

A BRAVE NEW WORLD

**EVOLUTION OF ROCHESTER DIOCESAN
CATHOLIC CHARITIES ACTIVITIES**

2013 - 2016

**Jack Balinsky
October 2016**

AUTHOR'S NOTE

This work is the fifth installment in my ongoing work to document the history of Catholic Charities of the Diocese of Rochester.

In 2008, in response to an invitation from Catholic Charities USA to submit material in preparation for its 100th anniversary celebration, I wrote a book entitled *Spirit Alive! Consistent Life Ethic Advocacy and Parish Social Ministry in the Diocese of Rochester 1958-2008*. I did so in the belief that these two dimensions of the mission statement for Catholic Charities adopted at the annual national meeting in Miami in 1972 were being increasingly neglected, hoping that this example of our outstanding work in Rochester would stimulate greater national interest.

In 2009, as a gift to the Board and staff of Providence Housing, on the occasion of their fifteenth anniversary, I wrote *A History of Providence Housing Development Corporation 1994-2009*.

For our 100th anniversary of Catholic Charities in 2010, I wrote a comprehensive account of our activities over the previous century entitled *A History of Catholic Charities in the Diocese of Rochester 1910-2010*, now commonly referred to as “the book”.

Recognizing that not everyone interested in the work of Catholic Charities would wade through a 500 page volume, I wrote and distributed at the same time a “Reader’s Digest” version of the history. In March, 2014, in honor of and appreciation for newly installed Most Reverend Bishop Salvatore R. Matano’s support for Catholic Charities, I updated this Reader’s Digest version of our history. This summer I revised it slightly in light of the writing of this document. I believe these three versions have been helpful for orientation and education of Boards and staffs.

All of these documents can be found in and downloaded from my website, jackbalinsky.org.

Because of the developments described in this work, I have both in formal meetings with our Boards and staff throughout the 2014-2015 program year and informally on many more occasions articulated my belief that this recent time period has seen the greatest changes in human services delivery in New York State in my 45 years of association with Catholic Charities.

Since the most significant impact of these changes has been on the way the corporation as a whole works, I have focused this effort on Diocesan Catholic Charities, again as a tool for education of Boards and staffs.

It is my intention to update the histories from 2013-2016 of our nine agencies and affiliates in my next work.

Happy Reading!

Jack Balinsky
Rochester, NY
October, 2016

Special thanks to my outstanding Executive Assistant, Ruth Barone, who made possible production of this work.

TABLE OF CONTENTS

INTRODUCTION	4
Continued Diocesan Support	5
Diocesan Catholic Charities	6
Shared Back Office Services	6
a. Introduction	6
b. Finance Office Services	6
c. Human Resources	7
d. Information Technology	8
e. Retirement Plan	9
f. Insurance	10
g. Development	11
Activities Undertaken In Response To Increased Regulatory Requirements	13
a. Introduction	13
b. Executive Order 38	13
c. Justice Center	13
d. Not-for-Profit Revitalization Act	14
e. Corporate Compliance	15
f. State Minimum Wage Increase	18
g. Federal Fair Labor Standards Act Regulation	18
Changing Funding Patterns in the Medicaid Program	19
a. Introduction	19
b. Health Homes	20
c. Transforming Existing Programs Into Managed Care Programs	21
d. Children’s Health Homes	22
e. Delivery System Reform Incentive Performance Program (DSRIP)	24
f. Home and Community-Based Services Waiver Program (HCBS)	26
Diocesan Board Activities	27
Diocesan Office Activities	29
Diocesan Public Policy Committee	33
a. Introduction	33
b. Membership	33
c. Ongoing Annual Activities	33
d. Advocacy on Individual Issues	36
Life Issues Advocacy	38
CONCLUSION	40
APPENDIX I – SERVICE MATRIX (2015)	41

A BRAVE NEW WORLD
EVOLUTION OF ROCHESTER DIOCESAN CATHOLIC CHARITIES
ACTIVITIES
(2013 – 2016)

INTRODUCTION

No one date or event can be seen as a “tipping point” or turning point for an organization as large and complex as Catholic Charities of the Diocese of Rochester. Yet, July 1, 2013 stands out as a day which represents, because of several actual events and symbolically, just such a date. The reasons are many.

The implementation of Executive Order 38 by Governor Cuomo and the establishment of the Justice Center both occurred on July 1, 2013 and the Not-for-Profit Revitalization Act (also signed into law in 2013), were symbolic of significantly enhanced regulatory requirements which would demand significant attention of Board and staff during this three year period. While Governor Cuomo’s Medicaid Redesign Team had been appointed in 2011, had submitted a major waiver proposal to the Federal government in February 2012, and had initiated new program models such as Health Homes, it was clear by July 2013 that a great majority of our State-funded programs would undergo significant changes, both in terms of service delivery requirements and also billing mechanisms. Further significant changes in our external environment occurred in spring 2016 with the enactment of a significant minimum wage increase in New York State, and the adoption of federal Fair Labor Standards Act regulation which would present significant challenges related to classification of exempt/non-exempt employees. Taken all together, these changes would both underscore our strength as a Diocesan Catholic Charities family, but also present many challenges for greater collaboration within our “noble experiment” decentralized system of governance.

Change was also in the air within the Church of Rochester. Bishop Salvatore R. Matano would assume office on January 3, 2014 and would continue the rock solid support which Catholic Charities had enjoyed from the Bishop’s office.

Happily, through continued experienced leadership in the Diocesan office, and several new appointments of regional agency leadership, the organization enjoyed a very strong collaborative staff team during this three year time period. Jack Balinsky, Tony Barbaro, Barb Poling and Lee Randall continued to anchor Diocesan activities and support regional agencies. Several other appointments on or about this time considerably strengthened the leadership team. They were:

Lori Van Auken, appointed Executive Director of Catholic Charities Community Services – March 18, 2013

Chuck Nocera, appointed Executive Director of Catholic Charities of Chemung/Schuylers Counties – June 1, 2013

Tabitha Brewster, appointed Executive Director of Catholic Charities of Livingston County – July 1, 2013

John McDermott, appointed Executive Director of Providence Housing Development Corporation – July 1, 2013 (replaced by **Mark Greisberger** – March 10, 2015).

Peter Dohr, appointed Executive Director of Catholic Charities of Wayne County – October 1, 2013

Marlene Bessette, appointed President/CEO of Catholic Family Center – January 1, 2014

They joined strong incumbent regional leaders: **Laura Opelt** – Catholic Charities of Steuben County (1998), **Ellen Wayne** – Catholic Charities of the Finger Lakes (2007), **Natasha Thompson** – Food Bank of the Southern Tier (2008), **John Quinlivan** – Camp Stella Maris (2008) and **Renee Spear** – Catholic Charities of Tompkins/Tioga Counties (2012).

While this history is focused on the evolution of work at the Diocesan level, it must be remembered that in our decentralized governance system, the “heart and soul” of our work is carried out at the local level. The work of the nine divisions of Catholic Charities and its two affiliates during this three year period will be detailed in a subsequent work.

Continued Diocesan Support

Described in early histories were the constant support of Bishop Matthew Clark (1979 – 2012) and Vicars General Father John Mulligan (1988 – 1998) and Father Joe Hart (1998 – 2015). From the moment of his installation, January 3, 2014, Bishop Salvatore R. Matano expressed both publicly and privately his support for Catholic Charities and its leadership. When told at his first Diocesan Directors meeting of the frustration of Catholic Charities staff at having to turn down requests for heating assistance in a brutally cold winter with Federal programs having been cutback, he ordered that a second collection be taken in parishes which in the end resulted in \$150,000 of heating assistance given. At his first Priests’ Convocation in April 2014, he touted his pride in our Catholic Charities agency, as one of the largest in the country. In May, 2014, he and the Diocesan Board jointly approved a succession policy for the position of Diocesan Director. In the many different client situations which inevitably arise from an at-risk population, he has been uniformly supportive of agency staff. Currently under consideration is the possibility of a Diocesan Capital Campaign, one of whose major beneficiaries would be Catholic Charities.

Just as the agency had received continuing support from Fathers Mulligan and Hart, so it continued to receive support from Diocesan leadership staff during this time period: Vicar General Father Paul Tomasso, Chancellor Father Dan Condon, CFO Lisa Passero and Development/Communications Director Doug Mandelaro. Father Condon, who received the Bishop Clark Award in March 2014, was particularly helpful through his participation on the Diocesan Board Finance Committee and the Retirement Plan Committee. As he learned

his new position as Vicar General commencing July 1, 2015, Father Tomasso was supportive in his quiet, behind the scenes manner. Lisa Passero was instrumental in the evolution of the insurance plan described below. Doug Mandelaro continually provided good communication advice, particularly relating to life issues.

