

Testimony of United Neighborhood Houses To the New York City Department for the Aging Lorraine Cortés-Vázquez, Commissioner

Annual Plan Summary Covering April 1, 2023 - March 31, 2024

Submitted by Tara Klein, Deputy Director of Policy & Advocacy November 4, 2022

Thank you for the opportunity to submit testimony on the Department for the Aging (DFTA)'s 2023-2024 Annual Plan Summary. United Neighborhood Houses (UNH) is a policy and social change organization representing 46 neighborhood settlement houses, including 40 in New York City, that reach over 765,000 New Yorkers from all walks of life. A progressive leader for more than 100 years, UNH is stewarding a new era for New York's settlement house movement. We mobilize our members and their communities to advocate for good public policies and promote strong organizations and practices that keep neighborhoods resilient and thriving for all New Yorkers.

UNH members provide a wide variety of services to over 80,000 older New Yorkers each year by operating programs such as older adult centers (OACs), Naturally Occurring Retirement Communities (NORCs), home delivered meal (HDM) programs, Geriatric Mental Health, case management programs, and others, often funded by New York City's Department for the Aging (DFTA). UNH and its settlement house members employ the philosophy that older adults are valued members of our neighborhoods, whose wisdom and experience are important to the fabric of our communities.

We appreciate the opportunity to provide feedback to help shape future strategic planning at DFTA. This testimony will focus on several key DFTA programs that are highlighted in DFTA's Annual Plan Summary, and will discuss some accompanying programmatic and budgetary needs. Broadly, UNH is concerned about budgetary matters that are quickly reaching crisis levels and will need intervention from the City. These include record-high levels of inflation without adequate contract amendments to match, growing challenges with recruitment and retention of staff due to low wages and competition from other industries, growing capital and infrastructure needs, and the looming fiscal cliff we face in City programs when American Rescue Plan funds expire in a few short years. We welcome DFTA's advocacy in alleviating these concerns, including with the Administration and the Office of Management and Budget (OMB).

As we discuss budget needs to fully fund the existing aging services network, we are mindful that a growing older adult population will necessitate even more resources in the future: the Annual Plan Summary notes that "by 2040, New York's 60+ population is projected to increase to 1.86 million, a 48.5% increase from 2000," (page 3). We need to ensure services are fully funded now so we can look toward expansion to reach this growing population.

Supporting the Workforce

While UNH appreciates the \$68 million workforce enhancement funds for human services workers that the City provided in the FY23 budget, this one-time investment does not go far enough to meet the growing workforce needs of a sector that has been neglected for years. In aging programs in particular, staff recruitment and retention remain top challenges.

<u>JustPay.</u> The #JustPay campaign is a racial equity and gender justice campaign committed to ending the government exploitation of human services workers by demanding sector employees under contract with New York City and State be paid fair wages for their labor. **UNH supports the #JustPay campaign's three-pronged ask for investments for the human services workforce** that includes: 1) Automatic COLAs for all human services contracts to help wages keep pace with inflation; 2) a living wage floor for human services workers of no less than \$21 per hour; and 3) the creation and funding of a comprehensive wage and benefit schedule that is compatible to similarly-qualified City government employees.

Aging and human service workers were there for the City when we needed them most, and the City should be there for them now. Low wages for human service positions have contributed to a staffing crisis, and without increased budgets for City contracts to cover wage increases, nonprofits will be unable to recruit and train the next generation of human service workers, setting future New Yorkers up for significant barriers to accessing services. We urge DFTA and the City to emphasize the needs of the human service workforce in ongoing budget negotiations.

<u>Hiring, including multilingual staff.</u> Providers report that their widespread hiring and retention challenges are especially difficult when they need to hire bilingual staff to meet a community's diverse language needs, especially social workers and case managers. With a narrow applicant pool, these staff are often even more difficult to find when salaries are so low. Some settlement houses report job postings of up to a year for these positions. On top of increasing salaries across the board to make aging programs competitive employers, **DFTA should consider additional ways to support providers, especially for hiring bilingual staff,** such as coordinating strategic marketing and outreach campaigns. For example, DFTA could join job fairs, visit social work schools, and/or run ad campaigns that share the value of working with older adults.

