



# **Prospects and Promises 2004:**

## **A Guide to Children's Services and Budget Making Decisions for New York City Policymakers**

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## **Prospects and Promises 2004: A Guide to Children's Services and Budget Making Decisions for New York City Policymakers**

Citizens' Committee for Children of New York, Inc. (CCC) is a 60 year old, independent, multi-issue child advocacy organization dedicated to ensuring that every New York City child is healthy, housed, educated and safe. CCC has developed this series of briefing papers to provide an easy-to-use and understand guide to the programs and policies affecting children, youth and families in New York City. By design, the papers are factual and to the point, offering specific remedies and short-term actions that can be taken to improve the management, operation, financing and quality of services to children.

### **Facts About New York City Children:**

- One out of every four people in NYC is a child.
- Every day 316 babies are born to residents.
- Every day two babies die before their first birthday.
- Every day many babies are born at risk:
  - 172 babies are born into poor families;
  - 29 babies are born to teen parents;
  - 21 babies are born to mothers with inadequate prenatal care;
  - 26 babies are born with low birthweight.
- Every day 571,756 children live in poverty.
- Every day nearly 11,526 children are homeless.
- Every day 59.4% of all elementary and middle school students read below state and city Standards.
- Every week 15,722 children use mental health services.
- Every day 151 children are reported abused or neglected.

**Source:** *Keeping Track of New York City's Children*, 2002.

Some of the recommendations in *Prospects and Promises 2004* respond to long-standing issues of continuing importance. The FY'05 City Budget Priorities respond to the City's January 2004 Financial Plan –the Mayor's preliminary budget for the coming fiscal year. CCC approached the development of these remedies by: 1) believing that sound fiscal management is not at odds with effective services for children; 2) knowing that city services and other public amenities for children attract and retain businesses, promote tourism and increase the number of families who want to live, work and raise their children here; and 3) accepting that New York City has become a closely watched testing ground for

public, private and philanthropic partnership since September 11<sup>th</sup>.

New York City's expense budget for FY'04 totaled \$43.6 billion and closed a \$6.4 billion deficit - the largest in the city's history. New Yorkers saw their taxes increase and spending by city agencies decrease. While budget negotiations led to the restoration of \$185 million and restored essential children's services, children who make up 26% of the city's population nonetheless, shouldered 41% or \$707 million of the total FY'04 cut in city tax spending.

The budget deal struck by our city leaders asked each New Yorker to dig deeper, for the sake of serving New York City children especially: vulnerable children in foster care, and at risk of abuse and neglect; children needing supervision while parents work; uninsured children; and teens with substance abuse problems. New Yorkers' coming together to help one another in the wake of September 11<sup>th</sup> continues, as we tighten our belts and support the city's children.



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As the fiscal climate brightens and political pressure mounts to roll-back taxes, we urge restraint and consideration of the need to maintain vital services for children. Timing is everything and the question is whether the city can afford to cut taxes this year and at the same time move forward with significant cuts to children's services. As the budget conversation unfolds, the Mayor in his FY'05 Executive Budget must find a way to balance the budget, reduce taxes and maintain essential services for all New Yorkers. Unfortunately, the January 2004 Financial Plan –the Mayor's preliminary budget for FY'05, proposes to cut \$118 million from services to children (See chart below: *FY05 Cuts To Children Proposed In The January 2004 Financial Plan*).

City leaders must continue to protect children as the FY'05 budget decisions are made. As the Mayor and the City Council handle a smaller but significant projected deficit of \$2 billion for FY'05, and delineate proposals to close this gap, deeper budget cuts to programs serving children and risks must be avoided. Children depend on and use more city services than adults. While this gap is substantially smaller than that projected last year at this time, cost-savings and revenue maximization initiatives are still needed to protect core services to children.

The city must be persistent about tracking and claiming state and federal revenue and be aggressive in its pursuit of additional or new revenue sources. Efforts to promptly claim money owed by the state and federal government and to diligently pursue all outstanding state and federal aid are needed. Recent estimates report that the city could be burdened by ten years of outstanding, unclaimed state and federal aid totaling \$1 billion. The receipt of outstanding aid would reimburse the city for costs incurred in previous fiscal years.

The city's Rev Max initiative, a joint effort by the Administration for Children's Services and voluntary providers to improve eligibility determination and claiming presents an opportunity to maximize federal funding. Other opportunities include urging the state to enhance rates to pay for foster care providers to support the city's efforts to pay increased rates to ensure the proper care and safety of children in the custody of the state. The city must also advocate the state's use of Temporary Assistance for Needy Families (TANF) funds, TANF performance bonuses and Title XX and IV-E funds to pay for services that could prevent families' earning below 200% FPL or \$30,000, reliance on costly crisis systems like shelter, foster care and juvenile justice. The city and other localities should be allowed to more flexibly draw-down funds and pay for rental and re-housing assistance, preventive services, child care and employment assistance among other support services –as federal law allows.

As New York City's fiscal picture brightens and pressure increases to reduce property tax, the Mayor and the City Council must consider ways to reduce the tax burden for lower-income working families and renters. Low-wage earning families could substantially benefit from a local Earned Income Tax Credit (EITC) and a Child and Dependent Care Credit (CDCC). Modeled after and joined with similar federal and state credits, a local EITC and CDCC would significantly increase the city's ability to mitigate poverty and its damaging effects in our communities and on children.

While the strong economic conditions of the 1990's produced some gains for children, it failed to increase median family income or lift many New York City children out of poverty. Between 1992 and 2001, median household income remained constant and the number of children born into poverty increased from 44% to 51%. With the balance of a city EITC and CDCC tipped in favor of low income households, New Yorkers challenged by the high cost of living and struggling to pay for housing, transportation, child care, school and even food expenses, could benefit from the city's renewed economic prosperity.



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As the economy rebounds, CCC urges that New York City's hard-working families are rewarded for the contributions they make every day on the job and at home as they raise and prepare their children for their future and ours. Leadership on a local EITC and CDCC and a partnership between the Mayor and the City Council to win passage of enabling legislation in Albany, are critical steps needed to move more New York families to economic independence.

The Mayor and the City Council must also work in Albany to reinstate two sources of dismissed revenue – the Stock Transfer Incentive Fund and the Commuter Tax. The combined revenue New York City received from these sources prior to their elimination, amounted to \$615 million annually.

The Stock Transfer Incentive Fund, initiated in the 1970s was a state and city agreement to offset the loss of city revenue resulting from a decrease in city sales tax when the state raised its sales tax. A Commuter Tax is not unique - as major cities in the country that impose a resident income tax also have a commuter tax. Reinstating the tax with a reverse reimbursement for New York City commuters would assist New York City and surrounding counties address budget shortfalls.

Finally, the Mayor and the City Council should take a firm stance with Washington and work to:

- Make permanent, the increase to the federal share of Medicaid;
- Revise the Homeland Security Fund formula to allocate greater resources to threatened areas;
- Reauthorize the TANF block grant at \$2.4 billion for New York State;
- Fully fund Title I education funding to meet No Child Left Behind goals;
- Increase funding for child care in the CCDBG legislation reauthorization by \$7 billion;
- Oppose plans to block grant and limit Medicaid, Title IV-E child welfare and Head Start funding.

Compared to other localities across the state and nation, New York City has been disproportionately burdened with the responsibility of meeting the needs of its residents without equal state and federal government participation. The proposals listed above: to seek fairer cost-sharing with the state and federal government; draw down all available or outstanding state and federal revenue; and implement local tax credits, emphasize ways in which the city can address its budget deficit and restore the state and federal partnership in meeting the needs of New Yorkers.