Diocesan Catholic Charities

Introduction

In response to the growing challenges in the outside environment, as described above, this three year period was a time of heightened activity at the Diocesan Catholic Charities level. Described here are:

- The continued evolution of shared back office services.
- Activities undertaken in response to increased regulatory requirements.
- Activities undertaken in response to changing funding patterns, particularly in the Medicaid program.
- Diocesan Board Activities
- Diocesan Office Activities
- Diocesan Public Policy Committee Activities
- Life Issues Advocacy

Shared Back Office Services

a. Introduction

During this turbulent three year period, central leadership staff continued to improve accountability and efficiency by working to strengthen the finance, human resource and information technology functions. In the spring of 2014, regional staff were asked to complete a central services evaluation to help improve these services. More careful attention was given to retirement plan and insurance issues, and there was more communication across the agency with regard to development and compliance functions.

b. Finance Office Services

With regard to **Finance Office Services**, through the leadership of Tony Barbaro and Lee Randall and, with the resignation of John Pennell in October 2013, the appointment of Kathy Johnson as Interim CFO, highlights included:

- Priorities identified in the central services evaluation were web-invoicing, the need for more training and more assistance to agencies with regard to financial forecasting.
- After a four year struggle, completion in January, 2014 of the sale of property in Dansville which had been the Kinship Diagnostic Home.
- Effective June 1, 2014, the decision to convert financial management software at CFC to Financial Edge used by the other Catholic Charities agencies.
- Follow-up to the adoption on June 2, 2015 by the Diocesan Board of a gift acceptance policy with a request that each agency adopt a policy based on this model if they had not done so.
- After much discussion and negotiation, including consideration of but ultimate agreement not to do an RFP process, renewal of the auditing contract with Bonadio for a five year period beginning with the 2016 audit, based upon our satisfaction with their outstanding performance

and formal annual evaluations indicating that we were very satisfied with performance and independence.

- As continuation of the BackOffice Integration process initiated in early 2013, the convening of an annual meeting within Catholic Charities financial staff and Catholic Family Center financial staff, one result of which was publication in June 2016 of a consolidated Policy and Procedures manual.

This work was overseen and directed by a dedicated CCDCR Finance Committee, ably chaired first during this time period by Marie Castegnaro and then by Mardy Fox, and including Cathy Crandall, Terry Mulhern and Fathers Bausch and Condon, and the equally effective Audit Committee, also chaired by Mardy and including Cathy Crandall, Fathers Condon and Bausch, Ron Allison and non-Board members Krista Niles and Bob Kernan.

c. Human Resources

With regard to **Human Resources**, through the leadership of Barb Poling, highlights included:

- In the fall of 2013, areas of major focus were enhancing an employee handbook with several common sections and a section specific to each agency, emphasizing training on the Charter for Protection of Youth and Vulnerable Adults, and introducing staff to the health exchanges created by the Affordable Care Act (Obamacare) through a series of education sessions presented by staff from Fidelis.
- Priority was given in 2014 to responding to recommendations in the central services evaluation to increasing access to information through the new human resources Web site, to holding regular meetings with regional staff, and to addressing the role of Human Resources staff in new employee orientation.
- Consideration in 2014 of combining payroll systems of Catholic Charities and Catholic Family Center with the ultimate decision it was not prudent at the time.
- Adoption in 2014 of a policy on Women/Minority Business Employment.
- Continuing previous efforts, staff continued to pursue every possibility to address the high experienced-based rates for health care insurance from Syracuse Excellus for the Southern Tier agencies, including a meeting with Fidelis leadership in January, 2014, and then a presentation by Pam Hassen and Scott Averill from Fidelis to the Executive Staff in 2015. Commencing in the summer of 2015, the focus was on obtaining an agreement between Excellus and the Department of Financial Services (formerly the Insurance Department) to allow disaggregation of the Southern Tier agencies for health insurance purposes to make them eligible for substantial savings through a community-rated products available to “small groups” of under 100 employees. At this writing, the outcome of this advocacy is still uncertain.

- Major activities in 2015 were updating the employee handbook and safe environment training, as well as distribution of a new tool for staff evaluation.
- In 2015-2016 at the suggestion of the Human Resources Committee, formalized service agreements were developed with each of the agencies.
- In light of a staff resignation, major attention was given in the first half of 2016 to reorganization of the Human Resources Department in consultation with regional Directors.
- Significant attention was paid throughout the time period to other ongoing issues such as unemployment insurance and workers' compensation insurance as described below, as well as responding to new regulatory challenges also as described below.

During this three year time period, the Diocesan Board Human Resources was ably chaired first by Mary Ann Palermo and then by Phil Cox, and included Dr. Estella Norwood Evans, Bill Powell and Joe Antos.

d. Information Technology

In this three year period, through the leadership of Diocesan IT Director Tom Veeder and staff person Mark Darling, there was continued evolution of **Information Technology** shared services function. Highlights included:

- The hiring of Dan Pohorence in fall 2013 for the responsibility of developing a more comprehensive staff training program.
- Through the effects of IT staff, the Human Resources portal was rolled out in early 2014.
- Issues addressed in spring, 2014, included video conferencing, initial discussion of each agency having an on-site “go to” IT point person, and guaranteeing security of data on portable laptops used by field staff.
- Recommendations coming from the central services evaluation at this time focused on training, video conferencing, better defining the role of the on-site IT point person and the need for improvement in the help desk.
- In May 2014, a permanent video conferencing arrangement within Catholic Charities Community Services between the Rochester and Penn Yan offices was established.
- By the end of 2014, the availability of secure wireless network areas, settling on software for a client database, possibly Awards, and data management had become significant issues, with agreement that Mark Darling would meet individually with individual agency leadership in spring 2015 to address these issues.
- In spring, 2015, positive developments were the availability of tablets at low cost secured by Mark and the hiring of Brendan Parker to work on website development.
- In the fall of 2015, individual agency trainings were held on Excel and Lotus Notes 101.

- A training session for Southern Tier IT point persons was held on January 22, 2016.
- IT Staff person Dave Kilpatrick gave a presentation to Executive Staff on Cybersecurity on February 25, 2016 and it was agreed that he would follow up this presentation by giving presentations to staffs of the individual agencies.
- In spring, 2016, several agencies received grants for information technology upgrades in relation to compliance requirements for Medicaid services.
- On May 6, 2016, Tom Veeder presented possible different software alternatives for client database management, and it was agreed to try a pilot program on one of them at Catholic Charities of Wayne County (delayed somewhat by the agency’s move to a new location in June).

Catholic Charities leadership continues to be grateful to the Diocese and IT Department, particularly Tom and Mark, for their effective and consistent support.

e. Retirement Plan

The **Retirement Plan Committee** (actually not a Board committee but rather created under the responsibilities of the President of the Corporation) chaired first by Kevin O’Connell and then by Tony Adams, and including Terry Mulhern, Doug Parker, Father Michael Bausch and Fritz Minges were particularly active during this three year period. Highlights of activities included:

- Primary focus in the spring of 2014 was devoted to the discussion which had been ongoing for several years of the possibility of modifying the plan to include employer match of employee contributions in some fashion. Kevin O’Connell and Fritz Minges had several discussions with Executive Staff. It was during these discussions that the committee and staff began to look at the larger picture of competing demands for the allocation of resources: wages, health insurance costs and retirement plan costs.
- In the fall of 2014, because of a change in staff at our Third Party Administrator, EPIC, and concerns about quality of service provision, it was agreed that we would undertake an extensive RFP process relating to each of the different administrative elements of the program. After a series of interviews with prospective vendors, it was decided in June 2015 to remain with EPIC/NBT as our administrative entities.
- In the early months of 2015, the opportunity to provide an additional plan, 457(b) for highly compensated employees, as a further incentive to attract and retain capable leaders, was introduced. This plan was rolled out in early 2016.
- After much consideration of a variety of proposed changes to the plan throughout 2015, final decisions were made at the end of 2015. The major changes were the elimination of the automatic deferral provision and the addition of a Roth 401(k) option. It was decided not to adopt the employer’s matching employee contribution approach.

- In the first two months of 2016, Barb Poling organized a series of more than 20 mandatory sessions for employees, presented by NBT, where the changes were explained and once again the importance of saving for retirement was emphasized.
- Finally, throughout this time period, through great effort on the part of Barb Poling and Kathy Johnson from Catholic Family Center, a more effective manner of connection between our payroll function and EPIC record-keeping was developed and maintained.