<u>Visa issues.</u> Several settlement houses have expressed concerns that hiring staff who speak the necessary languages can be complicated by immigration and visa issues. Many job applicants are in the process of applying for work authorization in the U.S. and require an employer to sponsor them. This can be prohibitively costly, with costs falling on both the employer and the applicant. While there are certainly legal complications around visa issues, **DFTA should investigate whether the City could help cover these costs.** This would remove a major barrier in the hiring process.

Older Adult Centers

Older adult centers (OACs) are crucial supports for older New Yorkers. In today's age of waning but persistent COVID-19, OACs continue to offer both in-person and virtual activities, provide in-person congregate meals and grab and go meals when available, and serve as essential partners with the City in meeting public health goals. Settlement houses in UNH's network operate 42 standalone OACs and two network OACs, serving tens of thousands of older adults in these centers. As providers adjust to their new contracts, a number of programmatic concerns have arisen that DFTA should address.

Continuing grab and go meals. Grab and go meals were a tremendous innovation during the COVID-19 pandemic, initially serving as an interim solution before the Get Food program was set up and later serving as an option for older adults who were ready to go outside but not to spend time eating indoors in a crowd. We were disappointed to hear DFTA was ending the grab and go option this past summer, unless providers had included grab and go meals in their recent OAC contracts. Over the summer, centers still reported grab and go as a very popular option, with many older adults still hesitant to be unmasked and eating congregate meals indoors. Behaviors have not significantly changed since then: providers report that older adults are still concerned about COVID and this is affecting their utilization numbers for congregate meals. At the same time, food insecurity remains high among older adults, and anything the City can do to address these needs should be embraced. Moving forward, DFTA should ensure grab and go meals continue to be a viable option at all older adult centers that want to offer them – and not only those that had the foresight to include grab and go in their contracts.

<u>Hybrid programming.</u> Providers report that hybrid programming is here to stay, at least for the time being, with many older adults grateful for the opportunity to continue to participate in virtual activities. Along with the benefits of this innovation, hybrid programming comes with some unique needs. First, there are many technology needs, including at OACs and in older adults' homes. Technology training continues to be a high need, as well. Providers also report an ongoing staffing and cost challenge of running in-person and hybrid programs concurrently. **We urge DFTA to carefully consider these needs in the next budget cycle.**

<u>Vegetarian meals.</u> New OAC contracts require that one day per week the congregate meal option must be fully vegetarian. Sadly, many providers report that on the veggie day older adults show up in lower numbers, with many of them attending a nearby OAC that has a different meal option that day. A simple solution would be to **require the vegetarian day to be consistent throughout the City**, like a "Meatless Monday" or other day. Alternatively, **DFTA should examine the vegetarian menus and provide specialized support to OACs** to ensure those meals are appealing to older adults.

<u>Consultant pricing.</u> Settlement houses report that rates for consultants who offer programs and activities at OACs have skyrocketed in recent months; in some cases hourly prices have doubled. However, budgets remain tight. DFTA should address this situation either by **providing funds to cover these higher consultant rates**, or looking into **coordinating a pool of trusted consultants** with standard rates and connecting OACs with those trusted consultants.

<u>Food costs and inflation</u>. The last year has seen very high inflation rates across the board, and OACs have been significantly affected, especially for food costs for congregate meals, gas prices for OACs with transportation components, utilities, and other areas. **DFTA must ensure inflation costs are included annually in future budgets**. This will be addressed in more detail in the section below on home delivered meals.

Home Delivered Meals funding

Nonprofit home delivered meals (HDM) providers deliver a daily nutritious meal to homebound older adults who are unable to prepare their own food, while also providing case management and regular in-person wellness checks for those at risk of social isolation. HDM is a key service to support older adults, and has become even more crucial since the beginning of the pandemic. Nine UNH members currently provide home delivered meals, either as lead contractors or subcontractors.

Thank you to DFTA for helping secure the home delivered meals increase in last year's budget, bringing the per-meal reimbursement rate from \$9.58 to \$11.78 per meal. UNH has advocated for this rate increase for many years, and finally reaching this number was a major accomplishment for providers

who have faced chronic underfunding. Given this, it is difficult to now ask for another increase, but the reality is that increases are needed to keep programs whole and functional.

