



HUMAN SERVICES COUNCIL ISSUE BRIEF

**A Lose-Lose Proposition:
The economic
impact of lost
human
services
in New York State**

WHO CARES?



WINTER 2012



Human Services Council of New York

The Human Services Council (HSC) is the voice of the human services community. We represent thousands of not-for-profit organizations in New York, and we advocate for the needs of the human services sector as a whole. Human service providers can accomplish more for their clients when they work together to increase funding, master complex new regulations, and orchestrate joint technology. HSC provides the structure to make that happen.

Since 1991, we have helped bring together a diverse network of human services organizations to discuss ideas and take collective action on issues and concerns that impact the entire sector. Through advocacy, information, collaboration, and technical assistance, member organizations and their leaders are supported by the whole human services community in addressing their concerns of public policy, economic trends, and regulatory environment.

For more about HSC, visit our

Website: www.humanservicescouncil.org • Twitter: @hsc_ny • Facebook: HSC.NY

Who Cares? I Do. Campaign

HSC is spearheading the **Who Cares? I Do.** campaign to spread awareness of the impact funding cuts will have on New York's individuals, families, communities, and economy. Ultimately, our goal is to influence government decisions about the allocation of state and city resources and protect investments in human service programs.

The campaign is supported by individuals, organizations, businesses, policy makers, philanthropists, and many others who recognize how critical human services are to New York and all its communities — whether it's an after-school program, a senior center, a shelter for the homeless, a food pantry, assistance for domestic violence victims, a mental health clinic, a home for foster children, or a day care center. Our mission is to make government accountable to the needs of all New Yorkers by honoring the commitments made to our communities.

For more about the **Who Cares? I Do.** campaign, visit our

Website: www.whocares-ido.org • Twitter: @WhoCares_IDo • Facebook: Who Cares? I Do.

For more information about this report, contact:

Chris Alice Winward (212) 836-1644 • winwardc@humanservicescouncil.org

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Key Human Service Programs Affected by Cuts in FY11 and FY12

Department of Health

Brain Trauma Foundation
Cardiac Services
Eating Disorders
Falls Prevention
Health Promotion Initiatives
Infertility Program
Interim Lead Safe Housing
Latino Outreach Program
Long Term Care Community Coalition
Maternal Mortality Review & Safe
Motherhood Initiative
Maternity & Early Childhood Foundation
Medicaid Collaborative Studies
Minority Male Wellness
Office of Minority Health
Osteoporosis Foundation
Public Aware Campaign for Donor Registry
Public Health Genomics
Pub Health Management Leaders
of Tomorrow
Quality Improvement
Racial Disparities Study
Statewide Health Broadcasts
Sudden Infant Death Syndrome
Tick-Born Disease
Minority Participation in Medical Ed -
CUNY Gateway
Minority Participation in Medical Ed -
SUNY Upstate
Workforce Studies Program
General Public Health Work
Early Intervention
Elderly Pharmaceutical Insurance
Coverage

Office of Children and Family Services

Advantage Afterschool
Adoption Subsidy
Alt. to Detention & Res. Placement
Amy Watkins Fund
Caseworker Caseload Ratios Funding
Caseworker Training
Child Advocacy Centers

Overview

In the last two years, New York State has cut about \$800 million in funding for essential human services that support the health and success of struggling people throughout the state. At the same time, poverty, hunger, and homelessness are at or near all-time highs.

Human services programs don't only improve the lives of those in or close to poverty; they are an economic engine in the communities they serve, providing over a million jobs and stimulating business through the purchase of over a billion dollars in goods and services. Approximately 27,000 human service sector jobs have been lost due to service cuts in the last two years.

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27,000 jobs**

This report details the direct impact that lost human services have on employment and economic opportunity in New York State.

Why Do Human Services Matter?

Whether due to an unexpected job loss, a catastrophic illness, a natural or man-made disaster, or other life circumstance, anyone may find themselves in need of human services. The human services sector provides a broad range of essential support programs, including child care and child welfare, youth and after-school programs, elder care, mental health services, health and wellness programs, job training, services for people with disabilities, and supportive housing and services for the homeless.