Much credit goes to the committee and Barb for strengthening and organizing this important element of Diocesan services provision.

f. Insurance

Through the leadership of the Finance Committee and Tony Barbaro, as well as Barb, much greater attention during this time period was also focused on administration of our **insurance** program. Recall that effective July 1, 2009, after many years of participation in the Diocesan Protected Self Insurance Program (PSIP), Catholic Charities had hired First Niagara Risk Management as its insurance broker, and engaged Philadelphia for liability insurance coverage and Liberty Mutual for worker’s compensation coverage. From 2009-2013 much effort was made under the leadership of Tony Barbaro and Barb Poling, with assistance from First Niagara, to create much greater risk awareness among staff, to develop loss prevention initiatives and to tighten the claim management process. Effective July 1, 2013, because of a change in the company’s policy, Liberty Mutual would no longer provide worker’s compensation insurance to an organization for which it did not provide liability coverage and, absent other opportunities, we were forced to move our worker’s compensation coverage to the State Insurance Fund. Generally, during this three year period, we were successful in reducing the number of claims, but we suffered major liability because of the death of a client and two auto accident claims, even though in both instances our staff was not at fault, (Yet, these incidents led to enhanced driver training programs.)

In the 2013-2016 time period, our focus on creating a culture of risk management, loss prevention initiatives, and careful claims review continued, and the 2015-2016 insurance year was a year of major change in our insurance approach. Specific highlights included:

- A major priority in the 2013-2014 insurance program was focus on risk transfer policy development and training. An internal Risk Transfer committee was established. With able assistance from Board Member Tony Adams, an attorney experienced in this area, a formal Risk Transfer policy was written. Major training sessions were conducted in the Southern Tier. Outside vendors were required to provide proof of insurance, recognizing that levels of coverage might have to vary by geographic location and type of activity. John Quinlivan worked out with the United Way a waiver agreement for the annual Day of Caring. By the end of this three year period, particularly in Monroe County, lists of approved vendors were circulated among the agencies.

- Throughout this three year period, Suzanne Nazipak and Pete Henderson from First Niagara Risk Management attended several Executive Staff meetings to promote the culture of risk management awareness. At one such session, held on May 20, 2014, they focused on risk transfer issues, cybersecurity and basic employment practices. They also raised for the first time with regard to Worker's Compensation the concept of moving from a fixed cost premium approach to a risk based premium approach. It was decided not to do so and for 2014-2015 to stay with the State Insurance Fund.
- In August, 2014, Catholic Charities received a request from Bishop Matano, as advised by the Diocesan Risk Management Committee, to raise our overall coverage levels. The Diocese also recommended that we consider a risk-based premium approach with Waldorf, the company which provides liability insurance with the Diocese. While these discussions were occurring, First Niagara also recommended that we again consider a risk-based premium approach to worker's compensation insurance (Incurred Retrospective Rating Plan.) Further, the Diocese recommended that we hire a Risk Assessment Manager. These discussions led to the decision in May, 2015, that, for the 2015-2016 insurance year, we would take such a risk-based approach, for liability insurance with Waldorf, and for worker's compensation with PMA, with a total year-to-year savings of \$100,000, even with increased caps as requested by the Diocese. We also hired First Niagara to be our Risk Assessment Consultant.
- During the 2015-2016 year, there was continuing discussion about cyber-insurance coverage, about which there is not yet final resolution of division of coverage between the Diocese and Catholic Charities, and agreement of an allocation formula among agencies for worker's compensation premium based on agency experience, to be reviewed annually.
- During the spring and summer of 2015, staff from First Niagara visited each of our main program sites to meet with staff and do site risk review.
- In spring 2016, much attention was given to developing Safety Committees in different regions of the Diocese. (Catholic Charities Community Services, Providence Housing and the Food Bank had previously established such committees.)

Thus much was accomplished in this three year period in strengthening the insurance function. This effort resulted in decreased claims year-to-year in each year of this time period. Before leaving discussion of the insurance function, it should also be pointed out that because of excellent claim management by our Human Resource Department, unemployment insurance claims also decreased in this three year period, resulting in some agencies not having to contribute anything to the State Unemployment Insurance Fund for 2016.

g. Development

Over the past twenty-five years, from time-to-time, the question was raised as to whether the Diocesan office should also create a consolidated **Development**

Function as a shared service. Given the diversity of needs, and the underlying fact that fundraising relationships need to be developed at the local level, among other factors, at each discussion, it was determined not to do so. During this three year time period, however, it was determined that there could be more collaboration and communication among the various development staffs. Highlights of such activities, carried out under the leadership of Tony Barbaro, included:

- The decision made in June, 2013, to enter into a three year contract with Blackbaud for Raiser’s Edge development software, because of its greater power, and easier communication with the Financial Edge software. Acquisition of this software was made financially possible in part by a grant from the Jack Balinsky Endowment Fund established in 2007 by Jim Gould. Experience with implementation of this software showed that it indeed had great potential, but despite significant efforts at training, and various proposals to add staff which were not enacted, that at the end of this time period, most agencies were far from able to take full advantage of the software’s potential.
- In September, 2013, distributed and discussed were boiler-plate materials which could be customized for each agency about planned giving, including a descriptive brochure and sample letters to estate attorneys, funeral directors, as well as blurbs for use in newsletters, social media, etc.
- Development in spring of 2014 of a Catholic Charities video designed to encourage greater understanding of and contribution to Catholic Charities agencies, the first version of which was presented to Bishop Matano at the March 11, 2014 All Boards Convening, and the final version, with introductory comments from Bishop Matano, made available in late spring of that year.
- In September, 2014, staff from the Food Bank, presented to the “Development Group” which was meeting two or three times a year, a presentation on their successful \$5.75 million capital campaign.
- On October 15, 2015, Dave Kelly from the Diocesan Development Office gave a presentation to the group on attracting major gifts.
- On May 17, 2016, the Development Group heard a presentation by representatives from Blackbaud about their new product, Raisers’ Edge NXT. It was agreed that this new software made it much more user friendly than its previous iteration and addressed many of the frustrations experienced over the three previous years. It was agreed that we would sign a three year contract for use of this software.
- Finally, as previously indicated, there was discussion in late spring, 2016, about ongoing exploration of the possibility of a Diocesan Capital Campaign of which Catholic Charities would be a beneficiary.

Thus, without the creation of a centralized development function, there was significantly increased beneficial collaboration in this important area.

The final shared service function which came to the fore in this three year period in response to increased regulatory requirements was the compliance function, which is described in the next section.

Activities Undertaken In Response To Increased Regulatory Requirements

a. Introduction

Six new developments in government regulatory requirements presented new challenges for Catholic Charities in this three year period. They were:

Executive Order 38 – July 1, 2013

Creation of the Justice Center – June 30, 2013

Enactment of the Not-for-Profit Revitalization Act – 2013

Updating of Compliance Standards in the “Green Book” – Standards for Control in the Federal Government – 2016

Passage of New York State Minimum Wage Legislation – 2016

Adoption of new Federal Fair Labor Standards Act Regulations – 2016

Details of the changes and how Catholic Charities has responded to them are put forward in this section.

b. Executive Order 38

In early 2013, James Introne, Deputy Secretary for Health and Human Services for Governor Cuomo, spoke to the State Council of Catholic Charities Directors about the administration’s plan to reduce by 50% the number of not-for-profit agencies in the State over the next five years. He indicated that the State did not intend to cut total funding available for human services provision, but felt that the multiplication of not-for-profit agencies over the previous three decades had resulted in duplication of services and an inordinate amount of scarce resources being spent on funding of administrative costs, especially in smaller agencies. One important vehicle through which the State would work toward this goal was the issuance of **Executive Order 38** on July 1, 2013. The two major provisions of this order were requirement that in order to receive State funding agencies had to keep administrative costs under 25% by 2015, and 15% by 2017, and also salaries for Agency Executives paid for through State contracts had to be limited to less than \$200,000.

Complying with the second provision has not been a problem for Rochester Catholic Charities. With regard to the first provision, fortunately the work done over the previous decade in developing shared services put the agency in a position where administrative costs have been well below the required caps. There continues to be some confusion about how administrative costs are evaluated in relation to this provision, with a different approach than the generally accepted methodology. Because of the complexity of the rules for calculating costs, an inordinate amount of staff time has been required to develop the needed documentation. Even with this calculation, both consolidated Catholic Charities and Catholic Family Center remain below required limits. In fact, over the last three years, our auditors, the Bonadio Group, in meeting with the Diocesan Board Finance Committee and Finance Committees from Regional agencies have commended Catholic Charities in this respect and have held up our agency as a “model” for what the State is envisioning. This is just another example of why developing the overall Diocesan Catholic Charities infrastructure continues to be so important.

c. Justice Center

When the State Department of Mental Hygiene was restructured in 1977, one of the entities established was the Commission on Quality Care, as a watchdog agency for service provision to special needs populations. While the agency did much good work for nearly three decades, it became clear early in Governor Cuomo's tenure, fueled by the unfortunate deaths of a number of disabled clients, most in State-run facilities, that its enforcement powers were limited. So was born the concept of the **Justice Center** which came into existence June 30, 2013. (Ironically, at the strong insistence of the Governor's office, the State Council of Catholic Charities Directors advocated with the State Legislature for its creation.) The Justice Center has considerably stronger legal powers for investigation, indictment and the like than those given to the Commission on Quality Care.

