencies that provide child welfare and juvenile justice services to New York's abused, neglected, and troubled children and their families. On behalf of our 110 member agencies, and the thousands of children and families they help, we thank Chairmen DeFrancisco and Farrell for the invitation to appear today, and we look forward to working closely with Chairs Assemblywoman Paulin and Senator Savino and their committees.

2011 is clearly the worst budget year any of us can recall and we realize that Governor Cuomo and the Legislature have extremely painful choices to make about our priorities as a State. With this in mind, we are very appreciative that two of the core sources of funding for child welfare were kept whole. The Executive Budget retains the open-ended commitment from the state to the counties for child protective and preventive services at 62%. This funding has been called the very centerpiece of New York State's human services funding. This commitment speaks volumes about the value that we as a State place on both protecting the health and safety of our vulnerable children, but also to our commitment to support families in raising their own children safely whenever we can do so.

Funding for foster care is also maintained at current levels to support children who must be removed from their homes because their families cannot or will not safely care for them. We are also pleased that the OCFS budget continues the funding commitment for the Bridges to Health (B2H) Medicaid waiver program which is helping to reduce reliance on residential programs and hospitalization for mentally ill, developmentally disabled, and medically fragile children.

In addition to the good news in the budget for child welfare, I am compelled to raise serious concerns about a few portions of the budget, starting with the new Primary

Prevention Incentive Program (PIIP) in the OCFS budget. While called an incentive program, in reality the PIIP represents the state walking away from its child welfare primary prevention agenda. The PIIP would combine many important, less expensive and less formal services for vulnerable children and families, like home visiting, community optional preventive services (COPS), delinquency prevention, runaway and homeless youth, and settlement houses, and cut the funding by 50%. In addition, a new 38% local share is required for proposals for most funding from PIIP, which counties will not be able to afford due in part to the tens of millions of dollars in cost shifts from the state, including \$34 million for adoption subsidies, \$22 million for Title XX, and untold amounts from detention.

These services save money by providing relatively low cost services to prevent isolated and struggling families from reaching a crisis point that could result in child abuse or neglect or a youth's arrest and involvement in the juvenile justice system. Home visiting, for example, is an evidence-based, cost-effective program that provides services to expectant families and new parents with identified risk factors and stressors. Services are easily accessible to isolated families and are respectful of cultural and community diversity. Services for runaway and homeless youth provide short-term crisis programs for youth who have left home without parental consent while plans for family reunification are made, as well as longer-term transitional shelter and services for older youth who become homeless as a result of a wide range of circumstances.

PIIP funds are to be awarded to counties based on a competitive process through which no county is guaranteed funds. We are concerned that this process could result in the counties and programs with the best grant writers being rewarded, while some of the neediest communities are left behind without funding year after year. We are not opposed to competitive funding and agree that programs need to show positive results; we note that the funding proposed to be in the PIIP is a result of the state's request for proposal (RFP) process. Our concern, however, is that whole areas, counties, and communities could be disenfranchised.

I urge you to eliminate the PIIP altogether and continue separate appropriations for the key programs in the PIIP, recognizing that a 10% reduction from current year appropriations may be necessary to help with the state's fiscal crisis. The only exception is home visiting, where I urge that a separate appropriation be established and maintained at a level sufficient to draw down the many millions of dollars newly available from the federal government (anticipated to be over \$25 Million for New York State) for states which meet a maintenance of effort (MOE) requirement. Money was added to the final enacted budget for 2010-11 to position NYS to meet the home visiting MOE and it would be short-sighted and fiscally irresponsible to forgo this federal money to expand this evidence based program that is relatively inexpensive per family and cost effective. And I should point out that COFCCA member agencies are not, by and large, the agencies that operate home visiting programs but we are advocating for this home visiting appropriation because it is good for families and the right thing to do.

Community optional preventive services, or COPS, are an important component of early prevention efforts but need a standalone appropriation to survive. COPS is the funding through which services are provided to children and families who are at risk but not yet in crisis. These early efforts are a cost-effective means of reinforcing and strengthening a family's ability to care for their children and prevent a crisis such as child abuse/neglect or foster care placement. COPS funds a wide variety of programs across the state that are provided in communities, schools and other settings where families at risk are most easily identified. COPS allows for flexibility in program models to address community needs in unique ways developed in that community. Examples of COPS programs include outreach to isolated families not connected with formal services that have teens identified to be at risk, help for a grandparent struggling to raise her grandchildren, or assistance for a mother recently released from prison and reunified with her children to attend college, find employment, and maintain a home.

