



TESTIMONY: UJA-FEDERATION OF NEW YORK

**Before the Joint Fiscal Committees of the New York State Legislature
Human Services Budget Hearing for Fiscal Year 2020-2021**

**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 a network of nearly 100 nonprofit organizations serving those that are the most vulnerable and in need of programs and services.

Supporting New York's Nonprofit Human Services Providers

UJA's network of 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, while New York's economy has been growing steadily since 2008, State funding for the human services sector has been cut by 26%, resulting in 68% of New York's human services providers anticipating not being able to meet the needs of their communities.

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 must make the following investments to respond to the needs of nonprofits and ensure stability in the sector:

- **Include a 3% increase on all human services contracts and rates for the next five years.** UJA requests that this crucial funding for all human services organizations contracting with the State be included in the enacted budget.
- **Allocate \$100 million in recurring funds to the Nonprofit Infrastructure Capital Investment Program (NICIP).** This funding will enable targeted investments in projects to improve the quality, efficiency, accessibility and reach of nonprofit human services organizations throughout the state.
- **Expand State and Municipal Facilities (SAM) program eligibility guidelines to include nonprofit organizations.** In FY 2018-2019, the enacted budget included statutory language that expanded SAM

eligibility to nonprofit entities. This language was omitted in FY 2019-2020. SAM eligibility should be expanded to nonprofits in FY 2020-2021.

While the Medicaid Redesign Team has been tasked with identifying \$2.5 billion in savings to the state, should that not be achieved, it is critical that nonprofit providers are held harmless. These programs and the investments that UJA requests be made to support them can simultaneously reduce Medicaid expenditures. Nonprofits play a significant role in the lives of low-income individuals and underserved communities. As budget negotiations take shape, it is critical that no cuts are made, or unfunded mandates implemented, that will adversely impact the fiscal health of nonprofit providers.

Services for Holocaust Survivors Living in Poverty

New York State is home to nearly 40,000 Holocaust survivors, 40 percent of whom are living in poverty. A survivor is an individual, Jewish or non-Jewish, who experienced persecution at the hands of the Nazi regime. They were targeted due to race, religion, ethnicity, sexual orientation, physical or mental disabilities, as well as political ideology. They survived concentration camps or were forced to flee their homes and countries. Sixty-one percent of Holocaust survivors emigrated from the former Soviet Union before coming to the United States; they receive little-to-no Social Security income and are extremely poor.

As New York continues to support its immigrant communities and address the rise of anti-Semitism and hate crimes, it is imperative that we not leave Holocaust survivors behind. UJA thanks the legislature for providing \$400,000 to support services for Holocaust survivors in FY 2019-2020, but more must be done. We ask that the state invest \$5 million to fund care, services and resources for Holocaust survivors living in poverty.

Today, the youngest survivors are in their mid-70s, and as they age, they require even more care. The terrible trials and traumas they suffered in their earlier years show dire effects with age. While every year the number of Holocaust survivors declines, the cost of care significantly increases.

Survivors require individualized, home-based care to improve their quality of life and avoid institutionalization, which is especially traumatic for them. An increasing number of survivors are suffering from Alzheimer's and other dementias. They are triggered by everyday circumstances, such as blaring sirens and people knocking on doors, and the documented rise in hate crimes and anti-Semitism as well as the amplified scrutiny of immigrant populations leaves many survivors increasingly fearful and vulnerable. As a result, their anxieties and mental health challenges are further increased. This can cause survivors to revert to their most traumatic memories.

An investment of \$5 Million will support:

- **Case Management** to access benefits and support. Case Managers are specially trained in the psychological impact of the Holocaust.
- **Mental Health Services** including home visits to help survivors work through the traumas that now manifest in sleep disturbance, anxiety, depression and inability to trust
- **Trauma Informed Care** provided by professionals who recognize and avoid possible triggers, thereby reducing the potential for re-traumatization
- **Crisis Prevention** to help stave off eviction and hunger
- **Legal Services** and entitlement counseling
- **Emergency Financial Assistance** for food, housing, prescriptions, medical and dental care
- **Socialization Programs** to reduce isolation
- **Transportation** to doctors, family, synagogues and senior activities

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- **Training & Support** for Caregivers and home health aides working with survivors
- **End of Life Care** including hospice and ethical wills

As 2020 marks 75 years since the liberation of Auschwitz, New York must show its commitment to Holocaust survivors. It is crucial to provide specialized care and support programs for survivors to enhance their quality of life and allow them to live out their remaining years with dignity. We ask that the 2020-2021 budget allocate \$5 million to support Holocaust survivors living in poverty throughout New York State.

