

# New York City Child Welfare: The Challenges of a New Year

## NEW YORK CITY 2018 POLICY BRIEF NO. 1

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### SUMMARY

This first policy brief focuses on the state of child welfare in New York City in 2018 and draws upon several sources including media and advocacy reports; experience with the New York City Administration for Children’s Services (ACS, the city’s child welfare agency), other city agencies, and contracted service providers; and attendance at the January 22, 2018 forum entitled *Toward a 21<sup>st</sup> Child Welfare System*. The memo begins with a short discussion of the system’s strengths and looming challenges followed by a description of some of the strategies ACS uses to grapple with challenges faced by transition age youth (TAY). The memo then describes the topics of future policy briefs.

### *New York City’s Child Welfare System in 2018*

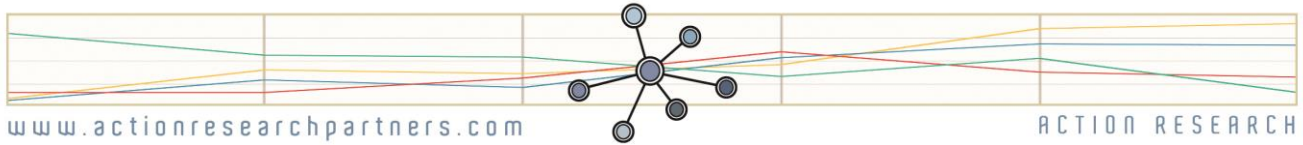
The city’s child welfare agency, the Administration for Children’s Services (ACS) enters 2018 with many strengths. Despite a high-profile tragedy in October 2016, the system largely avoided “foster care panic”—a sharp increase in entries into foster care. The census remains near all-time lows, with less than 10,000 children in 24-hour foster care.<sup>1</sup> Declines in entries into foster care drove the shrinking of the census: while entries in the 1990s fluctuated between a low of approximately 5,000 and a high of over 15,000 entries a year, entries over the last three years averaged about 4,000 a year. Many believe that the expansion of prevention services accounts for the reduced entries. A new study by Casey Family Programs reports that New York City has the largest and most diverse array of preventive services in the country.<sup>2</sup> Commissioner David Hansell, appointed in March 2017, has garnered several positive reviews from the media and from an external monitor (Kroll Associates).

A strong economy, a safe city, and support from Mayor Bill de Blasio contributed to these positive results. As the former chair of the City Council’s General Welfare Committee, which provides legislative oversight of ACS, de Blasio has a more intimate knowledge of ACS than did any of his predecessors. ACS fared well in each of the de Blasio administration budgets, including a \$122mm infusion in the first de Blasio budget and a

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<sup>1</sup> For data on the foster care census, see the ACS Flash Indicators reports located at <http://www1.nyc.gov/site/acs/about/flashindicators.page> last accessed March 9, 2018.

<sup>2</sup> Fernando Clara, Kamalii Yeh Garcia, and Allison Metz. 2017. *Implementing Evidence-Based Child Welfare: The New York City Experience*. Seattle, WA: Casey Family Programs. Available at <https://caseyfamilypro-wpengine.netdna-ssl.com/media/evidence-based-child-welfare-nyc.pdf> last accessed March 13, 2018.



\$60mm increase to cover a cut to ACS in the state budget.<sup>3</sup> Child protective and foster care case planner caseloads are below national averages.