UNH and our advocacy partners determined the \$11.78 figure in two ways. First, it represents the average cost for a home delivered meal for urban areas in the United States in 2015, according to a report by Mathematica Policy Research¹ which is the most recently available national analysis done on this program. Second, in 2019 UNH and LiveOn NY, assisted by SeaChange Capital Partners, conducted an independent analysis of the true costs of home delivered meals programs in New York City and confirmed \$11.78 as close to the actual true cost of a home delivered meal, though costs varied by provider.

These analyses confirm that \$11.78 was an appropriate and much-needed increase at the time we began advocating for it. However, that was before the global pandemic, before the recent HDM RFP which added new programmatic requirements (like meal choice to meet diverse populations), and before the exuberant 2022 inflation rates. Similarly, capital needs have risen in recent years and require more investment. Given these changes, it is time once again for DFTA to invest in increases for the HDM program:

<u>Pandemic.</u> The COVID-19 pandemic drew renewed attention to the HDM program, showing just how valuable it is for homebound older New Yorkers. A side effect of the pandemic has been new demand for HDM – both early in the pandemic when older people were fearful to leave their homes and at the end of the GetFood/DFTA Recovery Meals programs in June 2022, when people still enrolled in that program had to begin to receive their meals elsewhere and many turned to HDM. This new influx of meal recipients has naturally added new costs for HDM providers. The City took some steps to address this in the FY23 budget, but **DFTA should conduct an updated analysis of HDM demand by neighborhood and adjust contracts and funding accordingly.**

<u>Programmatic requirements.</u> In the new HDM contracts in 2021, DFTA required providers to offer more meal choices to meet the food preferences of an increasingly diverse older adult population. However, this new requirement meant that providers lost some economies of scale that they previously relied on, including meal preparation times and costs. **Rates were not adjusted to meet this new requirement, and this must be addressed moving forward.** Similarly, providers that offer specialized therapeutic or culturally-sensitive meals that have higher costs did not see increases in contracts tied to these needs. **Providers that spend more on specialized cultural and therapeutic meals should be paid higher rates as appropriate.**

<u>Inflation.</u> Record-high inflation is exacerbating chronic underfunding issues for the HDM program. According to the Bureau of Labor Statistics,² food costs in the New York City metro area, as of September 2022, increased by over 8 percent since the previous year, while the cost of gasoline has skyrocketed – in the spring of 2022 rates had jumped by nearly 50% over the previous year, while as of September they had stabilized somewhat and risen by "only" 14% over the previous year.

HDM providers have been directly hit by these rising raw food and transportation costs. UNH conducted an informal survey of settlement house HDM providers in May 2022, and we estimated that in the past year, raw food costs rose by 7 percent to as high as 50 percent. Providers noted that there are other increased costs that must be budgeted for, including new technology costs and meal bags for deliverers, as well as higher vehicle liability insurance rates and replacement catalytic converters for vehicles that had these parts stolen in recent months. All of these costs have had an impact on staff retention and recruitment: due to contract rates, salaries are forced to be kept low which makes it

4

¹https://www.mathematica.org/publications/older-americans-act-nutrition-programs-evaluation-meal-cost-analysis

² https://www.bls.gov/regions/new-york-new-jersey/cpi-summary/ro2xg01a.htm

difficult for providers to hire competitively. One provider noted that "if we do not raise compensation in HDM [contracts], we will lose staff. The costs of gasoline, vehicle insurance, vehicle maintenance, food costs and health insurance limits our ability to raise hourly [wage] rates."

To reflect higher gas and raw food costs due to inflation, **DFTA should work with OMB to amend its** contracts with providers to include appropriate cost escalators each year. Other increased costs that providers face must also be budgeted for, including technology costs for meal deliverers and higher vehicle liability insurance rates.

<u>Capital.</u> HDM programs have a number of long-standing capital needs that have continued to grow throughout the pandemic. Needs vary by provider and include kitchen equipment, storage space, building repairs, new vans, and van repairs. Funding for many of these needs has been slow to be approved by the City. Van replacements in particular are an urgent need, and we are glad the City recently announced over \$3 million to purchase 44 new vehicles for HDM providers. However, more is needed: some lead contractors report that they are not receiving as many vehicles as they need, while subcontractors are not eligible for these vehicles and report the same urgent issues as lead contractors. In addition, we are disappointed that these funds were secured from Council Initiative funding this year, which could otherwise have gone to funding programmatic needs and enhancements at OACs and other programs. Moving forward, DFTA should advocate with OMB to invest more in capital funds for HDM providers to make key infrastructure upgrades and repairs in their programs, including providing more HDM vans for lead contractors and subcontractors.