Both in Rochester Catholic Charities, and in Catholic Charities agencies across the State, there have been numerous problems in relationship with the Justice Center. Among the chief concerns:

- The length of time it has taken the Justice Center in many cases to make a decision on a complaint.
- The practice of asking our agencies to “stand down” while the Justice Center conducts an investigation hampering our ability to identify and deal with issues.
- Uncertainty of how to work with staff under investigation: continued employment, suspension with pay, suspension without pay, the need to hire replacement staff.
- Difficulties when Justice Center staff conduct investigations by telephone.
- Inconsistencies in which staff within the agency are notified of a complaint, although with Rochester Catholic Charities this issue seems to have been resolved.
- Retroactive reclassification of issues.

Throughout this time period, Catholic Charities leaders have met several times with Justice Center leaders to discuss our concerns and offer suggestions as to how processes could be improved. In October, 2013, four months after the Justice Center was established, three top staff from the organization came to a meeting of the State Council of Catholic Charities Directors to discuss their goals and approaches. Because many of the concerns enumerated above had surfaced already, Deputy Director Davin Robinson was invited to come to Rochester on April 30, 2014, first to meet with our Compliance Team and then to meet again with the State Council of Catholic Charities Directors. Davin was responsive at these meetings, and has been a helpful contact ever since, but working with the Justice Center has continued to be a major challenge for us.

d. Not-for-Profit Revitalization Act

Enactment of the **Not-for-Profit Revitalization Act** also presented a variety of compliance challenges for Catholic Charities. Originally proposed by State Attorney General Eric Schneiderman as a vehicle to update antiquated not-for-profit administrative processes, as often happens, the end result of passage of the law was the adoption of provisions, some modelled after the Federal Sarbanes-Oxley Law focused on for-profit entities, requiring changes in by-laws and operating policies. Major provisions requiring change included:

- General Governance Processes
- Audit Oversight (Audit Committee must include only Independent Directors)
- Related Party Transactions
- Conflicts of Interest (monitored much more closely)
- Whistleblower Policy

With assistance from Mike Cooney (who for twenty-five years has been the “custodian” of our by-laws) and Anita Pelletier from Nixon-Peabody, Board and staff spent considerable time throughout 2014 developing and adopting By-Laws Amendments and Operating Policies. (Happily because we had worked with Mike to regularly update our by-laws, they were in relatively good shape compared to other agencies.) At the May 20, 2014 Board meeting, required By-Laws Amendments were submitted for consideration to be voted on at the September meeting and the following Board policies were adopted: Conflict of Interest, Standards of Ethical Conduct, Whistleblower and Audit Committee Charter. Amendments to regional Board By-Laws were adopted at the December, 2014 Board meeting. Amendments to the Whistleblower policy were made during 2015, with agreement that matters resolved at the local level need not be reported to the Diocesan Board Audit Committee and a revised Conflict of Interest Policy was adopted in December, 2015.

e. Corporate Compliance

The next external policy evolution requiring significant internal response was adoption and increasing enforcement of requirements related to the **Compliance** function.

Since December 1, 1999, with increasing complexity, agencies receiving more than \$500,000 annually in Medicaid funding were required to maintain a compliance function. Within the context of our decentralized approach to delivery of services, it was natural that each of our agencies meeting the threshold of Medicaid funding (Catholic Family Center, Catholic Charities Community Services and Catholic Charities of Chemung/Schuylers Counties) would develop and maintain their own compliance function. They did so effectively, including significant work addressing HIPAA (Health Insurance Portability and Accountability Act) issues.

Within the general context of greater cooperation in the Diocesan Catholic Charities family described above, in the specific context of the Back Office Integration Project, and to address the requirements of the Not-for-Profit Revitalization Act, there began to occur for the first time in the fall of 2013 a much more formal collaboration among Diocesan Catholic Charities staff and the compliance staff of individual agencies. A first agenda item was discussing in September, 2013 required IT revisions for upgraded HIPAA regulations. Jack convened the first formal “Compliance Group” meeting in Geneva on December 20, 2013. Agenda items included reports on individual agency activities, discussing issues relating to implementation of the Not-for-Profit Revitalization Act, sharing information about early experiences with the Justice Center, reviewing implementation of the recent changes in HIPAA regulations and assessing the status of the Social Work waiver requirement that had been previously implemented and for which we had received certification. In addition to central Diocesan staff, regional agency staff who were present at this session and who would play a key role over the next three years in the

evolution of activities described in this section were Lindsay Gozzi-Theobald from Catholic Family Center, Penny Coon from Catholic Charities Community Services, Terri Gurski from Catholic Charities of Chemung/Schuyler Counties and Jamie Fuller from Catholic Charities of Steuben County.

The group next met by conference call on February 14, 2014. Issues addressed included HIPAA updates, Not-for-Profit Revitalization Act issues, annual training, notice of privacy requirements, access to client records and the whistleblower policy. The group agreed to ask the State Council of Catholic Charities Directors to convene a meeting of compliance officers from across the State in the context of the March 18, 2014 Statewide Annual Convening of Catholic Charities, a request which was denied. It was also agreed that IT staff should be playing a more prominent role in these meetings and that we should organize a meeting with staff from Bonadio about compliance issues. At this meeting CFC Security Officer Aldwin Maloto was added to the group.

As previously indicated, the group met on April 30, 2014 with Davin Robinson from the Justice Center.

The next conference call of the group occurred on September 10, 2014, addressing basically the same issues, with the addition of conversation about establishing whistleblower hotlines. While it was agreed the group would meet on a quarterly basis, in discussions over the next several months, it became clear that there was no need for formal meetings because staff from the agencies, particularly Lindsay and Penny were in constant communication and clearly “on the same page.” It was also agreed that Lindsay and Penny would be available on a very limited basis to help our six agencies without compliance staff with training and incident review.

The next significant step in the evolution of the Diocesan office compliance function came at the annual joint meeting of the Finance staffs of Catholic Family Center and Catholic Charities on September 16, 2015. At that meeting, Jeff Paille from Bonadio informed staff of changes in compliance requirements as outlined in the so-called “Green Book” – Standards for Control in the Federal Government. Significant additions to compliance requirements had been included in the Federal Budget Reconciliation Act of 2009, and were now being further articulated in amendments to the Green Book. It was indicated that for the 2016 audit we were already in compliance with the new requirements relating to procurement and our payroll/timekeeping system. The major impact of this presentation, however, was recognition that there needed to be an onsite compliance program at each of our agencies and that we needed to move toward a centralized Diocesan Catholic Charities Compliance function.

Formal discussion of this matter commenced at a meeting held immediately after the Bishop’s Legislative Luncheon at St. Patrick’s in Victor on January 8, 2016. Present for the meeting were central Diocesan Catholic Charities staff, several regional Executive Directors, compliance staff and a representative from Bonadio. Three major outcomes of the meeting were recognition that the temporary plan instituted months earlier where Lindsay and Penny would divide the agencies without a compliance officer and would provide training for Board and staff as well as incident

review was simply not working and we would need to move to a different model. Second, it was agreed that as a first step toward determining where we would need to strengthen our compliance efforts would be to ask Bonadio to do HIPAA Privacy Assessment and IT/HIPAA Risk Assessment because HIPAA is certainly the most important area of risk even though it is far from the only one. (At its March 15, 2016 meeting, the Board authorized contracts for these purposes.) Third, it was agreed that moving toward a centralized compliance function would be a phased-in multi-year process.

This understanding of taking a phased-in multi-year process approach was changed dramatically when in early June, Tom Veeder from IT and Lindsay met to work on the HIPAA risk assessment questionnaire provided by Bonadio and quickly recognized that a significant amount of work needed to be done. While Tom and others were able to complete the required information by the end of the summer, it was apparent that we needed to “fast forward” our discussions about creating a centralized compliance function.