**For more information, please call Rose Anello, Associate Executive Director for Public Affairs at 212-673-1800 ext 13 or Jennifer March Joly, Associate Executive Director for Program and Policy at 212-673-1800 ext 12.**

## ***FY05 Cuts To Children Proposed In The January 2004 Financial Plan***

### **Administration for Children's Services**

Purchased Preventive Services	\$ 7.8 million
Foster Care Provider Rates and Stipends for foster care and adoptive parents	\$ 3.8 million
Substance Abuse Programs for youth in congregate care	\$ 7.6 million
Life Skill Training	\$ 500,000
Child Care Slots	\$ 9 million
School-Age Child Care	\$ 15 million
Increased Parent Fees for Child Care	\$ 1.9 million

### **Department of Homeless Services**

Anti-Eviction and SRO Legal Services	\$ 2.5 million
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### **Department of Housing Preservation and Development**

City-Wide Task Force on Housing Court	\$ 350,000
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### **Department of Education**

Teacher's and Principals Choice	\$ 16.3 million
Summer School for Non-Mandated Students	\$ 5 million

### **Department of Youth and Community Development**

BEACON schools	\$ 8 million
After 3 Program	\$ 2.5 million
City Council Discretionary Funds	\$ 3.1 million
Drug Prevention and Runaway and Homeless Youth	\$ 761,000
Miscellaneous Youth Programs (\$2 million for Virtual Y; Sports and Arts; Institute for Student Achievement; \$968,000 for Street Outreach and Neighborhood Youth Alliance; \$746,000 for other Miscellaneous Programs)	\$ 3.7 million
Youthlink	\$ 863,000
Youth Development and Delinquency Prevention (YDDP)	\$ 10 million
Summer Youth Employment	\$ 10 million

### **Department of Juvenile Justice**

Community Based Intervention Program (CBI)	\$ 750,000
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### **Department of Health and Mental Hygiene**

Infant Mortality Programs	\$ 2.8 million
Maternal Health Clinics	\$ 532,000
Asthma Control Initiative	\$ 445,000
School Based Health Clinic	\$ 536,000
HPD Lead Abatement Contract	\$ 32,000

### **Health and Hospitals Corporation**

Child Health Clinics	\$ 3.2 million
Adolescent Substance Abuse Treatment Clinics	\$ 1.55 million
Outpatient Pharmacies and Medication Waivers	\$ 1.25 million

**TOTAL Cuts to Children's Services** **\$118.4 million**



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# Child Care and Early Education

## NYC FACTS

- New York City provides child care subsidies to approximately 99,000 children, Head Start opportunities to an additional 20,000 children, and Universal Pre-K to 44,000 children, but the demand for subsidized child care far exceeds the supply.
- Currently, four government agencies are involved in the administration and oversight of child care and early education: the Administration for Children's Services (ACS), the Human Resources Administration (HRA), the Department of Education (DOE) and the Department of Health and Mental Hygiene (DOHMH).
- In New York City, the average salary for child care providers was approximately \$16,000 in 2000.

Hundreds of thousands of families rely on child care during the hours when parents are at work, however, for many low- and moderate-income families the cost of care is unaffordable. New York City provides child care subsidies to approximately 99,000 children, Head Start opportunities to an additional 20,000 children, and Universal Pre-K to 44,000 children, but the demand for subsidized child care far exceeds the supply. As many as 100,000 additional New York City children between the ages of 0–5 are currently eligible for child care subsidies, but do not receive it because limited resources have constrained the supply. As a result, thousands of low- and moderate-income families turn to informal, unregulated care of varying or poor quality.

While some arrangements may be adequate, others place children in settings without proper adult supervision, little developmentally appropriate stimulation, and outright dangers from poor health and safety conditions. Too often, parents are forced to choose between poor quality child care arrangements and the prospect of dropping out of the labor

## PRIORITIES

### FY'05 CITY BUDGET:

- Restore \$9 million for 2,500 child care slots.
- Restore the \$15 million cut resulting from the transfer of school-age child care to DYCD
- Restore \$1.9 million to eliminate a proposed 33% surcharge for low-income families with two or more children in subsidized child care.
- Ensure that the transfer of school-age child care from ACS to DYCD results in a unified, high quality system of care for children age 6 to 13 years.
- Ensure that the transfer of eligibility determination from ACS to HRA results in a more streamlined enrollment process that better meets the needs of working parents.

### *Department of Education*

- Urge the state to fully fund Universal Pre-Kindergarten and ensure continued city funding of Universal Pre-K to provide access to early childhood education to all 4 year olds.

### *Administration for Children's Services:*

- Ensure that new Child Care Block Grant funds are used to expand the supply of child care subsidies.
- Settle the contract dispute affecting child care workers and fund the Child Care Training Institute, to ensure quality care.

### PROGRAM PLANNING AND MANAGEMENT:

- Create a procurement pipeline to replace, relocate, expand and renew child care and early education services.
- The ACS Advisory Board Child Care and Head Start Subcommittee should continue to work to reform child care and Head Start services and create a new vision for child care and early education for young children from birth to five.

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force, or having their welfare benefits terminated. Even high quality programs fall short of meeting the needs of working parents; most Head Start programs operate for a half-day session only, and Universal Pre-K operates for 2 ½ hours daily.

In New York City, four government agencies are involved in the provision and oversight of child care: the Administration for Children's Services (ACS), the Human Resources Administration (HRA), the Department of Education (DOE) and the Department of Health and Mental Hygiene (DOHMH). ACS provides child care subsidies for low-income children through both contracted programs and vouchers, and is responsible for the administration of Head Start. HRA provides child care vouchers to families receiving public assistance who are engaged in work activities, and to families transitioning from welfare-to-work. DOHMH administers Early Intervention, a program for children with disabilities, and is also responsible for the enforcement of city and state health and safety regulations for child care programs. The New York City DOE administers Universal Pre-K in public schools and community based organizations, and provides Preschool Special Education for 3 to 5-year-olds.

In 2000, ACS convened the ACS Advisory Board Child Care and Head Start Subcommittee comprised of representatives from agencies that provide early care and education, advocates and experts in the field. Charged with coordinating early care and education programming across agencies and facilitating child care expansion and quality enhancement, the Subcommittee developed a comprehensive reform plan called *Counting to 10: New Directions in Child Care and Head Start* that included recommendations for innovative program development, staff training opportunities, facility development, prompt payment and family engagement. The report also addressed challenges such as child care financing and workforce development and outlined a set of benchmarks to be achieved to make quality, affordable child care available to all families who need it.

- **Quality:** Quality child care programs provide comprehensive support to each child's healthy growth and development. Studies of child care programs have indicated that children who attend higher quality programs perform better in the early grades than those who attend lower quality child care programs. Such studies, along with recent scientific research on brain development, demonstrate that the early years of a child's life are critical, and have substantial impact on children's emotional development, capacity for learning, and later success in school and life.
- **Affordability:** Most families cannot afford to pay the substantial portion of their earned income needed to secure high quality care, which can cost between \$4,000 and \$10,000 a year - a cost that represents as much as 24 percent of the income of many low-income families.

### **PRIORITIES**

- Consolidate child care and early education programming: moving HRA child care into the Administration for Children's Services; and blend Head Start, Universal Pre-K and child care funding to increase the number of full-day, full-year programs.
- Consolidate child care licensing, registration, and oversight functions to improve management and save money – including the elimination of duplicative fingerprinting of providers.

### **REVENUE MAXIMIZATION STRATEGIES:**

- Work with the NYS Office of Children and Family Services (OCFS) to update the Child Care Market Rate to increase payment rates and adequately cover the actual cost of care
- Spend all Universal Pre-Kindergarten resources.



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- *Availability:* Families eligible for subsidized child care in New York City include a family of two earning up to 275% of the federal poverty level (\$31,884), a family of three earning up to 255% of the federal poverty level (\$36,521) and a family of four earning up to 225% of the federal poverty level (\$38,363). In June 2003, payment fees for subsidized child care were raised from 10-12% of family income.
- *Workforce:* Child care providers are among the lowest paid in the U.S. labor force, with child care providers earning on average about \$16,000 annually in New York City. We know that high quality child care requires a qualified and stable workforce. Low salaries have resulted in an annual turnover rate of 31% in the child care industry.
- *Financing:* Current financing mechanisms fail to support a comprehensive system of child care, relying instead on parent fees to pay for the cost of child care. At the heart of the economic issue for subsidized child care in New York City is the state reimbursement rate (also known as the Market Rate). The Market Rate fails to cover the cost of high quality care, and as a result limit the quality and supply of care in New York City.

Two recent initiatives will have substantial impact on the delivery of early care and education services. The FY'04 Budget eliminated \$15 million in school-age child care funds, and shifted responsibility for administration of child care for children age 6 to 12 years from ACS to the Department of Youth and Community Development (DYCD). The city's preliminary implementation plan impacts 9,500 children and decrease the per slot allocation from \$6,210 to \$4,630 per child. In addition, the city plans to move child care eligibility determination from ACS to HRA, potentially changing the way families access services.

**For more information, please call Candice Anderson, Senior Policy Associate for Education and Child Care, at 212-673-1800 ext 17.**



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# Youth Services and Employment

## NYC FACTS

- Approximately 1 million children participated in youth development programs funded by the Department of Youth and Community Development (DYCD) in 2002.
- Beacon programs serve approximately 132,000 children at 80 school-based sites.
- The Youth Development and Delinquency Prevention Program (YDDP) serves approximately 345,000 young people at 850 sites each year.
- Approximately 36,000 youth participated in the Summer Youth Employment Program (SYEP) in FY'04.