<u>Multiple meals per day.</u> Finally, another lesson from the pandemic was that GetFood/DFTA Recovery Meals offered multiple meals per day, while HDM continues to offer one meal per day. While an ideal scenario would enable HDM to provide more than one meal per day for those who need it, the existing capacity and financial roadblocks make it difficult for providers to fulfill this need. **The provision of multiple meals per day should be a long-term goal of the HDM system** but the City will need to commit a significant increase in funding for the HDM program to make this goal a reality.

NORC Nursing Funding

Naturally Occurring Retirement Communities (NORCs) are housing developments or neighborhoods that were not intentionally built for older adults, but are now home to a significant number of older people. NORCs coordinate support for housing, social service, and health care providers to promote health and stability among older adults in apartment buildings and housing complexes, as well as in lower-density neighborhoods. UNH members operate 13 DFTA-contracted NORCs, along with others that are contracted by the State Office for the Aging (SOFA) or supported by City Council funds.

While successfully serving thousands of New Yorkers, the City's NORCs have also been struggling with a specific funding issue for several years: many programs struggle to meet requirements for on-site nursing hours. In alignment with the NORC model, these nurses provide vital services that would not otherwise exist in the community, such as medication education, diabetes testing, flu shots, mobility and balance screenings, and doctor-patient connections. Many residents rely on these nurses as a main source of health care and truly value the consistent, quality care they provide. At many NORC sites, providers have traditionally secured pro-bono nursing services sourced from hospitals, students, retired volunteers, and other means. However, these arrangements have become unstable due to changes to the healthcare field, all while facing a growing need for health care as New York's population ages. Notably, in 2019 the largest provider of nursing services to NORCs eliminated all of their pro-bono hours. From 2015-2018, NORC programs reported an average loss of 50% of their pro bono hours, from about 12 to 6 hours each week. The problem has not improved since then. Consequently, NORCs contracts do not fully fund the services required by their DFTA contracts.

We want to thank DFTA, who along with the City Council has worked to ensure that NORC nursing hours have gone uninterrupted despite the sharp reduction in available pro-bono nursing services. For the last several years the City Council has invested additional funds of approximately \$1.3 million to support NORC nursing hours. In FY23 they were able to expand the number of hours and sites that were funded. We understand DFTA plays a significant administrative role in the allocation of these funds including with a centralized provider, and we thank DFTA for consistently supporting these funds during budget advocacy.

However, given that these funds are not baselined, they are inherently unstable. And while we were hopeful that the new RFP would be an opportunity to reset budgets and eliminate the need for these nursing funds, in practice many NORC providers report to us that the need to cover nursing persists. At the same time, nursing costs are up: we understand that the largest provider of these services recently increased their hourly rate from \$85 to \$95 per hour.

Given that NORC nursing is an essential community service and that contracts require those services, we urge DFTA to baseline these NORC nursing funds to maintain programmatic stability. As we move forward, it is critical to ensure NORCs are able to maintain consistency in their nursing hours, have choice in the provider they work with, and receive funds in a timely manner.

Geriatric Mental Health

Older adults have been the group most vulnerable to COVID-19, facing physical health concerns, food and financial insecurity, and social isolation. Before the pandemic, we knew that older adults had an escalated risk for depression and suicide, brought on in part by high levels of social isolation, and in today's world those concerns are even stronger. With a growing older adult population in New York, it is more important than ever to focus on the mental health needs of this population as the City recovers from the COVID-19 pandemic.

The DFTA Geriatric Mental Health program (DGMH) contracts with a handful of borough-based providers who place mental health clinicians in dozens of older adult center host sites. By placing mental health services in nonclinical settings, DGMH providers are able to improve access to mental health services in the community without stigma. Several UNH members serve as host sites for this program and report very positive outcomes.