So, at the end of this three year time period, staff was beginning this important work. Basic elements of the Diocesan Compliance program will include:

- I. Written Policies & Procedures
- II. Compliance Program Oversight
- III. Training and Education
- IV. Effective, Confidential Communications
- V. Enforcement of Compliance Standards
- VI. Auditing and Monitoring
- VII. Investigation & Remediation of Systemic Problems
- VIII. Whistleblower Provisions and Protections

In doing this work, we must be cognizant that compliance is not limited to just Medicare/Medicaid, but includes the following areas of concern:

- | | |
|--|--|
| <ul style="list-style-type: none"> ▪ Medicare Billing Compliance ▪ Medicaid ▪ Third Party Payers & Billing ▪ EMR/RHIO ▪ Performance Outcomes ▪ Managed Care Organizations ▪ Health Homes ▪ FLPPS ▪ Safety ▪ HIPAA Security, Information Security & Assurance ▪ HIPAA Privacy, 42CFR, AIDS/HIV, NYS Mental | <ul style="list-style-type: none"> Health Law & general confidentiality ▪ Research ▪ Anti-kickback ▪ Quality ▪ Voluntary Disclosures ▪ Funder, Payor & regulatory requirements ▪ OMIG/CMS billing & payment expectations ▪ Service Documentation ▪ Grant requirements ▪ Fundraising ▪ Contract requirements ▪ Employment/Labor Law /HR/Payroll {recruitment, discipline, terminations, |
|--|--|

- wage adjustments, benefits, adverse actions, reporting requirements, etc }
 - Financial {IRS, Green Book, state taxation & finance, funder, cash, etc. }
- Other State & Federal requirements, laws & expectations
- Vendor management
- Culture

f. State Minimum Wage Increase

The fifth external development which presented considerable challenges for our Diocesan Catholic Charities family was the passage of **State Minimum Wage** legislation as part of the 2016 State budget. Recall that in 2015, by Executive Order, Governor Cuomo had implemented a mandatory phased-in wage increase to \$15 per hour for certain fast food workers. Already there was concern that the disparity of that salary compared to what we paid front line workers would cause us to lose entry level staff. The 2016 legislation provides for phasing in a minimum wage up to \$12.50 per hour over the next three years. Throughout the legislative session, the Catholic Conference advocated for an increase but only with a commitment in State reimbursement to help cover the cost.

This legislation will have considerable impact on our service delivery. In the short term, we will be able to meet the required increases for all our employees who are now making the minimum wage, but we will have more difficulty as the phase-in becomes higher. Of equal concern is the “compression factor”, because increases of entry level employees will bring their salaries up to or even beyond the salaries of their supervisors, which will burden us with the cost of also increasing their salaries.

In passing this legislation, the State made some, but what we feel is inadequate, provision for additional funding for the increase. For OMH, OASAS and OPWDD, rate adjustments will be based on the Consolidated Fiscal Report (CFR) which we submit annually. For Department of Health programs, State staff are still working on complicated algorithms to determine the amount of adjustment. For grants from other State agencies like OCFS and OTADA, there is no provision for any increase. And, of course, for programs not funded by State grants, we will have to find other resources or cut services.

At the request of the Diocesan Board Finance Committee, the impact of this legislation will be carefully looked at as we prepare 2017 budgets.

g. Federal Fair Labor Standards Act Regulation

The sixth and final external development which presented challenges to Catholic Charities during this three year time period was the implementation of new regulations in the Federal **Fair Labor Standards Act** relating to the classification of exempt employees. Under the new regulation, to be classified as having an exempt status, an employee must make a minimum salary of \$913 per week or \$47,476 annually and meet certain other requirements relating to work responsibilities. Determination of exemption is made by responses to specific questions of duties relating to Executive Employee Exemption, Administrative Employee Exemption or Professional Employee Exemption.

To respond to this significant regulation change, in late spring 2016, the Human Resources office developed a four step plan for implementation prior to the December 1, 2016 required implementation date:

- Identify employees impacted by the changes – currently exempt employees earning less than \$913 a week.
- Do an analysis and set an internal deadline for the decisions on bringing a salary up to the base of \$913 a week, paying overtime or reducing duties of employees affected.
- Develop a communication strategy for communicating with employees, expecting a possible negative reaction because “exempt status” means prestige to many employees.
- Prepare employees affected by the change through a variety of communications initiatives.

The impact of this required change on Catholic Charities has been significant. Initial analysis determined that 148 of our employees are impacted by the changes. About half of the group work at Catholic Family Center and the other half are scattered through the other sister agencies, with heaviest impact at Catholic Charities Community Services, Catholic Charities of Chemung/Schuylers Counties and Catholic Charities of Steuben County. Particularly difficult decisions must be made for staff in residential programs, especially managers, because of significant overtime worked based upon analysis of past experience. This is another area for which the Diocesan Board Finance Committee has asked for a detailed analysis as part of the 2017 budget preparation. At this writing, it is estimated that the financial impact on Catholic Family Center will be in the neighborhood of \$200,000 annually and about \$120,000 annually at Catholic Charities Community Services.

Taken together, these six external developments have placed enormous additional responsibilities on leadership staff and have significant financial impact.

Changing Funding Patterns in the Medicaid Program

a. Introduction

As written in the book *Rocky in Retrospect*, a compendium of presentations given at a symposium several years after the conclusion of Governor Nelson Rockefeller’s term, his chief of staff Alton Marshall described how the Medicaid program was created in New York State in 1965. The Federal government had established the program earlier in the year and each state had to adopt its own program within the parameters of the Federal legislation. According to Marshall, it was the morning of the last day of the legislative session in May when he and his aide Dick Rosenbaum met to plan the program. They began by asking “What would Rocky do?” Not surprisingly they developed the largest possible program: eligibility at the highest permitted income level, availability of all services possible, payment of maximum permitted fees for services, and no co-pay requirement. At lunch, they presented, literally on the back of an envelope, to the leaders of the Senate and Assembly, their proposed plan and cost estimates. Their proposal was passed intact that afternoon.

Analysis later of the cost of the first year of the program showed that it was five times the estimate they had presented.

From its beginning, then, the Medicaid program has had significant impact on the State budget as a major cause of the State's high taxes. In the 1980's, as a staff member of the State Catholic Conference, the author had the opportunity to be present at a meeting of the State Bishops with Governor Mario Cuomo. In discussion about the State budget, the Governor assured the Bishops there was no need to worry about balancing the budget because he had given his Budget Director instructions "If it moves, Medicaid it", saving State dollars by utilizing Federal funds. Unfortunately in the New York State Medicaid program, 50% of all spending must be paid by the State, thus further exacerbating the need for higher taxes.

When Governor George Pataki was elected in 1994, he moved quickly to work on reducing Medicaid costs by seeking and gaining a waiver to provide Medicaid managed care services. (This development led to the creation in January, 1997 of Fidelis Care, jointly owned by the eight Catholic Dioceses in the State). Over the fifteen years between 1995 and 2010, there were several steps taken to broaden the number of recipients in managed care programs. One exception was that high-risk, special needs populations (developmentally disabled persons, those suffering mental illness, persons with drug and alcohol problems, persons living with AIDS and other chronic illnesses) were not required to participate in managed care programs (Early efforts at special needs managed care programs had failed).

This was the situation faced by Governor Andrew Cuomo when he took office in January 2011. By then the Medicaid program accounted for over \$50 billion of a State budget that was \$125 billion. To achieve his goal of reducing expenses to reduce taxes and hopefully improve the business climate in the State, the Governor firmly believed that major reform was needed. At the beginning of his term,, the Governor hired Jason Helgerson, who had had success in reducing Medicaid costs in Wisconsin and established the so-called Medicaid Redesign Team (MRT). Very quickly, the team recommended and the State began to implement a series of major changes in the Medicaid program. The basic premise of these reforms was that since the high-risk special needs population (about 12% of Medicaid recipients) accounted for 80% of Medicaid spending, they needed to be placed in managed care programs. Since many Catholic Charities programs were developed for this very population, these changes have presented enormous challenges and opportunities to Rochester Catholic Charities.

Described here are the five major new initiatives which have had the most significant impact on our work:

- Health Homes
- Transforming Existing Programs Into Managed Care Programs
- Children's Health Homes
- Delivery System Reform Incentive Performance Program (DSRIP)
- Home and County Based Services Waiver Program (HCBS)

b. Health Homes

One of the first new program models established by the Medicaid Redesign Team (MRT) to move high risks populations into managed care was Health Homes.

A Health Home is a virtual care management service model whereby all of an individual's caregivers communicate with one another so that all of a patient's needs are addressed in a comprehensive manner. This is done primarily through a "care manager" who oversees and provides access to all of the services an individual needs to assure that they receive everything necessary to stay healthy, out of the emergency room and out of the hospital. Health records are shared among providers so that services are not duplicated or neglected. Health Home services are provided through a network of organizations – providers, health plans and community-based organizations. When all the services are considered collectively, they become a care management operated virtual "Health Home."

While Catholic Family Center provides such care management services to a relatively small group of clients, it is Catholic Charities Community Services that has been most involved in the evolution of Health Homes in the Rochester Diocese.

As described in previous histories, since 1992, CCCS had been delivering intensive care management to people living with AIDS as a Targeted Care Manager (TCM) provider and directly billing Medicaid. Resulting from the work of the MRT, HIV/AIDS was reclassified by DOH as a chronic illness and was folded into the new Health Home System in 2013. Agencies that wanted to continue to work with the Medicaid population by providing care management were required to join a health home network. These networks (for an administrative fee of about 6% of total billing) provide administrative support, bill Medicaid, send referrals to agencies, make available care management software, provide training and assure agencies are complying with State regulations.

c. Transforming Existing Programs Into Managed Care Programs

As indicated previously, prior to the creation of the Medicaid Redesign Team, three Catholic Charities agencies were providing Medicaid service: Catholic Charities of Chemung/Schuylers Counties, Catholic Charities Community Services and Catholic Family Center.