Youth development programs include afterschool, evening and summer programs provided by community-based organizations, which contract with the New York City Department of Youth and Community Development (DYCD). There are over 1500 youth development programs throughout the city that help young people develop their talents and abilities and provide academic and social supports in neighborhoods. However, program capacity does not meet the demand of young people for challenging and stimulating activities and recreational and skill-building opportunities that youth programs provide. Nor does capacity meet working parents' need for structured and supervised out-of-school-time programs for their children.

Youth development programs have suffered from fiscal uncertainty. For the past eight years, proposed budget cuts have left tens of thousands of children and youth at risk of losing their afterschool and youth development program. Each year, the City Council has restored cuts to ensure that young people have the opportunities to attend safe and structured youth development activities during the non-school hours. However, no-growth budgets have meant that programs

## PRIORITIES

### **FY'05 CITY BUDGET:**

*Department of Youth and Community Development*

- Restore cuts to youth programs including:
  - \$8 million for Beacon Schools
  - \$2.5 million for the After-Three Program
  - \$863,000 for Youthlink
  - \$3.1 million for City Council Discretionary Funding
  - \$761,000 for Drug Prevention, Runaway and Homeless Youth Programs
  - \$10 million for Youth Development and Delinquency Prevention (YDDP)
  - \$3.7 million for Miscellaneous Youth Programs:
    - (\$968,000 for Street Outreach and Neighborhood Youth Alliance
    - \$2 million for Virtual Ys, Sports and Arts, Institute for Student Achievement
    - \$746,000 for Other Miscellaneous Programs)
  - \$10 million to Summer Youth Employment (SYEP)
- Monitor and restore reductions in Workforce Investment Act (WIA) funds for youth employment programs.

### **PROGRAM PLANNING AND MANAGEMENT:**

- Create a coherent vision for out-of-school time (OST) programs and build public support by providing providers, parents and youth opportunities for public comment.
- Streamline the Request for Proposal (RFP) process and engage providers in efforts to improve quality, determine outcomes and measure performance.
- Streamline and clarify SYEP's enrollment process. Provide youth and providers with accurate and timely information about application deadlines and the number of available slots.

### **REVENUE MAXIMIZATION STRATEGIES:**

- Explore the new state child welfare preventive service match for Beacon Preventive programs.

proven effective at preventing delinquency and



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promoting positive youth development have never gone to scale. Poor planning and management has also resulted in a fragmented system of youth programs in New York City.

A variety of youth development programs operate in New York City:

- Youth Development and Delinquency Prevention (YDDP) programs are funded by the city and state. YDDP provides resources to a range of programs that respond to the needs of youth and their families and in FY'02, took place at over 850 sites and served over 345,000 young people at an average cost to the city of \$60.00 per youth. In 1994, the city's share of funding for YDDP was cut by 70%, closing or reducing capacity of many programs. Funding levels for YDDP programs have never been restored to pre-1994 levels nor have they kept pace with rising cost of living.
- The Summer Youth Employment Program (SYEP) is a federal summer jobs program for youth that has historically provided tens of thousands of young people with the opportunity to enter the workforce. However, since the 1998 passage of the federal Workforce Investment Act (WIA), which included new programming requirements that focus on year-round services for out-of-school youth, the number of youth with summer jobs has not met the demand of over 80,000 applicants. In FY'04, \$44 million (\$16.2 million city, \$15 million state/TANF and \$11 million federal/WIA), supported summer jobs, representing a decrease of \$1.7 million in city funds from FY'03. Approximately 36,000 youth participated in the summer jobs program in 2003.
- Street Outreach is a year-round program that creates a corps of street outreach youth workers who develop a rapport with neighborhood youth, provide information and referrals to existing community programs and offer a positive community presence.
- Beacons are multi-service community centers located in public schools that offer children, youth and families a broad range of services. There are now 80 Beacons throughout the city serving approximately 132,700 children and youth.
- The After-School Corporation (TASC) links community-based providers with public schools to provide programming to students who regularly attend that particular school. These programs are funded in part by private funds from the Open Society and are matched 1:3 by public dollars. Currently, there are 135 programs in public schools city-wide serving over 35,000 young people citywide.

The FY 04 Adopted Budget included a proposal to centralize the delivery of youth services in DYCD. First, \$44 million in school-age child care funds were transferred from the Administration for Children's Services (ACS) to DYCD. Second, the Department of Employment was dissolved - adult programs were transferred to the Human Resources Administration (HRA) and youth employment programs to DYCD, along with \$30 million in Workforce Investment Act (WIA) funds. While these actions will consolidate all out-of-school time programs in DYCD and may help the city realize cost-savings and promote efficiency, efforts must be made to ensure that out-of-school-time programs' availability and quality are neither reduced nor disrupted.



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The Mayor kicked off the city's new Out-of-School Time (OST) Initiative with a summit in October that brought together approximately 200 stakeholders including service providers, parents, funders and leaders in city government. Subsequently, three Leadership Teams (service providers, funders and city government) have been created and are responsible for guiding the development of a coherent vision and plan for the delivery of out-of-school time services. The nine-month planning process is expected to culminate in a final plan by April 2004.

**For more information, please call Ailin Chen, Policy Associate for Juvenile Justice and Youth Services, at 212-873-1800 ext 15.**



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## Education

### NYC FACTS

*2001-2002 School Year*

#### **Elementary Schools:**

- 565,658 students in 687 schools
- \$8,596 per pupil spending
- 26.1 average students per class
- 90.98% average daily attendance

#### **Middle/Intermediate/Junior High Schools:**

- 214,144 students in 218 intermediate/junior high schools
- \$8,700 per pupil spending
- 28 average students per class
- 89.08% average daily attendance

#### **High Schools:**

- 294,181 students in 233 high schools
- \$7,861 per pupil spending
- 29 average students per class
- 81.7% average daily attendance
- 50.1% four-year graduation rate
- 69.4% seven-year graduation rate
- 17.5% four-year drop out rate
- 30.0% seven-year drop out rate

### PRIORITIES

#### **FY'05 CITY BUDGET:**

- *Department of Education:*
- Restore \$16.3 million in Teacher's and Principals choice.
- Hold classroom services harmless

#### **PROGRAM PLANNING AND MANAGEMENT:**

- Revise design and construction standards and work practices to reduce the total cost of school construction and increase leasing of space for public schools to create new classrooms.
- Provide meaningful, on-site professional development opportunities for teachers and paraprofessionals.
- Streamline the high school application process.

#### **REVENUE MAXIMIZATION STRATEGIES:**

- Double-trip all school buses and work with large supply purchasers to reduce costs.

The New York City public school system is the largest in the country, responsible for educating 1.1 million students in over 1,100 schools with a budget of \$12.4 billion for FY'04. Public schools serve some of the city's neediest children in Pre-Kindergarten through 12<sup>th</sup> grade. Sixty-seven percent of student's families qualify for free or reduced-price lunches and approximately 40% receive public assistance. New York City also serves more than 60% of students who are eligible for remedial programs across the state and large numbers of recent immigrants, English language learners and a disproportionate number of children in special education. In addition, public schools struggle with a number of challenges including: large numbers of uncertified teachers, deteriorating school buildings, severe overcrowding, limited access to computers, a lack of student support services and inadequate funding.

Arguing that the Board of Education was an ineffective governance structure that provided neither fiduciary responsibility nor accountability for results, the Mayor successfully advocated for it to be dismantled. In June 2002 the New York State Legislature passed a law that made the Chancellor directly responsible to the Mayor. The organization was renamed the Department of Education.

The Department of Education's *Children's First* initiative has restructured and reorganized the school system to address its core mission: classroom instruction for students. Instruction and administrative

functions have been separated, with the creation of 10 Learning Support Centers, 10 Local Instructional Supervisors who oversee approximately 12 elementary, middle and high schools. Also housed in 6 of these Centers are Regional Operations Managers.

Additionally, the Chancellor and the Mayor have adopted a standardized approach to reading, writing and math instruction, with students in grades K – 3 receiving a minimum of 135 minutes of daily literacy instruction and an hour of math. Emphasis on math increases in grades 3 – 8. The new uniform curriculum was designed to allow more effective oversight of school performance and to alleviate disruptions in learning experienced by the many thousands of children who move from one school to another each year.