There is other good news. New York City finished 2017 with a 70-year low of 290 homicides, fewer than Baltimore despite having ten times the population.<sup>4</sup> The reduction in homicides reflects strikingly lower violence in the most disadvantaged neighborhoods that historically have the highest rates of child welfare involvement. While the city faces a mounting opioid problem, this issue has not led to large increases in foster care entries as has occurred in other parts of the state and country. With New York City’s tech economy showing no signs of slowing down and a record year on Wall Street, the city enjoys strong tax revenues and an \$8 billion reserve fund. The city’s unemployment rate, at 4.3 percent, is half of what it was in January 2013 and is comparable to the national unemployment rate.<sup>5</sup>

### *Looming Challenges: Paying for Child Welfare Services*

Nonetheless, the city’s child welfare system faces several looming challenges, including many funding issues that threaten the progress made over the past two decades. New York State, which provides hundreds of millions of dollars to the city’s child welfare system, projects a \$4 billion budget deficit in the coming fiscal year.<sup>6</sup> A bulwark of the New York City system, the preventive services continuum, relies heavily on a state funding match. The governor’s proposed budget capped the match at a level \$129 million below what the city had received in the past year. Advocacy from many quarters contributed to the decision to remove the cap from the final budget, but the proposal is a sign that ACS cannot take state funding for granted in future years. ACS FY18 spending, moreover, exceeded the state’s foster care block grant for the second year in a row with city tax levy funds covering the balance—a trend that may be hard to sustain in the event of a recession.

The state budget cut over \$40 million in state support for Close to Home, an initiative that keeps youth sentenced to juvenile placement in New York City instead of in placements hours away in upstate and central New York facilities. The cut comes as the state enacts a law that raises the age of criminal responsibility from 16 years to 18 years of age. While this change aligns New York State with the laws in all but one of the 50 states, most stakeholders expect several hundred young people formerly processed in adult court to

<sup>3</sup> News article or CCC. See <https://chronicleofsocialchange.org/analysis/recently-installed-new-york-child-welfare-leader-looks-to-reform-the-system> last accessed January 30, 2018.

<sup>4</sup> New York City Police Department. See <http://www1.nyc.gov/site/nypd/news/pr0105/fewest-annual-murders-shooting-incidents-ever-recorded-the-modern-era#/0> last accessed February 21, 2018.

<sup>5</sup> US Bureau of Labor Statistics. See [https://www.google.com/publicdata/explore?ds=z1ebjpk2654c1\\_&met\\_y=unemployment\\_rate&hl=en&dl=en#!ctype=l&strail=false&bcs=d&nselm=h&met\\_y=unemployment\\_rate&fdim\\_y=seasonality:S&scale\\_y=lin&ind\\_y=false&rdim=city&idim=city:CT3651000000000&ifdim=city:state:ST360000000000&hl=en\\_US&dl=en&ind=false](https://www.google.com/publicdata/explore?ds=z1ebjpk2654c1_&met_y=unemployment_rate&hl=en&dl=en#!ctype=l&strail=false&bcs=d&nselm=h&met_y=unemployment_rate&fdim_y=seasonality:S&scale_y=lin&ind_y=false&rdim=city&idim=city:CT3651000000000&ifdim=city:state:ST360000000000&hl=en_US&dl=en&ind=false) last accessed February 21, 2018.

<sup>6</sup> The impact of federal tax reform on city tax revenues and economy is not fully known, but preliminary analysis suggests that the new law will increase pressure to cut local taxes. See <https://comptroller.nyc.gov/newsroom/testimonies/testimony-of-new-york-city-deputy-comptroller-for-budget-preston-niblack-the-impact-of-the-federal-tax-law-on-new-york-city/> last accessed March 9, 2018.

enter juvenile placements under the new law. ACS has supervisory and financial responsibility for these placements.

Another budgetary concern is the forthcoming expiration of the city's federal IV-E waiver.<sup>7</sup> The waiver allocates a fixed funding stream based on an initial census to the private nonprofit agencies that provide foster care, supplemented with per diem payments. As the census declined, the baseline funding remained at the same level for several years with IV-E support. The waiver expires in December 2018 and with the passage of the Family First Act, the future of the waiver is uncertain.<sup>8</sup> Absent the waiver, federal funding for New York City foster care will decline by millions of dollars, though how Family First will impact New York City is not known fully yet.