Of these agencies, Catholic Charities of Chemung/Schuylers has been least affected by this transition. In addition to its recent designation as a provider of HCBS waiver services under Psycho-Social Rehabilitation as described below, CCCS operates two licensed OMH programs: an Apartment program and a community Residence program. The definition of services to be covered by the waiver has led to some minor confusion about service provision which should be soon clarified.

As indicated above, the agency most affected by his transition has been Catholic Charities Community Services.

In addition to the program and organizational changes in the Health Home program described above, two other major changes have been the need to change its IT structure to communicate with managed care organizations with whom the agency is contracting. As part of this transition, CCCS had to join the Regional Health

Information (RHIO) system organization which makes patient information available electronically, to primary care physicians, care managers and other professionals.

Within programs for developmentally disabled persons funded by the Office for Person with Developmental Disabilities (OPWDD), the “transformation” agenda has also had significant impact on the way CCCS provides services to developmentally disabled persons as follows:

- There has been a significant increase in “self-directed” plans.
- CCCS has started a new service (Fiscal Intermediary) where participants have the decision-making authority to recruit, hire, train and supervise the individuals who furnish their services. These services can include one-to-one staff, respite, employment services, education and training, therapies, transportation, subsidy and other supports. By the end of 2015, there were 30 participants in the program.
- The budget management program is expanding.
- The agency is now a Medicaid Transportation provider, with concomitant documentation required.
- Closing of State operated programs puts pressure on voluntary agencies like Catholic Charities to take individuals who require more staffing than what our rates support.
- The agency will need to downsize to houses of no more than four residents by 2019, with obvious major implications for our program. (Pickering House in Penn Yan with three individuals was opened in 2015 as a step in this direction.)

Catholic Family Center has been fortunate in being prepared for the transition of its outpatient chemical dependency services to a managed care approach. All Outpatient chemical dependency services were transitioned to Medicaid Managed Care as planned July 1, 2016. All billing and reimbursement is now processed through Managed Care providers for Restart Outpatient Services (annual billings of \$3.6M in 2016). As expected, payments are being received slower than from direct Medicaid billing but we requested and received advance payment on deficit funding to mitigate the cash flow risks historically associated with these transitions. CFC was fortunate in that the Mental Health Clinic had moved to Medicaid managed care several years ago, so we had existing contracts with managed care organizations and more importantly, already existing technology linkages. CFC utilizes the same electronic client records system (TenEleven) for all behavioral health programs, so the transition was not as daunting as it would have been otherwise. The residential program restructuring has resulted in higher rates but the requirement to hire more medical staff. The next major change will be the move to Value Based Payments in 2018 which is as described below.

d. Children’s Health Homes

As indicated above, the “Brave New World” of Medicaid reform has provided not only challenges but opportunities. Together, four Upstate Diocesan Catholic Charities agencies have come together to create a jointly-governed Children’s Health Home. This is a significant development for the Catholic Charities family in New York State, akin to the creation in 1997 of Fidelis Care of New York, owned jointly by eight Catholic Dioceses.

Like any such development, it has required much work and collaboration over the past two years. Remote discussion of such a collaboration approach began at State Council of Catholic Charities Directors meetings in May 2013 and May 2014, when the Council Behavioral Health Committee, chaired by Lori Accardi from Binghamton, urged the Council to consider consolidated Statewide initiatives in the light of Medicaid reform. Further interest in some sort of collaboration effort was sparked in 2014 by presentations given to several Diocesan Catholic Charities agencies by Gerry Archibald from Bonadio about creating collaborative IPA's (Independent Provider's Associations) to provide leverage in negotiating rates with managed care organizations. Discussion about creating a multi-Diocesan Children's Health Home was further advanced by widespread solicitation from Hillside and Northern Rivers in spring/summer 2014 for participation of our agencies in the proposed Statewide Children's Health Home. Feeling was expressed by many Catholic Charities leaders that rather than participating in an outside venture, this was a natural opportunity for us to create our own collaborative organization. In fall 2014, particularly before a gathering honoring retiring State Catholic Conference Charities staff person Earl Eichelberger on October 20, 2014, there was agreement that we didn't have the leadership resources to develop both a multi-Diocesan IPA and a Children's Health Home on a multi-Diocesan basis, and that we would pursue the Children's Health Home. This approach was endorsed first by the Upstate Charities Directors and then by the Council as a whole by the end of 2014.

A major reason for moving in this direction was that Binghamton Catholic Charities, a division of Catholic Charities of the Diocese of Syracuse, had been selected in early 2013 to administer an adult health home, as described above, for Broome, Delaware and Tioga Counties and had done so very successfully both from a service perspective and from a financial perspective. It was the vision, sense of mission and generosity of spirit that led Syracuse Diocesan Charities Director Joe Slavik and Binghamton Charities and Health Home Director Lori Accardi to agree to become the lead agency in putting together a multi-Diocesan application to form a Children's Health Home. With considerable input from other Dioceses, their staff did the lion's share of the work to submit an application on March 3, 2015 for a seven Diocese (all but the Archdiocese of New York) collaborative Children's Health Home, adjusted at the last minute from the originally proposed upstate Diocesan approach. On June 15, 2015, Lori and her staff received word that we had received approval to administer a Children's Health Home in 48 upstate counties.

The fifteen months since that approval have been a time of intense internal and external planning for this program, which is very similar to the adult health home, but of course with differences because of the younger target population. Major activities, with again the bulk of the work being carried out by staff from Binghamton Catholic Charities, have included:

- Several meetings or “readiness assessments” between Binghamton staff and representatives of the State Department of Health, featuring notification of several delays in implementation date (originally July 1, 2015, now pushed back to December 1, 2016), and notification of so many changes in mechanics of the program that the mantra has arisen that “the State is building the airplane as it is flying it.”

- Also, externally, the scheduling of two series of outreach sessions in each of the Dioceses as information/provider recruiting efforts, which have resulted in over 120 providers having joined the network at this writing.
- Also externally, meetings with local Departments of Social Services, particularly around the foster care issue.
- Internally, regular meetings of the four Diocesan Directors (Albany, Syracuse, Rochester, Buffalo) involved in the program. (Although a number of the 48 counties for which we have been approved are in the Ogdensburg Diocese, their Catholic Charities agency has chosen, up to now, not to participate.) These meetings have focused on:
 - Continued reports from Lori and staff on the evolving program;
 - Developing a structure for the new organization;
 - Choosing a name – Encompass;
 - Developing policies of adherence to Catholic Social Teaching and gaining approval from the Department of Health for these policies;
 - Limitation and allocation of liability responsibility (Syracuse Catholic Charities bears this responsibility).
 - Various logistical, mechanical program issues such as the decision to use the NetSmart software system;
 - Gaining approval from the four participating Bishops. (After his own review, input from staff and Diocesan attorneys, Bishop Matano gave his approval on April 12, 2016);
 - Building a regionalized staff structure.

These efforts culminated in an historic event occurring on August 30, 2016 when the four Diocesan Directors and Mike Lawler, staff from the State Catholic Conference voted to create the Encompass Family Health Home LLC. The sole member of the corporation is Catholic Charities of the Diocese of Syracuse. Board members are the four Diocesan Directors (Vince Colonno – Albany, Joe Slavik – Syracuse, Jack Balinsky – Rochester and Dennis Walczyk – Buffalo and Mike Lawler). Lori Accardi was appointed as Executive Director.

Already on August 30th, the Board began adopting policies such as bank resolutions, to enable the corporation to function administratively. Also at the Board meeting, members were informed that Encompass Family Health Home had been notified the previous week that we have been allocated a start-up grant of \$1.8 million, to be spent over the next year for a series of start-up activities. It was indicated that seed grants of \$100,000 would be made available to the participating Dioceses to develop a regional staff structure reporting to the Binghamton office.

So stands this exciting adventure at this writing.

e. **Delivery System Reform Incentive Performance Program (DSRIP)**

While the Department of Health has implemented major new program initiatives such as Health Homes, and moved many existing programs to a managed care approach, the centerpiece of the work of the Medicaid Redesign Team has become known as the DSRIP program.

In February, 2012, the State submitted to the Federal government a proposal for a \$10 billion waiver to enable more cost effective provision of services to the high risk population. After two years of intense negotiation between the State and Federal governments, in February 2014, the State was granted an \$8 billion waiver over five years if it could achieve three goals: 25% reduction in emergency room visits, 25% reduction in hospital admissions, and 25% reduction in hospital readmissions. Two important factors of this waiver approach are the integration of health care and behavioral health services, and recognition (with substantially increased funding a boon to Providence Housing) that safe affordable housing is one of the most important factors in stabilizing families and reducing Medicaid costs.