Such programs and services have a significant impact on the well-being of millions of New Yorkers and on the state's economy. As government partners with nonprofit

organizations to carry out most human services throughout the state, those organizations reinvest in the communities they serve through employment and the purchase of goods and services. The human services sector employs 1.25 million people working in New York State to improve the lives of New Yorkers¹.

*Nonprofit human services organizations
reinvest in the communities they serve by*

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¹<http://www.osc.state.ny.us/reports/nfp/nfpreport11-2011.pdf>

Key Human Service Programs Affected by Cuts in FY11 and FY12

Office of Children and Family Services (con't)

Child Fatality Review Teams
Child Welfare Quality Funding
Committee of Special Education
Residential Schools
Community Optional Preventive Services
Healthy Families NY Home Visiting
Program
Hoyt Trust Fund
Kinship Care Services Contracts
Kinship Navigator
Open-Ended Child Welfare Services
Runaway and Homeless Youth
Safe Alternatives for Family Enrichment
Safe House for Sexually Exploited Youth
Settlement Houses
Youth Development and Delinquency
Prevention & Special Delinquency
Prevention Program

Office of Temporary and Disability Assistance

NYC Adult Homeless Shelter
Citizenship Program
HIV Employment Program
Homeless Intervention Program
Homeless Prevention Program
Operational Support for AIDS Housing
Single Room Occupancy
Language Immersion/ESL
New York City Housing Authority
NYC Work Advantage Shelter Supplement
New York State Refugee Resettlement
Assistant Program
Public Assistance

State Office for the Aging

Community Empowerment Initiative
Community Services for the Elderly
Congregate Services Initiative
EAC/Nassau Respite Program
Elderly Abuse Education and Outreach
Program

Impact of Budget Cuts

Just as the need for human services has escalated, the human services sector has been stripped of public and private funding since the economic downturn began. The cumulative impact of budget cuts has significantly weakened the vital support networks that sustain our most vulnerable citizens. Fiscal year 2010-2011 (FY11) and fiscal year 2011-12 (FY12) account for the greatest losses, as federal stimulus dollars from the American Recovery and Reinvestment Act (ARRA) dissipated. New York State had received nearly \$35 billion from the federal government through ARRA, helping the state avoid more significant funding cuts during the recession.

With the absence of federal ARRA dollars coming into the state and continued deficits, over the last two years the state has drastically pulled back funding for services. The result has been budget cuts to essential human services totaling approximately \$181 million in FY11 and \$796 million in FY12 across several state agencies, including the Department of Health (DOH), the Office of Children and Family Services (OCFS), the Office of Mental Health (OMH), the Office of Temporary and Disability Assistance (OTDA), and the State Office for the Aging (SOFA).

Additionally, over \$150 million in cost-of-living-adjustments (COLAs) for staff in the human services sector has been deferred for the last three years. COLAs are critical to maintaining the high-quality delivery of human services as they provide needed salary increases to this already low-wage workforce, thereby reducing employee turnover.

State Reductions to TANF and Medicaid

State funding for Temporary Aid to Needy Families (TANF) and Medicaid, critically important programs that fund many human services with a combination of federal, state, and local dollars, has also been significantly reduced.

New York's TANF-funded initiatives provide many key work supports such as child care and employment training, including Career Pathways and Summer Youth Employment. In FY12, \$61 million, or 71%, was cut from TANF initiatives, taking it from \$86 million in FY11 to \$25 million in FY12. This is after a loss of \$130 million, a 60% reduction, in FY11 from \$216 million in FY10.