Several outstanding issues remain:

- *Standards:* In the 1999-2000 school year, only 50% of students graduated in four years, and only 26.8% of these students graduated with a Regent's diploma. Concerns about the skill level of public high school graduates led the New York State Board of Regents to institute new standards for graduation. As of 2003, all high school students must earn a Regents diploma, which requires passing exams in Math, English, U.S. History, Global Studies and Science. Further, in September 1999, the New York City Department of Education instituted a new promotion policy, which set new criteria for promotion in grades three through twelve. While these requirements were designed to ensure that students receive a quality education, additional resources are necessary for students now at risk of not getting a diploma.
- *Special Education:* In June 2000, the NYC Department of Education adopted the *New Continuum of Services*, requiring that all students with disabilities have access to an appropriate education in the LRE. The *New Continuum* focuses on providing services based on need, rather than assigning specific disability and program categories.
- *Recruiting and Retaining Qualified Teachers:* The New York City school system has faced a persistent shortage of certified teachers. In the 2001 – 2002 school year, approximately 8,000 of New York City's 80,000 public school teachers were novice teachers. The new teacher's contract has addressed the dearth of qualified teachers however, shortages in specific content areas remain.
- *Facilities:* Many of New York City's 1,100 school buildings are in urgent need of renovation, repair, modernization and technology, and the city greatly needs new construction to alleviate overcrowding. Learning has been severely compromised, particularly in high schools that operate at 112% of capacity. The Department of Education's proposed five-year, \$13.1 billion capital plan for FY'05-09 would create 62,700 seats. Coupled with a projected enrollment decline of 91,000 students, the Department of Education expects to address the current 69,000-seat shortfall and reduce class size in grades K-3.
- *Education Finance:* In FY'04, city, state and federal dollars comprised 41%, 47.5% and 11.5% respectively of the Department of Education's \$12.2 billion budget. In light of New York City's large student population and high proportion of students with special educational needs, the proportion of state funding is grossly inadequate. In 1995, the Campaign for Fiscal Equity



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challenged New York State's method of education finance on the grounds that it denies students in New York City and across the state access to a sound basic education. The ruling requires that the state: 1) determine the cost of providing a "sound basic education"; 2) reform the funding system to ensure that all New York City schools have the resources necessary to provide an opportunity for students to receive a "sound basic education"; and 3) put into place a system of accountability that ensures the reforms actually provide this opportunity by January 2004.

**For more information, please call Candice Anderson, Senior Policy Associate for Education and Child Care, at 2121-673-1800 ext 17.**

## Housing and Homelessness

### NYC FACTS

- An average of 9,230 homeless families and 16,717 children were in shelter each night; 75 families a day requested shelter; and 899 families entered shelter each month between January and October 2003. The average length of stay for a family in shelter was 321 days.
- It costs \$3,000 per month to house a family in a shelter, while it costs \$500 to \$600 per month to subsidize permanent housing for a family.
- The overall vacancy rate for all apartments in New York City is 2.94%. The vacancy rate for apartments renting for under \$400, the only apartments affordable to families in entry level positions or earning minimum wage, is 1.26%.
- 25.5% of all households experienced severe housing affordability problems, spending more than half of their gross income on rent in 2002.
- Over 145,000 families are on the NYCHA public housing waiting list and over 126,000 families are on the Section 8 waiting list.
- 7.5% or 240,068 housing units were severely overcrowded; 56% or 134,438 of overcrowded units are located in Queens in 2000.

Staggering rent burdens accompanied by a low vacancy rate and a slowed economy have many New York City families struggling to maintain housing stability. New York City's housing shortage has grown to crisis proportions, making it more difficult than ever for working families to find and retain affordable housing and for homeless families to transition from shelters to permanent housing. Since January 2003, an average of 9,230 homeless families and 16,717 children were living in shelter. This represents an increase of 45% for families and children since 2000. One in ten children in New York City are at risk of becoming homeless or have been in a homeless shelter.

### PRIORITIES

#### **FY'05 CITY BUDGET:**

- *Department of Homeless Services:*
- Restore \$2.5 million in cuts to Anti-Eviction and SRO Legal Services.
- Restore \$350,000 to the Citywide Task Force on Housing Court.
- Maintain costs necessary for the implementation of the DHS Strategic Plan.
- Emphasize the development and preservation of affordable housing for low-income and formerly homeless families in the Mayor's Housing Plan.
- Expand rent assistance programs.

#### **PROGRAM PLANNING AND MANAGEMENT:**

- Streamline application procedures for rent assistance programs and transfer these functions to one central agency.
- Provide a seamless transition from state/city rent subsidy programs to Section 8 vouchers.
- Develop broker/landlord relationships and identify affordable housing opportunities for low-income families and Section 8 voucher holders. Establish a single broker/landlord database and link to HRA, DHS, HDC, HPD, and NYCHA.
- Convert scatter-site apartments used as shelter to permanent apartments for families.
- Streamline re-certification for public housing and Section 8 vouchers.

#### **REVENUE MAXIMIZATION STRATEGIES:**

- Maximize the use of rent subsidies to prevent families from entering the shelter system and to move families more quickly out of shelters to permanent housing.
- Maximize federal and state revenue by ensuring that families enroll in public benefit programs.

The overall vacancy rate for apartments in New York City is 2.94 percent and the Fair Market Rent (FMR) for a two-bedroom apartment in New York City is \$1,073 a month. Using the US Department of Housing and Urban Development (HUD) affordability standard (affordable defined as spending no more than 30% of household income on rent), approximately 60% of all New York City households pay rent beyond the 30% affordability threshold. Almost one quarter pay more than 50% of their income on rent. Even with recent efforts to increase the development and preservation of affordable housing, completed housing unit rehabilitations have only modestly increased from 3,017 in 1999 to 4,151 units in 2003 and the number of new construction units completed has actually decreased from 1,671 in 1999 to 1,206 in 2003.

Although any increase in the number of housing units available will help to alleviate New York City's housing crisis, the preservation and construction of housing is not always affordable for New York City's neediest families. High construction costs make it difficult for developers to build low-income housing, even with access to large subsidies available through various city, state and federal programs that seek to encourage this type of development. A combination of increased affordable housing options and rent assistance is the only way to ensure low-income families can access permanent housing.

Rent assistance programs play a major role in providing stability for working families whose incomes have not kept up with increasing rents. Providing a family with a rent subsidy that has an annual cost of approximately \$7,200 is an affordable alternative to sheltering a homeless family at a cost of \$29,000 a year. Similarly, families whose children are placed in foster care because of the lack of housing, cost the city \$6,200 to \$30,000 a year.

In October 2003, there were a total of 174,800 families in NYCHA public housing and a waiting list of 142,406 families. In 2003, approximately 170,000 families received rent assistance through Section 8 (tenant and project based) vouchers and there were 136,000 families on the Section 8 voucher waiting list. New York City and New York State have begun to address this problem by creating new housing subsidy programs. While these programs have increased the number of subsidies available to families, they fall short of addressing the overwhelming need. In addition, the administration of rent subsidies is often complicated by an applicant's limited access to information on eligibility, availability and application procedures. There is no central place to access information on government-sponsored rent subsidy programs in New York City with seven agencies and a total of thirteen departments administering twelve rent assistance programs to New York City families.

The alarming increase in the number of families seeking shelter was a catalyst for the development of the Department of Homeless Services (DHS) strategic plan entitled, *The Second Decade of Reform: A Strategic Plan for New York City's Homeless Services*. This plan laid out a broad vision for reform of the shelter system and created an implementation schedule of policy and program changes to be undertaken by DHS that will help families move from shelter to permanent housing. Provisions of the plan revolve around homelessness prevention, family and client services and responsibility in shelter, assistance to families and clients to achieve housing stability, and efficiency and accountability of DHS staff and non-profit providers.

In January 2003, the Department of Homeless Services and the Legal Aid Society announced a historic settlement involving 20 years of litigation under the *McCain Consent Decree*. This agreement led to



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the development of a three- member Special Master Panel charged with evaluating the functioning of the shelter system for homeless families in the areas of homelessness prevention, adequacy of shelter placements, health and safety and relocation to permanent housing. Responsibilities include: making recommendations for improvement in such areas as the process of application for shelter services; the operation of the Emergency Assistance Unit (EAU); the placement of families into shelter facilities, including the use of overnight accommodations pending shelter placement; and client responsibility.