Naturally Occurring Retirement Communities

UJA-Federation thanks the legislature for supporting N/NORCs, particularly the program enhancements secured in FY 2019 and FY 2020. Because of your enthusiasm for this program, we have been able to bring resources and attention to the needs of a large and rapidly growing older adult population and the impact of the N/NORC program on their lives.

N/NORCs were established 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, and 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.

While the state faces a daunting \$6 billion budget gap, much of it spurred by Medicaid, N/NORC programs continue to serve residents on relatively small budgets while helping defer more substantial costs to the State. For example, the average annual cost of a nursing home stay for one individual in New York State can be as high as \$142,000 per year¹; this amounts to nearly the value of an entire N/NORC program contract, generally serving hundreds of older adults and helping them remain in their homes. If the N/NORC were not there, that resident might require nursing home placement or increased visits to the emergency room, adding even more costs. Nursing homes can often be prohibitively expensive, as few individuals can afford to pay out of pocket for care. As a result, nursing home residents become reliant on State and Federal support and subsidies such as Medicaid. Investing in N/NORCs can help limit these increased costs to the Medicaid system.

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 have cut their pro-bono hours. With many of these partnerships greatly diminished or fully

¹ NYS Department of Financial Services: https://www.dfs.ny.gov/consumer/ltc/ltc_about_cost.htm

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 from 2015-2018. In addition, the largest provider of N/NORC nursing eliminated their pro-bono hours in July 2019. An additional \$1 million would sufficiently cover these losses across all SOFA-funded N/NORC programs. It is critical that this money not impact unit of service requirements.

The Executive Budget Proposal includes \$8.06 million for N/NORC programs. This funding is vital to ensure that State funded N/NORCs can continue to provide services. In FY 2019-2020, the Legislature added \$325,000 to address the nursing challenge. However, this investment was not included in the Executive Budget proposal this year. **We ask that the Legislature add \$1 million to the FY 2020-2021 Executive Budget proposal of \$8.06 million for N/NORCs, for a total of \$9.06 million.** This will provide stable funding for N/NORC programs like ours that have struggled with the loss in pro-bono nursing services over the last several years.

Affordable Senior Housing with Services

UJA appreciates the 2017 investment in new affordable housing capital funding. This \$125 million investment, slated to be made over five years, continues to be included in the FY21 budget and will help ensure that seniors have access to safe, affordable and reliable housing options. Given the significant need, UJA is hopeful that a significant portion of this funding has already been allocated to developers to begin constructing homes for older adults across the state, including in New York City. We look forward to learning the details of how this \$125 million has been or will be invested.

Beyond this capital investment, **UJA urges \$10 million in new funding to be invested this fiscal year to support seniors by providing service coordinators in both newly constructed and existing senior residences.** Service coordinators enable older adults to thrive by assisting in making connections and referrals to key services, as well as promoting overall socialization.

Further, service coordinators in senior housing residences have proven to reduce health care costs, including reducing Medicaid expenditures. One of UJA's nonprofit partners, Selfhelp Community Services, released a study of the residents in their senior affordable housing program. Their study compared Medicaid data for residents in their housing in two zip codes and compared it to other seniors living in the same zip codes over two years. This research found that seniors living in Selfhelp's affordable housing had demonstrably 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-resident

Additionally, 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 Support & Services at Home (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 Medicare

expenditures in comparison groups. These examples demonstrably show that an investment in service coordinators makes good fiscal sense, while supporting older New Yorkers.

Home Delivered Meals ("Meals-On-Wheels") System

UJA is appreciative and encouraged by the \$798,000 in new funding in the Executive Budget allocated to NYSOFA's Wellness-in-Nutrition program, which funds home-delivered meals. This increase is a positive sign; however, it does not represent the full funding needed to support this program going into this year. **The program requires an additional \$12.7 million in funding to be included in the final budget, beyond what is allocated through the Executive Budget, to reach the full need—for a total of \$13.5 million.**

The home-delivered meals program has been sorely underfunded for far too long. The inequity in the NYSOFA budget is a recipe for leaving older adults hungry, and may be best illustrated by the fact that in FY20, the Wellness in Nutrition (WIN) program—which funds the State's home-delivered meals program—received roughly the same amount of funding as in FY14, more than five years prior.² Adjusting for inflation, this gap in funding becomes even more stark, creating the inability to keep pace with rising programmatic expenses, such as raw food costs and personnel expenses. Further, some localities have been forced to create waiting lists for meals due to lack of funds, while other providers have run a deficit in order to meet the full need.