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Key Human Service Programs Affected by Cuts in FY11 and FY12

State Office for the Aging (con't)

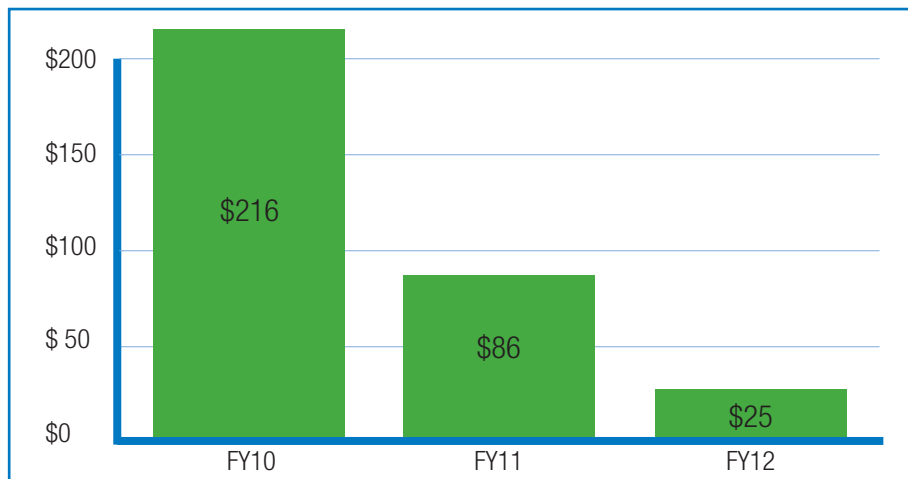
Enriched Social Adult Day Centers Program
Expanded In-Home Services for the Elderly
Foster Grandparent Program
Long Term Care Senior Respite
Patients' Rights Hotline and Advocacy
Regional Caregivers Centers for Excellence
Retired and Senior Volunteer Program
Supplemental Nutrition Assistance Program

Temporary Aid to Needy Families

ACCESS - Welfare to Careers
Adv. Tech Training & Info Networking
Advantage Afterschool
Alternative to Detention/Alternative to Residential Placement
BRIDGE
Career Pathways
Caretaker Relative
Centro of Oneida
Child Care CUNY
Child Care Demonstration Projects
Child Care Migrant
Child Care SUNY
Community Reinvestment/Alternatives to Detention
Community Solutions for Transportation
Disability Advocacy Program
Displaced Homemakers
Earned Income Tax Credit Related Offset
Educational Resources
Emergency Homeless
Green Jobs Corps Program
Health Care Jobs Program
Home Visiting
Intensive Case Services
Local Interagency VESID Employment Services
Non-residential Domestic Violence
Nurse Family Partnership

State Funding for TANF Initiatives Since FY10

(in millions)



Medicaid funds critical health, mental hygiene, and disability programs in the human services sector. The FY12 budget cut \$2.7 billion in state Medicaid funding, including a 2% across the board cut for Medicaid payments to almost all Medicaid providers totaling approximately \$345 million in state funding.

Cost Shifts to Localities

The cost of many human service programs are shared by state and local governments, often based on a specific formula. In addition to the direct program cuts, the state has also reduced funds provided to local governments for human services. State reductions totaling about \$160 million shift costs to financially strapped localities. In FY11, New York State lowered its contribution to child protective and preventive services by an estimated \$34 million by enacting a formula change that reduced the state's share of the cost. In FY12, the state reduced its share of adoption subsidy costs from 73.5% to 62%, resulting in an estimated loss to local governments of \$34 million in state dollars. Adoption subsidies support the adoption of hard-to-place foster youth, and child protective and preventive services are designed to ensure that children remain safe in the home while avoiding entrance into foster care. Eighteen percent of the state's share of the costs for children with disabilities in residential schools, Committee on Special Education funding, was shifted to local school districts for a total loss of \$34.7 million. Finally, in FY12, a planned 10% increase in the Public Assistance Grant, which provides a small supplement to families living below the poverty line, was postponed, deferring

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Key Human Service Programs Affected by Cuts in FY11 and FY12

Temporary Aid to Needy Families (con't)

Preventive Services
Refugee Resettlement
Rochester-Genesee Regional Transp.
Authority
Settlement House
Strengthening Families through Stronger
Fathers
Summer Youth Employment
Supplemental Homeless Intervention
Program
Supportive Housing for Families and
Young Adults
Transitional Jobs Program
Wage Subsidy
Wheels for Work

\$56 million in total spending by the state. These are only a few examples of policy changes that reduce state spending on human services programs by shifting costs to cash-strapped localities.