The first report by the Special Master Panel on family homelessness prevention was released in October 2003 with recommendations that included the need to target prevention services to the highest risk families including young heads of household, non-leaseholders, repeat shelter users, and families facing eviction. It also urged the city to build a prevention orientation into every encounter with families including implementing a prevention screening at the EAU and working across city agencies and with the Housing Courts to assist families before they lose their housing. The report recommends increasing the range of prevention options such as: rental assistance, anti-eviction legal services, family mediation and public benefits assistance. Moving forward, it is important that the city works to implement the DHS Strategic plan and implement homeless prevention strategies to reduce the number of families who become homeless.

**For more information, please call Maria Toro, Senior Policy Associate for Housing and Income Security, at 212-873-1800 ext 14.**



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## Child Welfare

### NYC FACTS

- Of the 39,778 children reported to the State Child Abuse and Neglect Central Registry, 33.5% were indicated cases. \*
- Child welfare trends have reversed themselves with more children receiving preventive services than placed in foster care in recent years.
- 11,536 families (29,231 children) were enrolled in a preventive service program to avert foster care placement, an increase of 3.7% since 2001.
- The foster care census continued to decline in FY'03. The census stood at 25,920 children in care, a decrease of 11% since March of 2002.
- Of the 25,920 children in foster care, 6,721 are cared for and reside with a relative or kin, 14,880 are cared for and reside in foster boarding homes, and 4,319 are cared for and reside in congregate care settings.
- Contract foster care agencies provide care and supervision to over 90 percent (23,804) of the children in foster care, while the city provides direct care and supervision to 10 percent (2,116) of the children in foster care.
- The average length of stay for children in foster care is over four years (50 months).
- 10,012 children in foster care had a goal of adoption - 4,202 of whom have been freed for adoption because parental rights terminated.

\* *Facts collected from the ACS website reflect data from July 2002 through March 2003.*

Each year an alarming number of New York City children are abused or neglected. Risk factors that increase family stress and are linked to child abuse and neglect include: inadequate family and community supports; single parenthood; drug and alcohol abuse; financial

### PRIORITIES

#### **FY'05 CITY BUDGET:**

- *Administration for Children's Services:*
- Restore \$7.8 million to Purchased Preventative Services to ensure that the positive trends of greater enrollment in preventive services and fewer out-of-home placements continue.
- Restore \$3.8 million in cuts to foster care provider rates and stipends for foster care and adoptive parents.
- Restore \$7.6 million to substance abuse programs for youth in congregate care.
- Restore \$500,000 for Life Skill training programs for youth aging-out of foster care.

#### **PROGRAM PLANNING AND MANAGEMENT:**

- Efforts to reduce foster boarding homes and congregate care beds and contracts are critical in order to respond to declining census and maintain quality care and standards. Bed and contract closures should be driven by analysis of program quality as measured by EQUIP as well as the types of children in care, their needs and the costs associated with caring for them.
- Address the individualized needs of adolescents and expedite their permanency through appropriate caseworker/caseload ratios, adequate foster parent stipends, and access to needed health, mental health, and community services.
- Coordinate case management and case handling responsibilities across divisions at ACS and between ACS and contract agencies, to improve permanency outcomes for all children in foster care.
- Permit child welfare agencies to fax or email Uniform Case Records (UCRS) as well as submit a hard copy via regular mail. Require one Vendex for all procurement and contract renewal activities.

#### **Revenue Maximization Strategies:**

- Finalize the implementation of Rev-Max – maximizing revenue through improved eligibility determination and claiming.

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difficulties; inadequate knowledge of child care and child development; lack of parenting skills; and domestic violence.

Children entering foster care come from family situations in which their health and safety are threatened. They include children who are victims of physical and sexual abuse, young children who are left home alone because their parents are unable to find adequate child care arrangements, children whose parents are substance abusers and cannot provide them with food, clothing and shelter, and children whose parents are under eighteen years old and in foster care themselves.

As demonstrated by the range of reasons for entering foster care, the city's child welfare system must be designed to address each family's and child's needs and not offer a one-size-fits-all solution. Upon the first report to child welfare authorities, Child Protective Services must determine the validity of abuse and neglect allegations and conduct a comprehensive assessment to determine the needs of each family and make referrals to necessary services.

For decades the city's child welfare system struggled to adequately serve the needs of families who are at risk of having their children placed in foster care as well as families whose children require out-of-home placement in foster care. System deficiencies contributed to long lengths of stay in foster care, lack of attention to services necessary to reunify children with their families, and poor monitoring of foster homes. Over the years, many task forces, commissions, studies, public hearings and lawsuits identified problems with the child welfare system in New York City and offered solutions that were implemented as pilot projects but never went to scale citywide. Other plans were prematurely introduced as a package of reforms, without regard for the individualized needs of the child or family.

In February 1996, the Administration for Children's Services (ACS) was created by Executive Order, replacing the Child Welfare Administration (CWA), an agency within the Human Resources Administration. The mission of ACS is to ensure the safety and well-being of all New York City children, which includes providing services to avert foster care placement and strengthen families, investigating reports of abuse and neglect, and providing foster care, adoption, and independent living services.

Guided by the strategies and goals outlined in *Protecting the Children of New York* and *The Renewed Plan of Action*, ACS set a new course for reforming child welfare services. *Protecting Children of New York* (released in 1996 and 1998) provided the initial plan for structural and managerial change needed in the core areas of child protection, family permanency, and training. Child safety has improved with the reorganization of child protection, hiring additional caseworkers, reducing caseloads, aligning protective service staff along community district lines, restructuring caseworker supervision, and establishing child safety conferences. Family permanency has been prioritized

## PRIORITIES

- Maximize use of private dollars to draw-down state matching funds for preventive, independent living, adoption, and aftercare services. Work with NYS Office of Children and Family Services (OCFS) to simplify the route to the 65% state/35% city match for these services.
- Secure health insurance coverage for all children in and aging-out of foster care and facilitate enrollment for all children enrolled in preventive and child care services. Work with OCFS to secure sufficient Medicaid coverage and increase access to health and mental health services for all children in foster care.



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through the establishment of neighborhood-based services, expanding foster and adoptive parent resources, and rewarding contract agencies for expediting reunification and adoption. Reform efforts also improved training and accountability by increasing the education, skill level, and compensation for ACS staff and establishing accountability tools for contract agency performance. *The Renewed Plan of Action* (released in 2001) built on earlier structural and managerial improvements by: identifying ways to support continuous quality improvements in service delivery; skill development of the workforce; making services more helpful, suitable, accessible and neighborhood based; and creating more effective relationships with families.

Efforts to improve the quality of service provided and strengthen the skills of the ACS and contract agency workforce have been defined by the development of practice standards and protocol and a training system designed to reach contract and ACS workers equally. Attention has also been paid to solidifying the use of different approaches to cultivate greater family participation throughout a child and family's contact with the child welfare system. As a result of these efforts, the city's child welfare system is better managed, children are better protected, workers are better trained, voluntary agencies more accountable and services are more neighborhood based. The city's child welfare system has also experienced a reversal in trends with more children placed in preventive services (29,231) and remaining safely at home than are placed in foster care (25,920).<sup>1</sup> Notwithstanding these improvements, the city's child welfare system now finds itself in the most challenging environment since the inception of ACS. While the first phase of reform (January 1996-December 2002) benefited from more than \$600 million in investments, the current phase of reform has been marked by the loss of over \$300 million between January 2002 and June 2003 as a result of the fiscal crisis.

Moving forward, more work is needed to ensure that the progress that has been made will be maintained and reform advanced. Particular areas of work in which greater progress must be made include: providing more and better neighborhood-based services; involving families more consistently in decision-making about their children; continuing to improve the quality of front-line practice; strengthening services for teenagers and their families; working with the Family Court to ensure permanency and safety for children; improving quality and consistency in the treatment of children as they enter foster care; and working with the New York State Office of Children and Family Services to improve the way child welfare services are funded and regulated.<sup>2</sup> Other areas in need of work include: strengthening ACS internal operations including case management and case handling across divisions of ACS and between ACS and contract agencies; strengthening ACS back office eligibility determination, claiming and other functions; and improving contract agency performance in the field.<sup>3</sup>

**For more information, please call Jennifer March-Joly, Ph.D., Associate Executive Director for Program and Policy, at 212-673-1800 ext 12.**

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<sup>1</sup> [www.nyc.gov/html/acs](http://www.nyc.gov/html/acs)

<sup>2</sup> Areas of unfinished work were identified by the Special Child Welfare Advisory Panel in the *Concluding Report* of May 2002.

<sup>3</sup> August 2003 New York City Child Welfare Advisory Panel *Family Engagement*.