To administer this program, applications were sought and approval given (in record speed) for the establishment throughout the State of 25 Performing Provider Systems. The Finger Lakes PPS covers almost all of our 12 County Diocese, and is divided into three so-called Area Groups. The Steering Committee was appointed on April 9, 2014. Ironically, for a program whose goal is to reduce hospital involvement and develop integrated community-based services, the joint owners of FLPPS are the two major hospital systems – URMC and the Rochester Regional Health System.

Another troubling aspect of DSRIP is the proposed shift over time from fee-for-service reimbursement methodology to Value Based Payment (VBP). A major challenge in this approach is in establishing concrete measures of what are “value propositions”. There has been discussion about such complex methodologies as episodic bundles or integrated primary care bundles. A second challenge is that the State has established VBP target spend thresholds for managed care organizations that are extremely ambitious. The State has mandated that 10% of a plans Medicaid expenditures flow through VBP arrangements by the end of the 2017 State fiscal year, 50% by the end of the 2018 State fiscal year, and 80% by the end of 2019 State fiscal year. This whole arena certainly presents many future challenges for providers like Catholic Charities.

Three of our agencies, Catholic Family Center, Catholic Charities Community Services and Catholic Charities of Chemung/Schuyler Counties have participated in the FLPPS process from the beginning. The work required to participate could easily be added to the series of external challenges described in a previous section. The amount of paperwork describing our agencies that was submitted and participation in the seemingly endless series of committee and subcommittee meetings has been an enormous drain of our leadership staff resources.

We have, however, begun to receive benefits from our participation. Catholic Family Center has received small grants for its participants and Catholic Charities Community Services has received \$64,000.

In addition, through this work we have added a new assessment tool, called the Patient Activation Measure. All CCCS outreach and care management staff have adopted this new tool, which will be extended to all clients. Due to DSRIP and the recognition Statewide that social determinants of health are part of healthcare, CCCS is creating a clinical department of behavioral health for its clients and hired a

Director of Medicaid Initiatives and Clinical Services to coordinate to the shift of all clients into managed care program.

Obviously, Catholic Charities will continue to be an important part of the DSRIP initiative over the next three years.

f. Home and Community-Based Services Waiver Program (HCBS)

Like the Children’s Health Home initiative and DSRIP activities, the creation of the Home and Community-Based Services program has presented to our agency new opportunities as well as significant challenges.

Like the Health Home approach, the State has initiated, effective downstate on January 1, 2016 and upstate on October 1, 2016, a new approach to providing managed care services to a specific high risk populations – those with mental illness and substance abuse issues. This initiative is entitled Health and Recovery Plans (HARP). Adults enrolled in Medicaid and 21 years or older with select Serious Mental Illness (SMI) and Substance Abuse Disorder diagnosis having serious behavioral health issues are eligible to enroll in this program. This program will be operated on a Statewide basis by Managed Care organizations. HARPs will arrange for access to a benefit package for Home and Community-Based Services for members who are deemed eligible.

Services which have been approved by DOH, OASAS and OMH, that will be provided by Catholic Charities agencies in our Diocese include:

- Habilitation
- Family Support and Training
- Education Support Services
- Empowerment Services/Peer Support
- Pre-Vocational
- Intensive Supported Employment
- Ongoing Supported Employment
- Psycho-Social Rehabilitation

All three of our traditional Medicaid provider agencies have chosen to participate in this program. In addition to these agencies, three of our other agencies have chosen to plunge into the “brave new world” of Medicaid service provision by opting to offer these services: Catholic Charities of Livingston County, Catholic Charities of Steuben County and Catholic Charities of Tompkins/Tioga. As of this writing the particular services to be offered by our agencies are displayed in the following chart:

	Habilitation	Family Support & Trng	Education Support Services	Empowerment Services/Peer Support	Pre Voc	Intensive Supported Employment	On-going Supported Employment	Pyscho Social Rehab
CFC		X		X	X	X	X	
Livingston	X	X	X	X	X	X	X	X
Community Services	X	X	X	X	X	X	X	X
Chemung	X							X
Steuben				X				
Tompkins/Tioga	X	X	X		X	X	X	

Finger Lakes								
Wayne								

For all agencies participating in this program, there will be additional requirements:

- Participating agencies will have to be able to access the State Health Commerce System and complete the training in the Uniform Assessment System for New York State, so that care managers can complete eligibility assessments for potential HARP/HCBS clients.
- Agencies will have to hire staff that meet rigorous education and experience requirements.

For those of our agencies newly involved in providing Medicaid services there will be other external and internal requirements:

- Most significantly, adding a local compliance plan hopefully developed in a collaborative fashion through our evolving Diocesan Corporate Compliance office.
- Establishing contractual relations with Managed Care organizations (for the contract with Fidelis, we explored the possibility of developing one contract for our corporation, but ultimately decided because of our billing system that it was more efficient to have each agency contract separately).
- Through upgrades of our health information technology, assuring that client data base systems are sufficient to track services.
- Modifying billing systems to accommodate this new program.
- Finding the time and appropriate opportunity to assure sufficient training of our staff (Tabitha spent considerable time on this and has become our resident expert).
- Working out effective coordination between regional agencies and Catholic Charities Community Services which has a Diocesan-wide program.
- With uncertainty of number of referrals, developing a plan for adding staff without becoming overstaffed because of lack of referrals.

To assist us in ramping up this program, each of the agencies has received start-up grants, both for general expenses such as health information technology expense.

As with any new program, there will no doubt be bumps in the road as the program evolves, but the new involvement of three of new agencies in Medicaid service provision is an historic development that better positions us to compete in a rapidly changing funding environment.

Diocesan Board Activities

In this three year period, the Diocese Board continued to be blessed by outstanding chairpersons:

- | | |
|------------------------|-----------------------|
| Mr. Tim Sheehan | 2013-2015 |
| Mr. Tony Adams | 2015 – Present |

A major Diocesan Board function continued to be to organize the All Boards Convening, annually bringing together members of each of the local Boards as well as the Diocesan Board for education, enrichment and inspiration, as first proposed by Pat Fox in 1997. During this three year period, Linda Stundner, former long-time Board member and Board Chair from 2011-2013, played the lead role in planning

this event, together with Jack Balinsky and executive assistants Sandy Lane for the 2014 event and Ruth Barone for the 2015 and 2016 events. In 2014, the focus was on newly appointed Bishop Matano. The organization developed a seven minute video to acquaint him with the organization and for general use. (It was later amended for general use with an introduction from Bishop Matano). The Bishop was most gracious in his remarks expressing his appreciation and support for the work of Catholic Charities. In 2015, given the decision to focus on Children and Families in poverty, the keynote speaker was Svante Myrick, Mayor of Ithaca, who gave a stirring speech about his journey from a poor family to a successful career. A new feature was added – having discussion on our initiatives to address poverty in small groups with assigned seating to allow for cross-fertilization between agencies. This activity was positively received. The approach of cross-fertilizing activities was continued in 2016, with more focus on three discussion areas – development, advocacy and parish social ministry and Medicaid Managed care. The keynote address was given by Sister Donna Markham, just completing her first year as President and CEO of Catholic Charities USA.

In this three year-time frame, the Board made four presentations of the Bishop Clark Award:

2014: **Father Michael Bausch** for his three decades of service to Diocesan Catholic Charities, first as Executive Director of the Southern Tier and Genesee Valley Offices of Social Ministry, and his work for more than twenty years as a Board member of Catholic Family Center and the Diocesan organization.

Father Dan Condon for his role as “Godfather” in the establishment of Catholic Charities of Livingston County in 1995, and then his long tenure as member of the Diocesan Board and its Finance Committee.

Mary Pat Dolan for more than twenty years of service on the Boards of Catholic Charities of the Southern Tier, the Food Bank and the Diocesan Board, but especially for her generosity in serving as the Interim Executive Director of Catholic Charities of Tompkins/Tioga Counties on three separate occasions.

2015: **Father Joseph Hart** for his constant, solid support of Catholic Charities in his role as Vicar General from 1998 – 2015, and his behind the scenes advocacy which led to the creation of Providence Housing Development Corporation in 1994.

In this time, beside the work implementing changes required by the Not-for-Profit Revitalization Act, the improvements in the Retirement Plan and organizing the All-Boards Convening, the Board continued to play a significant role in forwarding the mission of the organization. Major activities included:

- In consultation with Bishop Matano, adoption in May 2014 of a succession planning policy.
- In light of the stated goal of the State administration to reduce significantly the number of not-for-profit agencies in the State, and in light of difficulties resulting from the acquisition by Catholic Family Center of Family Services of Rochester in 2005, development, first in August 2014, and then subsequent

enhancements, of criteria to be evaluated in considering other potential acquisitions.