Finally, New York City procurement rules linked to the city charter mandate that ACS must put out for bid most preventive and foster care contracts within the next three years. The bidding process is an opportunity to reshape the child welfare system but is a complex process that comes with many risks. With billions at stake, ACS faces the challenge of structuring services in a post-waiver world with state prevention services funding caps. Many providers hope that new contracts will adjust for inflation and other costs that have increased since the services were last bid out in 2011—and may be reluctant to provide services without a comparable increase in funding. Ironically, Close to Home contracting may compete with congregate foster care, as Close to Home contracts are expected to pay a considerably higher daily rate.

### *Transition Age Youth and the Child Welfare Agenda*

Where do teens and transition age youth (TAY) fit into ACS's priorities? The agency has pursued aggressively a strategy supported by research, experts, and many critical stakeholders: reducing the number of transition age youth in foster care. And this strategy has achieved some notable success: the number of youth in foster care between ages 13 and 17 years old declined by 2,400 from 2013 to 2017.<sup>9</sup> Below we discuss some of ACS's broader strategies for addressing TAY issues and then describe our future policy briefs.

First and foremost, preventive services are now ACS's primary response for families with child maltreatment issues. By reducing the number of teens entering foster care, ACS hopes to reduce the number of foster TAY, especially foster TAY in care for several years. In 2013, ACS put out for bid \$22 million worth of evidence-based, *teen* prevention services. These models, still operating in New York City, include manualized interventions such as Multisystemic Therapy for Child Abuse and Neglect (MST-CAN), Family Functional Therapy-Child Welfare (FFT), and Brief Strategic Family Therapy (BSFT).<sup>10</sup> In addition to new funding, ACS offered support to providers to convert existing prevention services slots

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<sup>7</sup> Title IV-E of the Social Security Act has been the main financial support for state and local foster care system. The waiver provides States with opportunities to use Federal funds to test innovative approaches to child welfare service delivery and financing. See <https://www.childwelfare.gov/topics/management/reform/waivers> last accessed March 13, 2018.

<sup>8</sup> See <https://council.nyc.gov/budget/wp-content/uploads/sites/54/2016/05/068-Administration-for-Childrens-Services.pdf> last accessed March 9, 2018.

<sup>9</sup> Personal communication from ACS.

<sup>10</sup> For a list of ACS preventive service models, see Clara, Garcia, and Metz, page 13.

to evidence-based models. Finally, the city operates some prevention services that target primarily teens, such as Persons In Need of Supervision<sup>11</sup> and diversion and prevention programs designed for sexually exploited youth.

A second strategy for TAY focuses on discharging youth in foster care to families—to parents when that can be done safely, and to subsidized kin guardianship or adoptive parents when reunification is not an option. For children who do not return to their parent(s) within a year of entering foster care, the road home often takes several years. New York State’s performance on the CFSR 3 permanency metrics for children in care for 12-23 months and 24 or more months (metrics “P2” and “P3” respectively) is among the weakest in the nation and New York City plays a role in that performance. Public presentations of ACS data show that the City had more children in care for at least two years than the state of Florida and the city of Los Angeles (although LA has far more children overall) in recent years. Many of these children are teens.

To decrease the number of long stayers in foster care, ACS has launched several initiatives. During the first years of the de Blasio administration, ACS focused on improving business processes around adoption subsidies and subsidized guardianship, called “KinGAP” in New York State. These and other efforts sparked an initial increase in both adoptions and KinGAP in FY2016.<sup>12</sup> In FY2017, subsidized guardianship increased again, while adoptions declined modestly. To improve performance, ACS created a group of “senior practice consultants” to provide case consultation and technical assistance to targeted agencies. In addition, ACS worked with Casey Family Programs to conduct over 2,500 “rapid permanency reviews”, or RPRs, from 2016 to 2017. ACS also championed initiatives to increase the use of data, including the creation of a list of all children in care for 15 months or more (along with these children’s status on permanency goals, termination of parental rights filings, legal freeing, and other characteristics) that foster providers receive quarterly. By identifying children in care who are less likely to return home to their parents, the list helps ACS and provider agencies explore other alternatives for these children before they become long term stayers in foster care.

