



**TESTIMONY OF
ROBERT HORWITZ
CO-FOUNDER & TRUSTEE
REDLICH HORWITZ FOUNDATION**

**PRESENTED TO THE
SENATE/ASSEMBLY JOINT BUDGET HEARING ON HUMAN SERVICES**

**REGARDING
THE FAMILY FIRST ACT TRANSITION FUND- A PRIVATE/PUBLIC PARTNERSHIP
A PROVEN EFFECTIVE WAY TO IMPROVE FOSTER CARE OUTCOMES AND YIELD COST-SAVINGS**

JANUARY 24, 2019

My name is Robert Horwitz and I am a trustee of the Redlich Horwitz Foundation. My wife and I founded the Foundation in 1986. In 2010, after moving to upstate New York, we decided to focus the Foundation's work to improve the foster care system in collaboration with government and community-based partners. We are also certified foster parents.

I would like to thank Committee Chairs, Senator Kruger, Assembly member Weinstein and honorable members for this opportunity to testify on the Family First Transition Fund, which was included in Governor Cuomo's FY 2020 Executive Budget. The Transition Fund is a proven and effective way to improve foster care outcomes while saving money for the counties and the state.

The Foundation's mission is to ensure that every child who experiences foster care is raised in a loving, stable family. We work with OCFS, ACS, counties and foster care service providers to improve family-based care and improve permanency outcomes. We spend over \$5 million a year across 10 counties in New York state, reaching approximately 12,000 children in care.

Our work has greater urgency today because of the passage of the Family First Prevention Services Act (FFPSA). The act represents a fundamental shift in the federal approach to child welfare by prioritizing family-based foster care over residential care through limiting reimbursements for certain residential placements. It also allows federal foster care funding to be used to support preventive services that keep families together.

Research has shown that loving, supportive families – whether birth, kin, foster or adoptive – are critical to the healthy development of all children.ⁱ This is especially true for children who enter foster care – an experience that is preceded by the trauma of separation from family and followed by the placement in an unfamiliar family, a group home or an institution. In these circumstances, it is well established that most children do better when placed with kin (a relative or close family friend), or, if none are appropriate, with a foster family.

Despite this, family-based care, including relative foster care, continues to be underutilized across New York State. When New York City is excluded, New York has some of the highest congregate care placement rates in the countryⁱⁱ with counties outside of NYC placing 24% of children in residential care compared to the national average of 12%.^{iii,iv} In the US, 30% of children in foster care live with kin families, and New York state is below that at 23%. In upstate New York only 13% of children in foster care live with relatives.^{v,vi} Family-based care, as opposed to group homes and institutional placements is not only better for the outcomes of children in foster care, but also more cost-effective as residential care costs three to ten times as much as family-base care.^{vii}

In 2016, the Foundation initiated an RFP to New York counties interested in increasing kinship foster care and reducing congregate care. Three New York counties were selected for support and have reform initiatives underway, which have reduced lengths of stay and increased permanency. **These projects represent a public-private partnership between Redlich Horwitz Foundation and the counties.** These partnerships serve as a model for the Transition Fund. The foundation provided funding and consultative support that helped change their practices. **The results have been significant-not only more stable, less traumatic placements environments for children in foster care, but also**

yielded cost savings that were reinvested by the county legislature and DSS to sustain the new practices.

The outstanding results obtained by all three counties in this initiative serve as a template for the private/public partnership Transition Fund that the Foundation and other advocates statewide are proposing.

Onondaga County, a participant in this initiative, utilized their funding to access technical assistance and powerful evaluation tools to introduce new policies and practices that have proved financially sustainable in the long-term. It only took about 6 months for Onondaga County to increase kin-based placements, reduce residential placements, and start realizing significant cost savings. In the first year, 2017, the county saw net savings of over \$1.5 million, after increasing funding to support family-based care, kinship foster care and permanency. **Due to the savings and reinvestments, the reforms are completely sustainable and there is more funding than before invested in family and permanency-centered work.** With a focus toward less costly family-based placements, over a two-year period, Onondaga County was able to increase the percentage of children in family-based and relative foster homes from 55% to 73%, while simultaneously decreasing the percentage of children in congregate care.^{viii}

Reform efforts initiated in Onondaga, Dutchess and Westchester counties demonstrate that it is possible to right-size congregate care and prioritize family-based care by analyzing and adjusting placement practices, monitoring current congregate care placements and increasing kinship foster care. The Family First Act requires these actions to take place. Without these actions, the New York risk losing tens of millions of dollars in federal foster care funding.