With one in four older adults found to be nutritionally at-risk, the state's foremost program to support homebound and frail older New Yorkers cannot remain at risk as well. \$13.5 million in new funding would account for the increase in consumer price index (CPI), the increase in meals served, and the lack of cost of living adjustments (COLA) dating back to 2016.

The effects of this investment will not only improve the quality of life for New York's seniors, but are likely to generate significant cost-savings annually to Medicaid. According to a 2009 Brown University study, by investing roughly \$6 million to New York's home-delivered meals program, increasing capacity to serve more older adults, **the estimated annual savings to Medicaid would be more than \$11 million—a total offset savings of at least \$5.5 million.** Savings generated would be the result of delayed nursing home placement, allowing older adults to remain in their homes and their communities, as is preferred.

SYEP (Summer Youth Employment Program)

UJA-Federation appreciates the Executive's proposal to provide a \$1 million increase for SYEP, bringing the state's total investment to \$45 million. This funding will cover the costs associated with the increase in minimum wage for state funded SYEP slots.

The FY 2019-2020 budget included Article VII language mandating OCFS to implement new comprehensive background checks for both new and current employees at School-Age Childcare (SACC) licensed programs statewide. SACC licensed programs include (but are not limited to) SYEP and after school programs. While UJA supports rigorous background checks to help ensure the safety of children and youth, the rollout of this process, particularly in New York City which has an extensive SACC-licensed program system, has proven challenging.

As of September 25th, 2019, both new and current employees at SACC licensed programs were required to undergo the new comprehensive background checks. This has been difficult for all providers, but a larger impact has been felt by programs attempting to hire new employees. Formerly, new employees could work in

² In 2017 alone, 12,940,776 meals were served to older adults across the state through NYSOFA's home-delivered meals program.

these programs under supervision while their background checks were being evaluated. Now, new employees are not allowed to work in SACC licensed programs until all their background checks have been completed and passed. Backlogs in the background check system have caused months-long delays in the completion of these checks. One of UJA's New York City-based nonprofit partners recently stated that they submitted clearance packets for new employees in early-November 2019 and received notice in late-January 2020 that their employees were cleared to work in their program. Waiting two months for background checks to be completed makes it incredibly difficult to hire for and maintain staffing ratios in programs. Additionally, the SYEP is a six-week program, making the current waiting period for background check approvals untenable. Youth over the age of 18 participating in the SYEP, as well as the staff who oversee the program, will both be required to complete and clear the comprehensive background check process before they can work. If these individuals must wait two months for their clearance packets to be processed and cleared, they will miss the entirety of the SYEP.

Before the new regulations were in place providers waited approximately two weeks for completed background checks. Due to the complexity of the new background checks, OCFS and the local registrars at the county level who oversee this process require additional resources and staff to be able to perform the background checks in a timely manner. Providers of SACC licensed programs also require more guidance on the background check process. Specifically, if the process is not expedited before hiring for summer programs begins, OCFS must provide communication to SACC licensed summer programs, like the SYEP, that acknowledges the backlogs in the comprehensive background check system and provides guidance on how to properly staff their programs while waiting for the completion of the comprehensive background checks.

After School Programs

Three of UJA's 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. One of UJA's nonprofit partners also receives funding through the Empire State After School initiative.

The Executive Budget funded the Advantage After School program at \$28.041 million, a \$5 million decrease from the 2019-2020 Enacted Budget. UJA urges the legislature to restore \$5 million to the Advantage After School program. If this funding is not restored, 2,500 children and youth across New York State will lose access to after school programs. UJA appreciated the \$10.7 million increase in funding for a one-year minimum wage increase for the Advantage After School program that was included in the 2019-2020 Enacted Budget. UJA urges the legislature to include \$22.3 million in the FY 2020-2021 Enacted Budget which will fund the minimum wage increase through FY 2023-2024.

The Advantage After School and Empire State After School programs are both under-funded. Currently, Advantage grantees receive \$2,000 per pupil while Empire State receives \$1,600 per pupil. Research from the Network for Youth Success has found that after school program costs range from \$3,000 per pupil in Buffalo to \$6,000 per pupil in New York City. Advantage and Empire State programs currently use the funding they receive to cover staff salaries, which leaves little to cover supplies or other expenses. **UJA recommends that Advantage After School receive an increase of \$5.12 million and Empire State After School receive an additional \$25.2 million to increase the per participant rate in each of these programs to \$2,320.** This increase will allow programs to serve the same number of students while providing the resources programs require to maintain high quality services.