A final strategy to reduce the number of foster TAY focuses on expanding the caregiver pool. An initiative called Home Away From Home (HAFH) aims to improve the recruitment, training, support and retention of all caregivers.<sup>13</sup> As part of HAFH, ACS provided \$2 million to five agencies and created a \$300,000 flexible funds pool available to all agencies to cover expenses incurred by prospective foster parents during the certification process. ACS reinstated agency home recruitment targets and recently announced new targets for placing children and youth with kin. With Hilton funding, six provider agencies have received intensive expert coaching on recruitment and other caregiver issues, eight agencies participated in quarterly convenings to share learning and best practices, and all agencies received free workshops focused on data analysis and recruitment planning. HAFH is now in its second year, and focusing additional attention on teen caregivers, large sibling groups, and the placement process.

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<sup>11</sup> Persons In Need of Supervision, or PINS, is the name New York State uses for status offenders.

<sup>12</sup> <https://www1.nyc.gov/assets/acs/pdf/about/2017/BluePrint.pdf> last accessed March 9, 2018.

<sup>13</sup> Hilton funds HAFH and Action Research contributes data analysis and reporting to the project.

Another tactic to expand the caregiver pool involves identifying more adoptive resources. In 2017, the Dave Thomas Foundation announced a multi-million-dollar effort in New York that will support 43 adoption recruiters using the Wendy’s Wonderful Kids (WWK) model.<sup>14</sup> The WWK model focuses on children nine years and older who do not have an adoptive resource.<sup>15</sup> ACS and the Dave Thomas Foundation aim to facilitate hundreds of adoptions for older youth in the coming years.

### *TAY Still in Care and Future Policy Briefs*

While New York City has made impressive gains, ACS continues to serve thousands of teens in foster care. Indeed, on any given day, almost half of all New York City children in foster care are 13 years or older. What about this group?

ACS has several units dedicated specifically to TAY. These include the Teen Specialist Unit that focuses on reproductive health, the LGBTQ Youth Empowerment Group, the Office of Education Support and Policy Planning, the Housing Academy Collaborative, and a unit dedicated to youth with a goal of Another Planned Permanent Living Arrangement (APPLA). There are public and private initiatives, including the Hilton initiatives, to reduce the use of congregate care for youth, to tutor youth who are behind educationally, and to support college application, enrollment and completion. Unlike many child welfare systems, in New York City there are state and local mandates to provide a rich array of services throughout the arc of a youth’s experience in foster care and beyond.

All agree, however, that addressing the complex needs of foster TAY requires sustaining effective strategies while developing new innovations. In future policy briefs we will produce this year, we will report on the New York City landscape in each of Hilton’s four primary interests: education and workforce, caregiving, pregnant and parenting youth, and youth who crossover from foster care into the juvenile justice systems. In each of these briefs, we will examine the metrics used to measure progress for youth in general, trends in the general youth population, and highlight the specific developments and circumstances that apply to youth in foster care. These briefs will set the stage for learning how the Hilton Foster Youth Initiative changes the New York City TAY landscape over the next four years.

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<sup>14</sup> See [https://davethomasfoundation.org/news\\_story/governor-cuomo-announces-9-1-million-partnership-to-find-permanent-homes-and-families-for-older-foster-children](https://davethomasfoundation.org/news_story/governor-cuomo-announces-9-1-million-partnership-to-find-permanent-homes-and-families-for-older-foster-children) and <https://www1.nyc.gov/assets/acs/pdf/about/2017/BluePrint.pdf>, last accessed March 9, 2018.

<sup>15</sup> Vandivere, S., Allen, T., Malm, K., McKlindon, A., and Zinn, A. (2011) Technical Report #2: Wendy’s Wonderful Kids Program Impacts, Child Trends, Washington, D.C.