While we were disappointed to see the DGMH expansion delayed in last year's budget, we are glad that the program expansion is now moving forward. We certainly encourage future expansions of this program.

However, the program has its limitations, namely that many DFTA programs where there are high mental health needs are excluded from being eligible sites due to rigid selection methodology, including having dedicated space. We urge future expansions to reevaluate these restrictions, including looking at any broader public health laws that may be problematic.

Consequently, UNH continues to advocate to the City Council for their Geriatric Mental Health Initiative (GMHI), which is administered under the Department of Health and Mental Hygiene (DOHMH) and underwent a large expansion in FY22. GMHI provides similar services as DGMH but allows greater flexibility in use. Despite the fact that the funding must be restored each year by the Council instead of being on more stable multi-year contracts, the funding is flexible and allows providers to meet their hyper-local needs through creative solutions to distinct mental health challenges. GMHI currently supports 35 organizations, 18 which are UNH members.

GMHI providers in UNH's network report very positive results from the new and enhanced funding. One new GMHI recipient uses the funding across their aging services programs to screen, identify, and refer seniors to mental health services. A staff member notes: "I was pleased with the amount of data we were able to obtain from the screenings. It has helped us enhance current programming. For example: our Senior Companion Program has added onsite activities for their senior volunteers to have more interaction and engagement with their peers." Another new recipient notes that they used the funds to bring on a bilingual worker, and trained case workers across their senior centers to conduct mental health and substance abuse screenings. A long-time GMHI recipient is using enhanced funding to strengthen individual and group mental health programming, and to expand training opportunities for staff and clients. They note that "COVID-19 and the subsequent variants posed challenges in shifting to remote services, however, GMHI was successful in engaging and supporting clients with no service gaps in counseling, groups, or other services." In future advocacy around geriatric mental health services, we encourage DFTA to look to the creative solutions found in the GMHI program.

Building Repairs and Capital Needs

DFTA-funded programs often face major difficulties with aging buildings and equipment upkeep. In addition to the challenges with home delivered meals vehicles that were highlighted earlier, systemwide needs include HVAC repairs, accessibility upgrades, technology systems, kitchen equipment, and more. Recently, providers have expressed problems with leaks and flooding after storms, and note that these are becoming more frequent as climate change accelerates the rate and intensity of weather-related disasters.

<u>Capital funds.</u> Building maintenance, repairs, and upgrades are not covered in DFTA contracts, and available funding comes from a confusing range of agencies and pots of money, especially for those programs located in NYCHA facilities. Recent City budgets included some funding for capital repairs in DFTA centers, and it is urgent that these funds continue and grow to meet the need. **Moving forward, funds are needed both for long-term capital infrastructure projects and flexible expense funding to meet shorter-term emergency needs.** DFTA and other City agencies should consider moving toward a funding model that includes repair and maintenance costs in contracts with community spaces, perhaps through a per-square-foot or categorical funding model.

Cooling centers. UNH has shared several recommendations to improve the City's cooling centers program,³ including cooling centers in DFTA-funded sites. Significantly, it is important to coordinate the various City agencies that are involved in cooling centers (DFTA, DYCD, NYCHA, NYCEM, etc.) in order to streamline decision making and smooth communication to nonprofit program staff. **NYCEM should take a more active role in coordinating cooling centers across different agencies and providers**, including ensuring providers know the hours they are expected to be open, the estimated number of days the City is preparing for heat emergencies each year, and the rate that they will be reimbursed for operation outside of standard hours. Next, **DFTA should reimburse providers for meals at cooling centers.** While providers are reimbursed for water, food is not included outside of regular OAC programming and hours. It makes sense that there is higher utilization at cooling centers when there is food available, as older adults do not want to sit around without food for hours, and as a result many providers report purchasing food for older adults out of their own organizational budgets. Finally, staff are often working overtime when there is a cooling center activation, many times continuing to work straight through weekends. **Staff should receive fair compensation for their extra time spent staffing cooling enters, specifically with time-and-a-half pay.**

Thank you for your time. To follow up, please contact me at tklein@unhny.org.

³https://www.nydailynews.com/opinion/ny-oped-cooling-centers-need-an-upgrade-20220812-xpd5o6c3eze6ni76mfucexicka-story.html