# Children's Mental Health

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## NYC FACTS

- An estimated 103,700 New York City children over the age of 18 years suffered from an emotional disturbance and needed some form of mental health intervention in 2000.
- Children in the Bronx wait an average of six weeks for an outpatient mental health treatment appointment.
- Approximately 27 percent of children in foster care have a serious emotional disturbance, but child welfare agencies receive only a median of \$6.92 insurance coverage per child per day to cover the cost of health, mental health, and dental services.

Severe restrictions on capacity expansion, chronic under-funding, and competition with adult concerns have created a children's mental health crisis in New York City. Researchers estimate that approximately 9-13 percent of all youth have a serious emotional disturbance with substantial functional impairment and 5-9 percent of youth have a serious emotional disturbance with extreme functional impairment.<sup>4</sup> However, too many children with serious emotional disturbance do not receive mental health services at all.<sup>5</sup>

The continuum of children's mental health services in New York State is comprised of an array of treatment, residential, and support services. In state FY'01, the Governor and New York State Legislature responded to the call to expand children's mental health services with an investment of nearly \$47 million statewide. With that investment certain children's mental health services in New York City were expanded to their current capacity of: 1,744 Case Management slots, 226 Home and Community-Based Waiver slots, 128 beds in Community Residences, and 250 beds in Family-Based Treatment facilities. Additional children's mental health services in New York City include inpatient hospitalization, three state-operated children's psychiatric centers with a total of 210 beds, family support services, and treatment services provided by licensed outpatient mental health clinics.

## PRIORITIES

### **FY'05 CITY BUDGET:**

- *Department Of Health and Mental Hygiene:*
- Educate parents, school administrators, primary care providers, teenagers and others about the mental health needs of children and adolescents.
- Conduct a citywide needs assessment for children's outpatient mental health treatment services and advocate with the Governor's Office and the State Legislature to increase treatment services in New York City.

### **PROGRAM PLANNING AND MANAGEMENT:**

- Improve children's mental health services planning to ensure that children have timely access to appropriate levels of service when they need it.
- Use program audits and financial reports to reduce the number of poor performing programs.
- Evaluate the implementation of the Bronx Single Point of Accessibility (SPOA) to direct children with serious emotional disturbance to services and develop a plan for expansion of SPOA to other boroughs.

### **REVENUE MAXIMIZATION STRATEGIES:**

- Enroll all children in Child Health Plus A or B and eligible parents in Family Health Plus.
- Reduce hospitalization and emergency room use by expanding outpatient treatment services.

<sup>4</sup> B. Burns, Ph.D. and K. Hoagwood, Ph.D., *Community Treatment For Youth: Evidence-Based Interventions for Severe Emotional and Behavioral Disorders*, New York: Oxford University Press (2002), pp. 19-20; 62 Fed. Reg. 193 (October 6, 1997).

<sup>5</sup> *Before It's Too Late: Ending the Crisis in Children's Mental Health*, Citizens' Committee for Children of New York, Inc. (December 1999).

Even with this investment, the demand for services far exceeds existing capacity in many communities in New York City. This problem is particularly acute with respect to children's outpatient mental health treatment services. The shortage of outpatient treatment services is an issue that impacts almost every child serving system – mental health, juvenile justice, education, child welfare, substance abuse, and child care.

In December 2002, CCC published *Paving the Way: New Directions for Children's Mental Health Treatment Services*. This comprehensive report describes the fiscal and regulatory barriers that limit capacity and inhibit the implementation of state-of-the-art treatment that would improve outcomes for children and families and makes recommendations for eliminating the barriers.

In August 2003, the NYC Department of Health and Mental Hygiene (NYC DOHMH) released the *Children's Needs Assessment in the Bronx*.<sup>6</sup> This report found that children in the Bronx wait an average of six weeks from the time of referral to their first outpatient treatment appointment. The report also found that roughly 18% of the children referred to clinics are in foster care. Due to the shortage of outpatient mental health treatment services in New York City, children all over New York City face long waits for services. Forcing children with mental health problems to wait for services increases the risk of deterioration and hospitalization. And, the lack of community-based outpatient mental health treatment services means that children enter the system through hospitals and other more costly levels of care.

Along with the state FY'01 initiative that expanded some children's mental health services, localities were required to establish Single Points of Accountability (SPOA). The SPOA is intended to: 1) serve as the entry point for certain categories of community-based services; 2) manage and monitor the capacity of existing services; 3) ensure that community-based services are in place for children and adolescents upon discharge from a hospital or residential setting; and 4) collect data on a wide variety of issues including: sources of referrals, diagnoses, geographic location of the children, and services currently received by the child. The information collected will help better to inform the government and the advocacy community about gaps in services, enhance the children's mental health planning process and improve the ability of New York City to meet the mental health needs of children and their families. In 2002, NYC DOHMH entered into a contract with the Mental Health Association of New York City to implement a pilot SPOA in the Bronx and the SPOA began receiving referrals for case management services in October 2002 and for the home and community-based waiver program in February 2003.

CCC urges the Mayor, the New York City Council and the Department of Health and Mental Hygiene to address the children's outpatient mental health treatment crisis and improve access to, and education about the array of children's mental health services through thoughtful, systematic, and long-term planning.

**For more information, please call Tara Sher, Esq., Senior Policy Associate for Health and Mental Health, at 212-673-1800 ext 16.**

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<sup>6</sup> Engstrom, M. et. al (2003). *Children's Needs Assessment in the Bronx*. New York: New York City Department of Health and Mental Hygiene, Division of Mental Hygiene, Bureau of Planning Evaluation and Quality Improvement.



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## Children's Health

### NYC FACTS

- 1,174,426 children were enrolled in Child Health Plus A (Medicaid) and 324,130 in Child Health Plus B in 2001.
- 6.7 of every 1000 babies born in New York City died before their first birthday in 2000.
- Nearly one quarter of elementary school children are obese and one fifth are overweight. (NYC DOHMH, *Obesity Begins Early: Findings Among Elementary School Children in New York City*, NYC Vital Signs, Vol. 2, No. 5 (June 2003).
- Children in New York City were hospitalized for asthma at nearly four times the rate of children in the rest of New York State in 1999.

Historically, New York City children and adolescents have lacked a source of continuous and regular primary and preventive health care, with too few children receiving periodic health and developmental screenings and treatment services. Throughout the 1990s and even more specifically in the last few years, New York State has expanded health insurance coverage for children. Now every New York City child who is not covered by a commercial insurance plan is eligible to enroll in Child Health Plus A (Medicaid) or Child Health Plus B. In 2001, 1,174,426 New York City children were enrolled in Child Health Plus A (Medicaid) and 324,130 in Child Health Plus B.

Despite the availability of health insurance, not all children have a continuous and regular source of health care. Availability of health services varies depending on the communities in which families live and on family income. The lack of continuous and regular health care makes it less likely that a child will receive the preventive and well-child visits recommended by the American Academy of Pediatrics (AAP) and more probable that families seek care for their children in emergency rooms. One study found that 78% of emergency room visits by children ages 0-17 in 1998 were for non-emergency

### PRIORITIES

#### FY'05 CITY BUDGET:

##### *Department of Health and Mental Hygiene:*

- Restore \$2.8 million to the Infant Mortality Initiative
- Restore \$445,000 in cuts to the Asthma Control Initiative
- Restore \$532,000 for Maternal Health Clinics
- Restore \$536,000 in cuts to school based health clinics
- Restore \$32,000 to HPD's Lead Abatement services contract.

##### *Health and Hospitals Corporations:*

- Restore \$3.2 million in cuts to child health clinics and keep them from closing.
- Restore \$1.55 million for two Adolescent Substance Abuse Treatment Clinics.
- Restore \$1.25 million to Outpatient Pharmacies and Medication Waivers.

#### PROGRAM PLANNING AND MANAGEMENT:

- Improve data collection and planning related to children's health to ensure that more children have timely access to primary care, specialty services, and mental health services.
- Engage the Division of Mental Hygiene and the Department of Education in children's health planning activities and program development.
- Conduct a pediatric primary care capacity study.
- Monitor the implementation of Mandatory Medicaid Managed Care
- Link Child Health Clinics with other HHC pediatric primary care sites.

conditions that were treatable in a primary care setting.<sup>7</sup> The study also found that 14.8% of the emergency room visits by children in New York City related to an underlying condition that, with timely and effective primary care, would have prevented or avoided an emergency room visit.<sup>8</sup> Emergency room care for non-emergency conditions is significantly more costly than ongoing preventive and primary care and does not provide the continuity of care needed to stay healthy or to manage chronic health conditions like asthma.

