

Human Services

*Office of Temporary and Disability Assistance
Office of Children and Family Services
Department of Labor
Division of Housing and Community Renewal
Division of Human Rights
Office of National and Community Service
Office of Welfare Inspector General*

I. Overview

New York's human services programs promote the safety and well-being of the State's most vulnerable residents.

Programs funded through the Office of Temporary and Disability Assistance (OTDA) and the Office of Children and Family Services (OCFS) include cash assistance to elderly and disabled persons who are unable to work, supportive services to public assistance recipients to prepare for and secure employment, child support enforcement, child care subsidies to assist low-income working families, juvenile justice, and child protective and adult protective programs.

Programs funded through the Department of Labor (DOL) protect workers, promote workforce development and operate the State's Unemployment Insurance System.

Programs funded through the Division of Housing and Community Renewal (DHCR) preserve and create affordable housing.

Programs funded through the Division of Human Rights (DHR) protect civil rights in the areas of employment, housing, public accommodations, education and credit.

Programs funded through the Office of National and Community Service (NCS) support community service grants that provide youth education, assistance to individuals with disabilities, public health services, and disaster preparedness.

The Office of Welfare Inspector General (OWIG) investigates and prosecutes welfare fraud, waste, abuse and illegal acts involving social services programs at both the State and local levels.

II. History/Context

Since the enactment of landmark Federal welfare reform in August 1996, the State's public assistance caseload has declined by approximately one million recipients. The 2011-12 caseload is estimated at 532,000 recipients, slightly less than 2010-11.

New York's Supplemental Security Income (SSI) program supplements Federal SSI benefits to low-income elderly, blind, and disabled persons. Expenditures for the State supplements have increased from \$624 million in 2004-05 to over \$700 million in 2010-11 as caseload increased. The 2011-12 caseload is estimated at 681,000 recipients.

New York State's child welfare programs are monitored by OCFS and administered by 58 local social services districts (LSSDs), which are responsible for conducting direct investigations of alleged child abuse, as well as providing services to prevent foster care placements for at-risk youth and families, and foster care services when out-of-home placement is necessary.

The Child Welfare Services program supports approximately 165,000 child protective services investigations and 49,000 mandated preventive services cases. This program is financed 62 percent by the State and 38 percent by the LSSDs after available Federal funding is exhausted. This funding mechanism, authorized in 2002-03 through Child Welfare Financing Reform, provides an incentive to use preventive care services to keep families safely intact and to avoid unnecessary foster care placements. There is evidence that this front-end investment is paying dividends, as the foster care caseload has dropped by 32 percent since 2002-03 — from 34,900 to an estimated 23,700 in 2010-11.

III. Proposed 2011-12 Budget Actions

In addition to proposing extensive reform of juvenile justice services, the Executive Budget recalibrates financing structures for residential costs for special education, housing, youth delinquency and other services to reduce overall costs and encourage competition.

The 2011-12 Executive Budget's proposed reforms of the State's juvenile justice system will encourage prudent decision-making and greater use of community based services to generate better outcomes for children and families, as well as significant savings. The Executive Budget also reduces OCFS's youth facilities capacity to more closely reflect census trends, thereby improving system efficiency and reducing costs.

While continuing to ensure that core supportive services are available for needy populations, the Executive Budget proposes a one-year delay of the third year of a three-year, 30 percent increase in the public assistance basic grant in order to deal with the ongoing fiscal crisis. Federal, state and local funding of public assistance benefits is projected to total \$2.4 billion, similar to the 2010-11 expenditure level. If these proposals are enacted, the State would still provide \$9.2 billion for human services programs in 2011-12.

IV. Summary of Spending (All Funds)

Category	2010-11 (\$ in millions)	2011-12 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Human Services	9,559	9,244	(315)	(3.3)
OTDA	5,201	5,197	(4)	(0.1)
OCFS	3,191	3,042	(149)	(4.7)
DOL	675	594	(81)	(12)
DHCR	448	379	(69)	(15.4)

Year-to-year decreases in DOL and DHCR primarily reflect the loss of non-recurring Federal funds.