While COPS already have a 38% county share, we urge the Legislature to allow all counties to use donated and in-kind funds for a portion of the local share to offset some of the impact of cost shifts from the state in child welfare. In the handful of counties where this is now allowed, creative public-private partnerships have been established that are able to leverage resources that would not otherwise be invested in child welfare.

Shockingly, the proposed budget would eliminate the COPS program and its funding retroactive to October 1, 2010 and PPIP funding, under which COPS would be subsumed, would not begin until July 1, 2011. This creates a nine-month gap, half of which is already passed, during which COPS programs already operational would receive no support from the state. This retro-active cost shift is simply unacceptable and we urge the Legislature to prevent any gap in COPS funding.

We also urge that there be a separate appropriation for post-adoption services to support families who have stepped up and opened their hearts and homes to children from foster care who would otherwise have no parents. These services are also essential for prospective adoptive parents who are committed to a child but hesitant to adopt because without post adoption services, they will lose the services of a case manager and their agency. Assurance that they can access the support they need after the adoption can resolve the ambivalence and facilitate and speed the adoption. Outside of NYC, these services are most efficiently provided regionally, and the only realistic way to do this is through a state appropriation for contracts that can serve multiple counties.

As you know, subsidized kinship guardianship legislation was passed last year in NY and takes effect on April 1, 2011 but without a source of funding identified. We believe kinship guardianship is an important option for some families and that it will save money now spent to keep these children in foster care. I point out that the savings is largely the money that would otherwise have been paid to the private agencies had the child remained in foster care. But we urge you to identify a funding source for kinship

guardianship similar to the adoption subsidy funding and outside the foster care block grant because it is the right option for some children currently in foster care.

Another issue of deep concern in the budget is the elimination of the entire state share for residential placements made by school districts' Committees on Special Education, or CSE placements. The proposal would shift the full state share to school districts; their share would increase from 20% currently, to 56.8%. The county DSS share would remain unchanged at 43.2%. We believe that the state, nor any level of government, should ever wash their hands of all responsibility for a child with such significant needs and disabilities that he requires 24-hour care outside of his or her home. Therefore, we recommend that for these children placed in settings within New York State that the state, county and school districts share equally the costs for these children at one-third each. Because in NYC this would still increase their share, we support retaining the existing formula there.

However, when school districts decide to place a child out-of-state, where a recent state review determined that the rates are generally significantly higher than in-state, the child is far from home, and our NYS agencies and the Board of Regents have little or no authority or oversight, we support elimination of the state share and a reduced county share so the costs are aligned with the entity that makes this placement decision – the school districts.

With regard to the juvenile justice system, we fully support the closure of unneeded beds in OCFS facilities and the reinvestment of a significant portion of the savings into prevention and enhanced quality of treatment and care of juveniles in the system and their families. The costs to the state and counties of unneeded beds are simply unsustainable.

We support improvements in the quality of services within OCFS facilities and reinvestment of savings from the bed closures to improve treatment for juveniles. However, it is disturbing to see the full reinvestment proposed for an increase of over 400 new staff for OCFS facilities, while the OCFS system continues to downsize, without any commensurate proposed increase in staffing or services for the private agencies. The private agencies care for as many juvenile delinquents in OCFS custody as are placed in OCFS facilities, as well as hundreds more who are in county custody, and also provide community diversion and after care services to these youth and their families. Further, these private facilities all have fully credentialed on-grounds schools which must meet Regent's standards, substantial mental health and other treatment services, and operate in a positive, constructive manner very much along the lines of other models OCFS is now embracing for its own facilities. And they do so at significantly lower costs. Reinvested savings should follow the children being served across both OCFS facilities and private agencies so *all* children benefit from the reform and reinvestment plan.

And finally, I want to bring to your attention the stunning proposed 1200% increase in the State Central Register (SCR) Clearance fee. The non-profit agencies are required to clear prospective employees with the SCR and cannot sustain this level of increase which is a job killing tax. Further, we question whether \$60 is the actual cost of a clearance to OCFS, or if it would be used to subsidize clearances for individuals who very appropriately are not required to pay a fee. OCFS has recently begun automating the clearance process which shifts the data entry to the agency applying, thereby reducing workload and costs for OCFS. This fee increase means the State reaps the benefits while agencies do the work of submitting a clearance.

If the SCR clearance fee must be raised to offset state costs, an increase up to \$10 (still a 100% increase) is reasonable, while a 1200% increase is very clearly not.

I thank you for your attention. We look forward to working with you and your staffs in the coming weeks. I am of course happy to answer any questions you may have.