The Youth Development Program (YDP) allows counties to determine programming that will best meet their local needs. In New York City, the YDP partially funds COMPASS and SONYC after school programs. It was funded at \$14.1 million in the Executive Budget, \$1.5 million less than it was funded in the FY19-20 Enacted budget. **UJA urges the state to fund this program at \$15.6 million.**

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. Furthermore, childcare educators receive extremely low salaries, causing many to live in or near poverty. The average median wage for a childcare educator in New York is \$12.38 an hour or \$25,760 per year. While, UJA appreciates the Governor's proposal in the Executive Budget to expand the state's childcare tax credit to cover New Yorkers under the age of four more needs to be done to set New York State on a path towards universal high-quality, affordable childcare.

UJA urges the state to consider fully addressing the rising cost of childcare in the SFY 2020-2021 budget by including \$40 million to create a fund to increase workforce compensation and improve childcare quality; and \$60 million to incrementally increase guaranteed eligibility levels for childcare subsidies and decrease the co-payment multiplier.

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 five years the legislature has graciously increased the MSAR. In FY 2020 alone, the MSAR was increased by 2% and included a 3.25% salary increase for staff in foster care agencies. However, five years of increases to the MSAR do 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 FY2019-20 Enacted Budget, funding ALE at \$6.3 million. **UJA respectfully requests support for the restoration of \$1.5 million and the investment of an additional \$17.2 million in ALE programs. This additional investment would raise ALE funding to \$25 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 10,000 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 by including \$50,000 each for the NYS Child Welfare Worker Incentive Scholarship and the NYS Child Welfare Worker Loan Forgiveness Incentive Program. These programs will help the workforce in supporting their higher education goals. 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 agencies are able to pay are simply not enough to compete with what the public sector can pay, as well as the benefits that are offered. Agencies report losing caseworkers to public schools, hospitals, and Managed Care Organizations. 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. 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 the child welfare workforce's higher education pursuits will not only assist in staff recruitment and retention efforts but will also create the next generation of child welfare leaders in the field. UJA supports 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 \$1 million investment in each of these programs, for a total increased investment of \$2 million, to support higher education opportunities for the child welfare workforce in New York State.

Addressing Food Insecurity on College Campuses

UJA appreciates the inclusion of a new initiative to reduce food insecurity among college students in Governor Cuomo's executive budget. In order to make this programmatic change, the Office of Temporary and Disability Assistance will establish policy to make more community college students eligible for SNAP benefits by establishing a state policy that community college students engaged at least half-time in career and technical education courses of study are exempt from the requirement to work 20 hours weekly to qualify for SNAP. This policy will increase access to food for community college students throughout the state and reduce food insecurity among this population. UJA urges OTDA to ensure that this policy is changed during this budget cycle.

However, food insecurity is a growing concern on all college campuses. Several recent studies suggest that both two-year and four-year college students are more likely to be food insecure than the general U.S. population. Prevalence of food insecurity on college campuses ranges from 14 percent to 56 percent.³ We urge the State to

³ Dubick J, Mathews B, Cady CL. *Hunger on Campus: The Challenge of Food Insecurity for College Students*. College and University Food Bank Alliance, 2016.

consider ways to expand this policy to all college students, not only those attending community college programs, so that food insecure students can access the food supports they need.

Safety and Security Projects for At-Risk Facilities

Incidents of hate crimes and anti-Semitism are on the rise in New York. In 2019, the New York City Police Department released data showing more than half of all reported hate crimes in the city were anti-Jewish, and an ADL annual survey found 1,879 anti-Semitic incidents across the U.S. in 2018, the third highest number since 1979.

UJA appreciates the inclusion of \$25 million in the Executive Budget to support safety and security projects for at risk facilities, which helps address the capital needs of vulnerable facilities, including community centers, day care facilities, camps, cultural centers, and nonpublic schools. UJA requests that eligibility guidelines for this funding be expanded to all nonprofits that are at-risk due to their beliefs or ideology, including houses of worship. Expanding eligibility will further provide a broader understanding of statewide community vulnerabilities and ensure that all nonprofits are protected from hate-based 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. Please contact Ariel Savransky at savranskya@ujafedny.org or 212-836-1360 with any questions.