While congregate care is important in the continuum of foster care, it should be used as a short-term placement to stabilize a child. Youth living in group care are at greater risk of developing physical, emotional and behavioral problems that may lead to school failure, homelessness, unemployment and incarceration. Moreover, those in group care are less likely to find a permanent home than those who live in family foster care.^{ix} Even for those requiring therapeutic care, family-based placements have been shown to lead to better health and well-being outcomes than Residential Treatment Centers.^x

With one of the highest rates of congregate-care placement in the country, New York and its counties must be proactive. With some strategic support, New York's counties can begin to shift their practice, to recruit, support and retain more dedicated foster families, including relatives, and ensure that more children who enter foster care are well-supported in families.

TRANSITION FUND OVERVIEW: SUPPORTING COUNTIES TO MEET THE CHALLENGE AHEAD

New York State should partner with the private sector to create a transition fund to support county-led efforts to improve their use of family-based and relative foster care and support innovation in recruitment, support and retention of these families.

- The transition fund would be a public-private partnership between the State, philanthropy and counties.
- Counties would use this funding to support children in family-based care and strengthen foster and kinship families.
- The fund would create better outcomes for children in foster care, prepare to meet new federal requirements and yield cost-savings.
- Resulting savings would be reinvested to sustain practice changes and help to prevent more children from entering foster care.

In addition to technical assistance and decision-making tools, funding could be used to cover expenses such as:

- Targeted recruitment of kin and foster families
- Expenses related to supporting new relative foster parents in meeting the requirements and expectations of the foster care system
- Transportation of children to court, visitation appointments
- Respite care for foster and kin families
- Financial assistance to support normalcy activities
- The development and implementation of innovative practices to better support foster families.

In order to achieve the goals of the fund, a maximum award per applicant of \$150,000 annually for two years should be open for all 58 DSS districts to apply. Multiple counties may apply together as a region. Overall costs would be split among the State and private funders, with the proposed shares:

- State portion: \$7.5 million total over 3 years
- Private match: \$2.5 million total over 3 years

For counties to be eligible for this funding, they should present a plan that includes:

- Setting clear, measurable objectives that demonstrate improvements in relative and non-relative foster care utilization and overall permanency outcomes for children.
- Commitments that savings generated through this investment are reinvested in services that
 - help to sustain the new practice model
 - support recruitment/retention of foster families,
 - strengthen families and prevent entry into foster care and/or
 - provide aftercare services that support families and children post-permanency.
- Establishing a practice standard that prioritizes the placement of children and young people with relatives and/or in family-based settings. Counties may consider employing:
 - a practice standard that requires approval by a senior child welfare director for all non-kin placements to ensure front line staff have exhausted all options for kinship care;

- a practice standard that requires senior child welfare staff to review the therapeutic necessity for placing a child in a residential care facility.
- Plans should also reflect that counties have reviewed existing policies related to kin and/or foster families in order to identify areas of need.
- Priority should be given to counties that are able to demonstrate that they allow or will allow relatives/kin to become foster parents 6 months after the child left their parents' home.

CONCLUSION

New York State has a clear way forward despite changes in federal financing. By co-investing with the private sector in a modest transition fund, the state will be able to support counties in yielding significant cost savings and creating better outcomes. The result will be a stronger foster care system that is not only compliant with the Family First Act but that is working to achieve a vision to for all children in foster care to be raised in a stable, loving and permanent family that is hopefully their own.

ⁱ The Annie E. Casey Foundation. (2015, May). Every kid needs a family: Giving children in the child welfare system the best chance for success. Baltimore, MD: Author. www.aecf.org/resources/everykid-needs-a-family

ⁱⁱ <https://datacenter.kidscount.org/data/tables/6247-children-in-foster-care-by-placement-type#ranking/2/any/true/870/2623/12995>

ⁱⁱⁱ NYS Office of Children & Family Services. (2017). Monitoring & Analysis Reports: Upstate. <https://ocfs.ny.gov/main/reports/maps/counties/Upstate.pdf>

^{iv} <https://datacenter.kidscount.org/data/tables/6247-children-in-foster-care-by-placement-type>

^v NYS Office of Children & Family Services. (2017). Monitoring & Analysis Reports: New York City.

<https://ocfs.ny.gov/main/reports/maps/counties/New%20York%20City.pdf>

^{vi} *ibid*

^{vii} Barth, Richard P., "Institutions vs. Foster Homes: The Empirical Base for the Second Century of Debate," UNC, School of Social Work, Jordan Institute for Families (June 2002).

^{viii} <https://www.onfostercare.org/wp-content/uploads/2018/05/Executive-Leadership-Session.pdf>

^{ix} Dozier, Mary et al., "Consensus statement on group care..." American Journal of Orthopsychiatry Vol. 84, No. 3 (2014) 219–225.

^x Barth, Richard P., "Institutions vs. Foster Homes: The Empirical Base for the Second Century of Debate," UNC, School of Social Work, Jordan Institute for Families (June 2002).