*State reductions, totaling about
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Service and Job Loss Examples²

How do these lost dollars translate into lost services and jobs, and what impact do these losses have on New York State's communities? The following are some examples of how cuts look on the ground:

Summer Youth Employment: 13,265 summer youth slots and 1,300 jobs lost

Summer Youth Employment programs provide work experience, life-skills training, and income for youth between the ages of 14 to 24 in high-need areas of New York State. Participants work in a variety of entry-level jobs at government agencies, hospitals, summer camps, nonprofits, small businesses, law firms, museums, sports enterprises, and retail organizations. The program gives young people a source of income along with life experience and training that will help them and their communities. With \$19.5 million in cuts to the program in FY11, approximately 13,265 summer youth slots and 1,300 jobs have been lost.

Career Pathways: 2,140 work-readiness participants and 330 jobs eliminated

The Career Pathways program integrated work experience, instruction and supportive services, enabling low-income people to successfully combine school and work. Over time, participants could advance to better jobs and higher levels of education and training in high-demand occupations, leading to financial progress and increased self-sufficiency. This program was eliminated in FY12 after being funded at \$10 million in FY10, affecting about 2,140 participants and losing 330 jobs over the last two years.

Runaway and Homeless Youth: 605 youth turned away and 75 jobs lost

Runaway and Homeless Youth services provide shelter for runaway and homeless youth throughout New York State. Short-term crisis programs offer runaway youth shelter and support services while staff seeks family reconciliation or alternative living arrangements. Long-term transitional independent living programs are for older homeless youth who lack shelter with supervision and care. With \$2.22 million in cuts from FY10-FY12, these programs now must turn away about 605 youth and eliminate approximately 75 jobs.

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²HSC estimates a full-time job is lost for every \$30,000 in service dollars lost. Part-time positions are based on \$15,000.

Non-Residential Domestic Violence Services: 387,250 fewer victims served and 85 jobs lost

Non-residential domestic violence services support the safety and self-sufficiency of domestic violence victims and their children through counseling, advocacy, legal services, and telephone assistance. With \$2.49 million in cuts from FY10-FY12, the Non-Residential Domestic Violence program now serves approximately 387,250 fewer abused individuals and has lost about 85 jobs.

The Infertility Prevention Program: 68,650 fewer screenings and treatments and 68 jobs lost

The Infertility Prevention Program, also known as the Chlamydia Project, provides screening and treatment designed for Chlamydia trachomatis, a sexually transmitted infection particularly prevalent among young people. Chlamydia has potentially debilitating complications, including infertility. Approximately 68,650 fewer screenings and treatments and about 68 lost jobs result from the loss of \$2.025 million in FY12.

PROGRAM	FY10-12 BUDGET CUT	# OF SLOTS LOST	# OF JOBS LOST
Summer Youth Employment	\$19,500,000	13,265	1300
Career Pathways	\$10,000,000	2,140	330
Runaway and Homeless Youth Services	\$2,350,000	641	75
Non-Residential Domestic Violence Program	\$2,025,000	387,247	85
Infertility Prevention Program	\$2,025,000	68,644	68

Conclusion

Not only do millions of New Yorkers depend on human services daily to provide essential work supports, food, and housing that enable people to live healthy, productive lives, but New York's economy depends on them. The dismantling of services threatens our already shaky economic stability and the safety and self-sufficiency of our families and neighbors. Harsh budget cuts and deferred cost-of-living increases also hurt the mostly low- to middle-income human services workforce, some of whom live close to the poverty line themselves. New York must maintain its investment in the human services that assist not only those most in need but that make life better for everyone.

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