For decades, Child Health Clinics (CHC) operated by the Health and Hospitals Corporation (HHC) have provided primary care services to uninsured and immigrant children as well as children from low-income families. They are located in NYC Department of Health and Mental Hygiene (DOHMH) District Health Centers, New York City Housing Authority (NYCHA) buildings, and other city-owned facilities. In addition to accepting health insurance, the CHCs provide care without regard to a family's ability to pay for the services, which helps to ensure that uninsured children receive the health services they need. In 2001, HHC extended this payment policy to all of its facilities for children and youth under the age of 18. Over the past several years, the city has reduced the number of Child Health Clinics and they continue to be targeted for budget reductions every year. Although over one million New York City children now have health insurance and HHC continues to enroll children in health insurance, burdensome documentation and re-certification rules deter some families from insurance enrollment and cause other children who obtain insurance to experience gaps in coverage. In these circumstances, the CHCs act as vital components of the health care safety-net for those children who lack or lose insurance coverage.

Many New York City children living in low-income communities also continue to face the risk of early death, contracting preventable illnesses and suffering from other health-related conditions, such as asthma, diabetes, obesity, and lead poisoning. For example, the infant mortality rate represents the number of deaths to children less than one year of age per 1,000 live births and serves as a general measure of the health of a community. It is often associated with such factors as maternal health, access to medical care, and socioeconomic status. The infant mortality rate in New York City has declined significantly, from 11.6 per 1,000 children in 1990 to 6.6 per 1,000 children in 2000.<sup>9</sup> The decline in infant mortality has been attributed to improved access to prenatal care, nutritional supplements and to advances in medicine that allow more premature babies to survive.

Despite the overall citywide decline in infant mortality rates, the rates in several New York City communities remain high. For example, in 1999 the infant mortality rate was 9.7% per 1,000 children in East Harlem, 9.0% per 1,000 children in Mott Haven, and 16.4% per 1,000 children in Central Harlem. In an effort to address the high rates of infant mortality in these and similarly situated neighborhoods, the City Council created a \$5 million Infant Mortality Initiative in FY'00. However, the City's January 2004 Financial Plan proposes to cut the Infant Mortality Initiative by \$700,000. These cuts must be restored in order for the low infant mortality rate to remain at or below current levels.

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<sup>7</sup> John Billings, Nina Parikh, and Tod Mijanovich. (November 2000). *Emergency Department Use in New York City: A Substitute for Primary Care?* New York: The Commonwealth Fund. Pg. 9.

<sup>8</sup> *Ibid.*

<sup>9</sup> *Keeping Track of New York City's Children*, Millennium Edition, 2002.

Asthma constitutes another public health concern for children. A study conducted by Harlem Hospital Center and other researchers found that 25.5% of children in Central Harlem have asthma.<sup>10</sup> Researchers of the study predicted similarly high rates in other low-income neighborhood in New York City. The New York City Department of Health and Mental Hygiene reported that citywide 17% of children 17 years and younger have had asthma and that the rates range from 20%-30% in the South Bronx, East and Central Harlem, and Central Brooklyn.<sup>11</sup> Significant investments have been made in expanding asthma education, health planning efforts, and the availability of asthma equipment for children. In 1997, the New York City Department of Health created the New York City Childhood Asthma Initiative, which tracks asthma cases, conducts training programs, develops educational materials related to asthma treatment and prevention, and works with medical providers and other agencies to develop community-based asthma programs. Recognizing the value of this public health approach to asthma, the New York City Council has consistently expanded and restored funding for the Asthma Initiative. However, the City's January 2004 Financial Plan proposes to cut the Asthma Initiative by \$445,000. This funding must be restored in order to protect children in low income neighborhoods with high asthma rates.

Children in low-income communities also continue to face the risk of lead poisoning. In 2001, New York City identified 653 new cases of children with blood lead levels at or above the Environmental Intervention Blood Lead Level.<sup>12</sup> Although this represents a decline from 894 children in 1999, 95% of the children identified in 2001 were children of color, more than 50% resided in only 10 communities, and nearly 70% had exposure to visible lead-based paint hazards in their living environments.<sup>13</sup> With the support of the City Council, the NYC DOHMH Lead Poisoning Prevention Program has worked to reduce childhood lead poisoning and promote early detection, screening, and public education.

**For more information, please call Tara Sher, Esq., Senior Policy Associate for Health and Mental Health, at 212-673-1800 ext 16.**

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<sup>10</sup> Richard Perez-Pena, "Study Finds Asthma in 25% of Children in Central Harlem," New York Times, Metropolitan Desk, April 19, 2003.

<sup>11</sup> New York City Department of Health and Mental Hygiene, NYC Vital Signs, Vol. 2, No. 4 (April 2003).

<sup>12</sup> New York City Department of Health and Mental Hygiene, *Preventing Lead Poisoning in New York City*, Annual Report 2001, Pg. 6.

<sup>13</sup> Ibid.

## Income Security and Public Benefits

### NYC FACTS

- The number of households receiving public assistance totaled 214,289 in October 2003 and included 146,703 children - a decrease of 40% since June 1996.
- The number of families who reached their federal time-limit on cash assistance and were enrolled in New York State's Safety Net Assistance Program totaled 41,667 in October 2003 and included 91,923 children - a 41% increase from December 2001.
- A family of three receiving the maximum public assistance grant receives \$6,924 per year, less than 50% of the federal poverty level of \$15,260 for a family that size.
- Over 470,555 households received food stamps in October 2003. An estimated 800,000 families are income eligible but not receiving food stamps.

In 1996, the federal Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) was signed into law, ending 61 years of anti-poverty entitlement programs for families in the United States. The PRWORA replaced Aid to Families with Dependent Children (AFDC) and combined funding streams for social welfare programs into the

Temporary Assistance to Needy Families (TANF) Block Grant. PRWORA created a 5-year lifetime limit on the receipt of public assistance and excluded several categories of families from federally funded public benefit programs. New requirements for public assistance recipients mandated participation in work-related activities and compliance with child support enforcement procedures.

In 1995, the Human Resources Administration (HRA) launched a welfare reform initiative called New York City-Work, Accountability, You! (NYC-WAY), that combined stringent eligibility requirements, front-end fraud detection and work requirements. The Work Experience Program (WEP) is the city's work program for public assistance recipients. In March 1998, the city began to convert Income Support Centers to Job Centers and incorporated job readiness and job search activities into the public assistance process.

### PRIORITIES

#### **FY'05 CITY BUDGET:**

##### *Department of Finance:*

- Create a local Earned Income Tax Credit and a Child and Dependent Care Credit modeled after the state and federal EITC and CDCC to support working families.

#### **PROGRAM PLANNING AND MANAGEMENT:**

- Implement programs that combine work and education to help families move off welfare into employment.
- Automatically extend for one year, transitional child care and Medicaid benefits to families leaving welfare.
- Combine Food Stamp and Medicaid offices.
- Make food stamps more accessible by implementing new application procedures citywide.
- Streamline re-certification of public benefit programs.

#### **REVENUE MAXIMIZATION STRATEGIES:**

- Reject the Governor's proposals to limit or eliminate public assistance to certain needy families.
- Maximize federal and state revenue by ensuring that families enroll in public benefit programs such as food stamps, Medicaid, CHP, FHP and WIC, and tax credits.
- Call upon New York State to provide more flexibility in the city's use of TANF

Significant changes in welfare policy and the delivery of services of made it difficult for New York City's families to access public benefits and services from local Job Centers. The Eligibility Verification Review (EVR) process has made it more difficult to certify and re-certify for public benefits. Job Centers have been responsible for carrying out diversion policies that have prevented and/or delayed thousands of eligible applicants from receiving welfare benefits. In addition, erroneous benefit determinations resulting in sanctions, lower grant levels, and public assistance and public benefit case closings has made it very difficult for families to remain stable in their communities.

From October 1995 to October 2003, New York City's welfare caseload decreased by 70% or from 306,935 to 90,345 households. The number of children on public assistance decreased by 72% from 536,241 children in October 1995 to 146,703 children in October 2003. This dramatic drop resulted from several converging factors including the booming economic growth in the late 1990's, the corresponding increase in employment, stringent work requirements imposed on families, federal time-limits on public assistance and HRA's diversion policies. For families that have reached the federal time-limit, New York State has created the Safety Net Assistance program funded with state and local dollars. Since the first families hit the federal time limit on federal assistance in December 2001, New York City has seen tremendous growth in the number of families receiving Safety Net Assistance. In October 2003, there were 41,667 families receiving Safety Net Assistance including 91,923 children.