V. Major Initiatives

Gap-closing Actions

Proposal	2011-12 (\$ in millions)	2012-13 (\$ in millions)
Juvenile Justice Reform		
Restructure State Funding for Local Secure and Non-Secure Detention	23	51
Invest in Performance-Based Supervision and Treatment Services for Juveniles Program	(29)	(46)
Reduce Youth Facility Capacity	22	22
Enhance Youth Facility Services	(14)	(24)
Total	2	3
Human Services		
Delay the Third Phase of the Public Assistance Grant Increase	29	7
Fully Finance Family Assistance with Federal Funding	62	62
Strengthen Compliance with Public Assistance Work Requirements	7	15
Eliminate State Share Funding for the New York City Work Advantage Program	35	35
Reduce Reimbursement for New York City Adult Homeless Shelters	16	16
Repeal Prior Year Department of Labor Employment and Training Program Initiatives	5	0
Redesign Neighborhood and Rural Preservation Program Funding	6	6
Align State Share of Adoption Subsidy Program	34	36
Shift Certain Title XX Funding to Child Welfare Services	22	22
Better Align Committee on Special Education (CSE) Funding Responsibility	69	79
Eliminate 2011-12 Human Services Cost of Living Adjustment (COLA)	13	14
Enhance Performance in Child Welfare Services and Other Savings	53	53
Eliminate Funding for Supplemental Child Welfare Initiatives	2	2
Establish a Primary Prevention Incentive Program	35	42
Eliminate Safe Harbour Funding	3	3
Increase Fee for Child Abuse Background Checks to Reflect Actual Costs	12	12
Ten Percent General Fund State Operations Reduction	31	31
Total	434	435

Juvenile Justice Reform

Governor Cuomo's juvenile justice proposals reflect his efforts to begin redesigning key State programs and recalibrating associated State spending. A fundamental reform of the State's juvenile justice system will offer services to help young people lead productive lives while reducing State and local costs. This will be accomplished by investing savings achieved through right-sizing State facilities, and redirecting funding from local detention operations to community-based programs that better meet the needs of troubled youth. *(2011-12 Net Value: \$2 million; 2012-13 Net Value: \$3 million)*

This reform includes the following proposals:

- **Restructure State Funding for Local Secure and Non-Secure Detention.** This proposal eliminates the automatic 49 percent State reimbursement of local secure and non-secure detention costs effective July 1, 2011. Local detention costs for high risk youth will be supported through a new Capped Detention Program that will support 50 percent of detention costs for high risk youth who pose a threat to public safety. This financing reform will provide stronger incentives for local officials to focus on effective programs that serve youth in the community and will generate long-term State and local savings. *(2011-12 Value: \$23 million; 2012-13 Value: \$51 million)*
- **Invest in Performance-Based Supervision and Treatment Services for Juveniles Program.** A significant increase in funding will be available for local governments to support performance-focused, community-based alternatives to placing lower-risk youth in costly State youth facilities and local detention centers. This funding will replace and enhance existing alternatives to detention and residential placement program funding. *(2011-12 Value: \$29 million; 2012-13 Value: \$46 million)*
- **Reduce Youth Facility Capacity.** This proposal would reduce capacity from 1,209 beds to 833 beds. To allow for more effective management and swifter achievement of savings for State taxpayers, the Executive Budget also proposes to eliminate the 12-month statutory notification requirement that OCFS must adhere to before closing a facility. *(2011-12 Value: \$22 million; 2012-13 Value: \$22 million)*
- **Enhance Youth Facility Services.** This investment would support improvements in mental health, education, counseling, direct care and other services at OCFS facilities throughout the State. The investment would build upon efforts that commenced in 2010. *(2011-12 Value: \$14 million; 2012-13 Value: \$24 million)*

Human Services

- **Delay the Third Phase of the Public Assistance Grant Increase.** The State will continue to assume the local share of previously implemented grant increases. The Executive Budget proposes delaying until July 2012 the enacted 10 percent increase that was to be implemented beginning on July 1, 2011. *(2011-12 Value: \$29 million; 2012-13 Value: \$7 million)*
- **Fully Finance Family Assistance with Federal Funding.** The Executive Budget allocates Federal Temporary Assistance for Needy Families (TANF) funds to pay the full benefit costs of eligible households for Family Assistance benefits, generating \$52 million in local savings as well as reducing State costs. *(2011-12 Value: \$62 million; 2012-13 Value: \$62 million)*
- **Strengthen Compliance with Public Assistance Work Requirements.** To more strongly encourage public assistance recipients to seek employment, the Executive Budget proposes withholding a public assistance household's public assistance grant in the second and any subsequent instances in which the head of the household does not comply with employment requirements. *(2011-12 Value: \$7 million; 2012-13 Value: \$15 million)*
- **Eliminate State Share Funding for the New York City Work Advantage Program.** Currently, the State and New York City jointly fund shelter supplements for public assistance households at risk of eviction or already residing in homeless shelters that are participating in the Work Advantage Program. Executive Budget provisions would eliminate the State participation in this supplement. *(2011-12 Value: \$35 million; 2012-13 Value: \$35 million)*
- **Reduce Reimbursement for New York City Adult Homeless Shelters.** The Executive Budget proposes to reduce the reimbursement level for New York City adult homeless shelter expenditures, from \$84.7 million to \$69 million. New York City would continue to be required to finance these expenses. *(2011-12 Value: \$16 million; 2012-13 Value: \$16 million)*
- **Repeal Prior Year Department of Labor Employment and Training Program Initiatives.** The Executive Budget proposes repealing all General Fund local assistance reappropriations that support specific employment and training programs. The Department of Labor will continue to operate training functions using Federal funding. *(2011-12 Value: \$5 million; 2012-13 Value: \$0)*
- **Redesign Neighborhood and Rural Preservation Program Funding.** The Executive Budget proposes reducing the current formula-based funding for Neighborhood and Rural Preservation Programs by 50 percent and converting to a competitive, performance-based funding program beginning in 2011-12. *(2011-12 Value: \$6 million; 2012-13 Value: \$6 million)*

