

# New York Public Welfare Association

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## Testimony on the SFY 2010-11 Executive Budget for Human Services Joint Fiscal Committees of the New York State Legislature

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The New York Public Welfare Association is dedicated to improving social welfare policy so that it is accountable to taxpayers and protective of vulnerable people. Local departments of social services come face to face with poverty and large masses of people seeking their help every day. Counties and the State of New York share the same economic conditions that are forcing us all to cut back. In spite of the growing demand for assistance, the State has been withdrawing support. The last State budget eliminated all State funding for the administration of Food Stamps and Safety Net Assistance. The executive budget proposes eliminating all state funding for domestic violence services through changes under Title XX.

*Due to the harsh fiscal reality that we share with the State, we have three recommendations that are extremely important to social services, which do not require additional resources:*

### **Oppose the Kinship Guardianship Assistance Program Due to Lack of State Funding**

Under no circumstance should kinship guardianship assistance be placed under the Foster Care Block Grant as proposed. Kinship guardianship is not a type of foster care. It is a permanency alternative to adoption. It should be funded using the same federal, state and local share formulas that support adoption subsidies.

The NYPWA issued recommendations for implementing kinship guardianship assistance on April 9, 2009, drawing on the experience of local districts and other experts, including local social services commissioners who previously administered these programs in other States. While we would like to see this permanency option for families in the future, it must coincide with the State's ability to step up to the plate with its share of the funding and with a solid policy framework.

Other States fund kinship guardianship directly, without placing the burden on counties. It is irresponsible to say it is cost neutral when 100% of the fiscal liability would fall on local governments and none of it on the State. New York cannot predict the cost or size of this program by comparisons with other states that have a different level of utilization of relatives as caregivers within the foster care system. However, if the State is convinced that it is cost neutral, then the State should certainly be willing to bear its fair share of the financial risk.

There are two other critical components of the proposal which add to the cost of the program and which are contrary to the best interests of the child and are therefore totally unacceptable.

The first problem is that the language does not establish local department of social services (DSS) approval as a prerequisite for each kinship guardianship determination. This approval is essential to ensure that guardianship is not ordered for children who need ongoing services or who could be safely returned home or adopted. If this was the intent, then the bill needs to be rewritten. The language should make it clear that the judge cannot order guardianship unless the local DSS, who is the custodian of the child, agrees that this is the best option for the child and advocates to the court that the child's permanency goal be changed.

The second objection is that it allows this option after only six months in foster care. This is much too soon to make a decision that the child will never be returned home and that adoption is not the right option, especially for very young children. While the federal government sets six months as a minimum, twelve to fourteen months is a more reasonable timeframe.

### **Reject Proposal to Shift the State's Liabilities under the Medicaid Cap to Counties**

In keeping with the State's commitment to the local Medicaid cap agreement, we ask that you reject the proposed executive budget language that would shift the State's liabilities for federal penalties and disallowances to local governments. Local departments of social services have historically maintained a very high standard of eligibility review. In order to expand Medicaid enrollment, the state has eliminated finger imaging, resource tests and other aspects of Front End Detection Systems that avert fraud. All of these changes to Medicaid do not lend themselves to a comprehensive review of eligibility. It is entirely appropriate that the State be the entity that is held accountable to the Federal government for the policies that they have independently established for local social services districts to implement. In addition, the State Department of Health should strengthen its strategies for federal compliance by updating its administrative directives to correspond with current federal and state laws rather than relying on informal communications to convey policy changes.

### **Support Investing TANF Funds through the Flexible Fund for Family Services**

Social services districts have built-in fiscal incentives to spend TANF funds on the services that will be most effective in lifting people out of poverty and in complying with federal mandates in order to preserve federal funding. We ask the legislature to support the executive budget proposal for the Flexible Fund for Family Services (FFFS), which is the only vehicle that counties have to pursue these goals. In fact, many of the programs funded through the FFFS are State mandates, which were previously funded under separate line items in the budget. Redirecting any of these TANF funds away from the FFFS would create a domino effect leading to a wide range of program reductions affecting child welfare and employment services operated by many not-for-profit agencies.

In summary, we are asking for your support for these three recommendations:

- Oppose the Kinship Guardianship Assistance Program Due to Lack of State Funding
- Reject the Proposal to Shift the State's Liabilities Under the Medicaid Cap
- Support Investing TANF Funds through the Flexible Fund for Family Services