Although overall, the number of children receiving public assistance (Family Assistance and Safety Net Assistance) has decreased by 72% since 1995, one in three children in New York City continues to live below the federal poverty level. Since 1995, the number of children born into poor families has remained constant, with approximately 50% of all children in New York City born into poor families each year. Looking back to 1990, the number of children born into poor families has actually increased by 15%. Declining welfare caseloads and the growing number of children born into poor families suggest that families leaving welfare and families making the transition from welfare to work are struggling to maintain financial independence.

In October 2002, the TANF Block Grant expired. Since that time, Congress has passed numerous extensions that continue to fund states at the same funding levels originally provided under the Block Grant in 1996 and making no changes in the PRWORA. Since its anticipated expiration, Congress and the President have proposed numerous changes to the PRWORA that would increase mandated work requirements for families in order to qualify for federal assistance and mandated work participation rates to draw down federal funds for states. In addition, only minimal efforts have been proposed that would increase the flexibility that the states have to count various education and training activities towards work requirements. These changes may require states and localities to force public assistance families into work activities without acknowledgement of the supports necessary to increase earning potential and help move families to stable employment.

New York City should consider potential changes in federal welfare law and work to develop programs that fully utilize TANF funding flexibility and to help families move to independence. New York City should also ensure that families have easy access to public benefits programs that are available including subsidized child care, food stamps and other food programs, tax credits, health insurance and rent assistance. Expansions in the State EITC, an increase in the number of child care subsidies available and recent changes in the application process to access food stamps are all major



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steps forward to help families get and keep jobs. Even so, thousands of New York City families still do not have access to child care subsidies and families still have difficulty accessing food stamps (and other benefits) even after great efforts to minimize the application process. The city should also develop a local Earned Income Tax Credit and a Child and Dependent Care Credit modeled after the state and federal EITC and CDCC to support working families. Moving forward, New York City should consider developing welfare programs that integrate education and training opportunities that help families move towards independence and gainful employment and ensure public benefit access to keep families stable, working and off welfare.

**For more information, please call Maria Toro, Senior Policy Associate for Housing and Income Security, at 212-873-1800 ext 14.**

## NYC FACTS

- Approximately 29,480 juveniles under the age of sixteen were arrested for alleged crimes ranging from robbery and manslaughter to disorderly conduct and loitering in 2001. This represents a 6% decrease from 2000.
- 4,087 youth under the age of sixteen were placed in secure detention while awaiting their hearings. On average, there were approximately 284 youth in secure detention on a daily basis in FY'02.
- 2,202 juveniles were admitted to State Office of Children and Family Services (OCFS) facilities in 2001, which represents a 13% decrease from the 2,518 youth admitted in 2000.
- The most frequently identified service needs for youth entering OCFS facilities in 2001 included substance abuse (1,200), mental health (850), health (700), special education (386) and sex offender services (176).
- 3,490 petitions for Persons In Need of Supervision (PINS) and 7,658 juvenile delinquency petitions were filed in New York City's Family Courts in 2002.

The Department of Juvenile Justice (DJJ) provides secure and non-secure detention for alleged juvenile delinquents awaiting their hearings in Family Court and alleged juvenile offenders awaiting their trials in the Youth Part of the New York State Supreme Court. Upon a youth's first appearance before the Family Court, the judge determines whether a young person should be sent to secure detention, non-secure detention (which is a group home for 12 youth), an alternative-to detention program, or released to the community while awaiting a hearing.

DJJ operates three secure detention facilities directly (Bridges, Crossroads and Horizon) and supports 14 non-secure facilities (two of which are directly operated by DJJ and the remaining 12 are operated by not-for-profit contract providers). In FY'03, 4,579 youth were admitted to secure detention and 559 to non-secure detention. The alternative-to-detention programs (Alternative-to-Detention and

## PRIORITIES

### FY'05 CITY BUDGET:

- Restore \$750,000 in cuts to the Community-Based Intervention Program.

Maintain or expand programs including:

#### *Department of Juvenile Justice:*

- Non-secure detention
- DJJ health and mental health services

#### *Department of Probation:*

- Alternative-to-Detention (ATD) and Expanded Alternative-to-Detention (E-ATD)

### PROGRAM PLANNING AND MANAGEMENT:

- Develop a strategic plan to reduce the overall number of youth entering the juvenile justice system and develop a continuum of services that use existing local supports (i.e. community-based organizations).
- Reduce the city's use of secure detention by fulfilling its longstanding promise to close Spofford. Reallocate capital funding from secure detention beds to build housing for homeless youth and youth leaving foster care. Reinvest resources in ATD and alternative-to-incarceration (ATI) programs.
- Support the Department of Probation's efforts to educate Family Court judges about the effectiveness of community-based placements (i.e. ATD and ATI programs).

### REVENUE MAXIMIZATION STRATEGIES:

- Maximize the use of Individuals with Disabilities Education Act (IDEA) funding, for youth with special education needs in a variety of juvenile justice settings (ATDs, ATI, secure detention).
- Explore health insurance coverage options for youth in detention.
- Maximize state reimbursement for ATD and ATI programs.

Expanded Alternative-to-Detention) are operated via contracts with the Department of Probation (DOP).

In FY'03 1,892 youth were supervised in alternative-to-detention programs – an increase of 34% from the previous year. In light of decreases in juvenile crime, attention must be focused on reducing the number of youth placed in secure detention. In FY'00, the secure population peaked at 4,815 with an average daily population (ADP) of 379. Historically, the ADP hovered around 250. The rise in the secure detention population is attributed to several factors. First, the closing of two group homes in 1997 resulted in a shortage of non-secure detention beds. In response, DJJ housed non-secure eligible youth in secure detention, which drove up the census. Second, an increasing number of youth with a history of truancy and/or prior misdemeanor arrests were often referred directly to secure detention, bypassing non-secure detention regardless of the availability of beds. Finally, the increased length of trials for juvenile offenders resulted in longer stays in detention.

The rise in secure detention placements has subsided over past several years. According to the Mayor's Management Report there were 4,579 admissions to secure detention during FY'03, with an average daily population of 287 youth representing a decrease of 32 percent from FY'00.

Once youth have been released from detention, the quality of aftercare services plays a critical role in preventing recidivism. In *Returning Home: A Look at Aftercare Services Provided to Delinquent Youth*, CCC's research based on 1998 data revealed that most of the planning for a youth's release occurs after the young person is back in the community. Once in the community, young people wait weeks and even months to become re-enrolled in school and program services. Additionally, many youth do not make the required contacts with aftercare counselors and risk returning to placement.

Parents and guardians can file a Persons in Need of Supervision (PINS) petition if a young person is truant or is displaying incorrigible behavior at home. A parent or guardian usually files a PINS petition when they feel that a child is habitually disobedient to the point that the child is beyond their lawful control.

New York City tries to divert all PINS cases from the Family Court by providing counseling and other social services to the youth and his/her family. The Administration for Children's Services (ACS) piloted and administers the PINS Diversion Project. Funded primarily with city tax levy, and the remainder from state and federal sources, the program attempts to work with young people and their families without having to go through Family Court. In fact, most PINS cases are successfully diverted from the Family Court. If a PINS case does proceed to court, the judge can order services for a youth and parent or guardian, or the court can order that the child be placed out of the home for a period of time. PINS youth placed out of the home are remanded to the custody of the New York State Office of Children and Family Services (OCFS) and can be placed in a foster home or group home. PINS youth often have substance abuse, mental health, or special educational needs and their ability to positively modify behavior is significantly determined by the adequacy of and access to services regardless of where they are placed.

During the 2001 session, the New York State Legislature passed a law expanding eligibility for PINS from 16-18 years of age for boys and girls. Although on its face increasing the eligible age seemed like an asset to parents who have difficulty controlling their children, the legislation did not include



additional funding for services and presented a false hope to parents and children. The Vera Institute of Justice projected that the number of PINS cases could more than double as a result of this new legislation.

Due to aggressive efforts by the Administration for Children's Services to divert new PINS cases, the city has experienced only a small increase in the number of PINS petitions filed in the Family Courts, from 3,368 in 2001 to 3,490 in 2002. However, further monitoring of the rise in the numbers of PINS cases is required to determine the long-term impact of the legislation.

At a time when the juvenile justice population is declining steadily, DJJ and DOP must seize this opportunity to develop a strategic plan that responds to the need for a full range of detention options as well as enhanced neighborhood-based services for at-risk and court-involved youth.

**For more information, please call Ailin Chen, Policy Associate for Juvenile Justice and Youth Services, at 212-673-1800 ext 15.**