- **Align State Share of Adoption Subsidy Program.** This proposal would reduce the State share for adoption subsidies from 73.5 percent, net of available Federal funding, to 62 percent, in order to align cost shares with preventive services, which are designed to reduce unnecessary and expensive foster care placements. *(2011-12 Value: \$34 million; 2012-13 Value: \$36 million)*
- **Shift Certain Title XX Funding to Child Welfare Services.** This proposal would shift Federal Title XX funding that primarily supports local discretionary services including housing improvement and homemaker services to Child Welfare Services to reduce existing State and local child welfare expenditures. *(2011-12 Value: \$22 million; 2012-13 Value: \$22 million)*
- **Better Align Committee on Special Education (CSE) Funding Responsibility.** For room and board costs associated with children placed in residential schools because their needs cannot be met in their school district, the Executive Budget will transfer the entire State share to school districts. This proposal aligns costs more proportionately to the entities making determinations of placements for children. The local social services district share of 43 percent would remain unchanged. *(2011-12 Value: \$69 million; 2012-13 Value: \$79 million)*
- **Eliminate 2011-12 Human Services Cost of Living Adjustment (COLA).** This proposal would eliminate the projected 1.2 percent COLA scheduled to take effect in 2011-12 for OCFS programs including Foster Care, Adoption, Bridges to Health, and New York/New York III. *(2011-12 Value: \$13 million; 2012-13 Value: \$14 million)*
- **Enhanced Performance in Child Welfare Services and Other Savings.** The Executive Budget reflects cost reductions in Child Welfare Services resulting from improved data exchanges between OCFS and local social services districts outside of New York City and savings based on actual costs from prior years. The data exchange will allow districts to assess performance and make more informed program decisions. These actions are not expected to have service impacts. *(2011-12 Value: \$53 million; 2012-13 Value: \$53 million)*
- **Eliminate Funding for Supplemental Child Welfare Initiatives.** While maintaining funding for core child welfare programs, this proposal would eliminate support for demonstration projects and certain training. Core child welfare oversight functions would continue to be conducted by State staff. *(2011-12 Value: \$2 million; 2012-13 Value: \$2 million)*
- **Establish a Primary Prevention Incentive Program.** To prevent unnecessary foster care or other more costly supports, the Executive Budget proposes to replace funding for certain OCFS programs with a \$35 million Primary Prevention Incentive Program. The Incentive Program funds would be allocated to local social services districts on a competitive basis, and would support locally administered strategies that improve performance in youth services and reduce foster care placements and the need for other more costly child welfare services. *(2011-12 Net Value: \$35 million; 2012-13 Net Value: \$42 million)*

- **Eliminate Safe Harbour Funding.** The Executive Budget proposes to eliminate funding for a proposed long-term safe house for sexually exploited youth. Services could be provided for those youth through local social services districts. *(2011-12 Value: \$3 million; 2012-13 Value: \$3 million)*
- **Increase Fee for Child Abuse Background Checks to Reflect Actual Costs.** The fee for individuals who currently pay for State Central Register (SCR) clearance checks for employment purposes would be increased to \$60, from \$5 to cover the administrative costs of processing the clearances. In addition, this \$60 fee would be imposed on individuals who are currently exempt from the fee, but are required to obtain a check for employment, including child care providers. Those excluded from the fee include prospective foster and adoptive parents, kinship guardians, individuals age 18 and over in these homes, and operators of group family homes through the Office of People with Developmental Disabilities (OPWDD) and the Office of Mental Health (OMH). *(2011-12 Revenue: \$12 million; 2012-13 Revenue: \$12 million)*
- **Ten Percent General Fund State Operations Reduction.** The Executive Budget will decrease General Fund spending for State agency operations by 10 percent through a redesign effort focused on rightsizing government, increasing efficiencies, as well as by reducing workforce spending. Governor Cuomo intends to partner with State employee labor unions to achieve these workforce savings; if negotiations are not successful, significant layoffs are likely. *(2011-12 Value: \$31 million; 2012-13 Value: \$31 million)*

Other Budget Actions

Within the Federal Temporary Assistance for Needy Families (TANF) program, \$10 million from within the Flexible Fund for Family Services Program will be utilized to encourage shared services arrangements and consolidation of local social services district operations.