- At its December 2015 meeting, considering ways in which Catholic Charities could promote the Year of Mercy proclaimed by Pope Francis.
- As described above, throughout 2015 and 2016, fully supporting the participation of Rochester Diocesan Catholic Charities in the effort to establish a multi-Diocesan Children’s Health Home.
- As a Board education initiative, in 2015 and 2016, hearing presentations by regional agencies on their strategic planning initiative. Common themes were:
 - Maintain and improve quality service delivery
 - Respond to emerging needs for services, especially for the poorest and most vulnerable
 - Recruit, train and retain quality staff
 - Strengthen infrastructure, particularly in information technology
 - Strengthen marketing, especially to parishes, and fund-raising
 - In conjunction with Diocesan Public Policy Committee, advocate for public policy priorities which affirm life and give preferential option to the poor

As described above, the work of the Diocesan Board occurred largely through the work of its committees who effectively worked on the complexity of issues facing the organization.

Diocesan Office Activities

The Diocesan Office of Catholic Charities is comprised of Jack Balinsky, Executive Assistant Ruth Barone (who also serves in this role with Marlene Bessette, President and CEO of Catholic Family Center), Diocesan Life Issues Coordinator Suzanne Stack, the Finance and Human Resource functions (whose activities have been previously described), and the work of Marvin Mich, Director of Advocacy and Parish Social Ministry at Catholic Family Center who serves as Diocesan Director of the Catholic Campaign for Human Development and Kathy Dubel, Justice and Peace Coordinator for Chemung, Schuyler and Tioga Counties who serves as Diocesan Director of Catholic Relief Services.

Given the recommendations of the Task Force on Episcopal Transition, adopted in May 2012, that the activities of Diocesan Catholic Charities should be more clearly emphasized and coordinated, there was much more emphasis on Diocesan office activities during this time period than in previous years. Major highlights are described below.

Before discussing new initiatives, it should be reported that under the leadership of Marv Mich and Kathy Dubel, both CCHD activities and CRS activities continued to be excellent. In addition to promoting and overseeing the CCHD annual collection, Marv facilitated the creation of a Monroe County faith-based community advocacy organization, Rochester ACTS. For each of the three years, the Rice Bowl program grew over the previous year netting over \$100,000 in 2016. Kathy was active in promoting the CRS Global Fellowship Program, presentations by Dr. Gerry Gacloch on Climate Change and presentations by CRS staff and representatives from foreign

countries. In addition, Deacon Kevin Carges assisted Kathy on CRS matters, and Judy Valvo from Auburn became a CRS Fair Trade Ambassador.

Major highlights of Diocesan Office initiatives over the last three years included:

- Given the many new leadership staff, Jack convened a day-long event at Notre Dame Retreat House on October 28, 2013 to help staff get to know one another and have a better understanding of Catholic Charities in the Diocese and country. The day featured dialogue among staff, as well as a presentation by Father Joe Hart, and a mass celebrated by Bishop Clark. This session kicked off a series of events designed to increase cross-agency understanding and collaboration. There was also discussion of a “white paper” on the relationship of Catholic Charities and parishes which Jack had written for the State Council of Catholic Charities Directors a decade earlier. One important outcome of these discussions was the agreement that Jack would make major presentations during the 2014-2015 program year to each of the agency Boards and leadership staff about the evolution of Rochester Diocesan Catholic Charities and the new challenges we faced as described above. A second important outcome, spearheaded by Marlene and Lori, was the finalization in May 2015 of a “matrix of services”, attached as an appendix to this document, which has become an important education tool for not only Boards and staffs but also for Diocesan leadership, the Presbyteral Council and pastoral leaders. The feeling of connectedness and ownership created by these discussions led to much greater collaboration on Medicaid initiatives and the compliance function as described above, as well as in other areas.
- The second highlight of Diocesan office activities has been described above. In the wake of the Bishop’s decision to take a second collection in parishes in February, 2014 for heating assistance, there was much discussion in spring 2014 about agency policies for the utilization of these funds. It was finally agreed that, given very different circumstances in agencies, each agency would develop its own policy.
- The third initiative was the Leadership Development Program conducted by Ellen Wayne. The leadership development function needs to be given priority in an organization as large and diverse as Rochester Catholic Charities. Jack had organized such a program, leading the effort himself and inviting in appropriate practitioners as presenters in 2003, 2007 and 2011. It was time again to do so in 2015. In 2014, after several years of class participation and a research project on Catholic Identity in Catholic Charities, Ellen Wayne, Executive Director of Catholic Charities of the Finger Lakes, had received in 2013 an Ed.D in Organizational Management from St. John Fisher College. She had become a faculty member in a program run by Fisher’s Center on Community Engagement, which provided participants successfully completing the program with a Certificate in Not-for-Profit administration. In late 2014, Jack and Ellen were able to negotiate with the Center’s leaders, Howard Berman and Fran Weisberg, development of a customized program for Catholic Charities staff, which would result in awarding this same certificate to those who successfully completed this program. With collaboration and support from the Executive staff, 25 “up and coming” staff from our agencies were selected for participation in the program. Classes were held every other Tuesday morning at the Excellus

training facility in Waterloo which was donated for this program. The curriculum included the material used in the Fisher program relating to a variety of administrative functions. Some classes were taught by staff from the Fisher program. Ellen invited various guest speakers as appropriate. Through Ellen's regular presence, two presentations by Jack, and the choice of speakers, special attention was always given to general issues of Catholic identity and specifically to the work of Rochester Catholic Charities. (Jack's book on the 100 year history of Rochester Catholic Charities was given to every participant). Twenty-four out of 25 participants graduated and were given certificates. It was understood from the beginning that successful completion of the program would give participants "a leg up" in consideration for internal promotion with Catholic Charities. One unforeseen benefit of the program was that staff involved learned a great deal (and were often surprised or amazed) about the services provided by sister agencies of which they had been unknown. At the end of the program, Ellen was duly recognized as the Executive staff expressed her appreciation for going "above and beyond".

- The fourth initiative, development of the Catholic Charities video, has been previously discussed.
- The fifth major initiative during this time period came directly from the recommendation of the Task Force on Episcopal Transition that we publish a Diocesan Catholic Charities Quarterly newsletter to be sent to nearly 1,000 key stakeholders - Board members of all agencies, leadership staff, elected officials, major donors, and key civic and business leaders. The first newsletter, edited by Bob DeRosa who was hired briefly as a public relations consultant in 2013, was published in July 2013. The newsletter was the vehicle for distributing the 2014 and 2015 Annual Reports, as well as a geographic map of our service locations, also attached as an appendix to this work.
- The sixth major new Diocesan office initiative which occurred in this period was the collaborative effort, spearheaded by Tabitha Brewster, with significant assistance from Lori VanAuken and staff, as well as LeCesse Construction, to submit a multi-agency grant in response to a request for proposals from the Dormitory Authority of New York State for a \$50 million Not-for-Profit Infrastructure Grant. There was much confusion about the RFP and much difficulty in getting answers to questions. After much discussion, it was decided that the Food Bank (for two Mobile Food Pantry trucks) and Catholic Charities of Steuben County (for its main office in Bath) would submit separate grants, but that Tabitha would put together on behalf of several agencies a proposal for roofs and roof related repairs, totaling \$550,000. Through a herculean effort, we made the deadline for proposal submission at the end of January, 2016. It was indicated that grant awards would be posted on April 22, 2016, but on that day the State website indicated there would be a delay in making awards. Finally, much to the dismay of all our staff, it was indicated that no awards would be made, and that the \$50 million allocation in the 2016-2017 State budget would be combined with the first \$50 million, with a requirement of submitting new proposals. Once again Tabitha stepped up and met the September 29th deadline for submission of new proposals. We took the same general

approach, with the addition of a roof for Sanctuary House at Catholic Family Center and also submission of a separate proposal by Catholic Charities of Livingston County as well as the Food Bank and Steuben.

- The last major initiative related to another component of the work of Catholic Charities, the parish social ministry function. As indicated in previous histories, with the reorganization of Catholic Charities beginning in 1980, as envisioned in the “Catholic Charities of the Future” document, there had been created in the central office and in each of the agencies the Justice and Peace function. Justice and Peace coordinators had worked to carry out the advocacy and parish social ministry components of the mission statement. Over the last ten years, there had been increasing collaboration among Justice and Peace staff who met regularly under Jack’s leadership. In addition to their ongoing support of the work of the Diocesan Public Policy Committee, as described below, during this three year period, there were developed two new Diocesan-wide activities.
 - The first new activity was production of a Diocesan-wide Justice, Peace and Life newsletter, edited effectively by Laurie Konwinski, now Justice and Peace Coordinator and Deputy Director of Catholic Charities of Tompkins/Tioga Counties. With the increasing evolution of technology required staff, particularly Ruth Marchetti, who had served at various times as Justice and Peace Coordinator in the Livingston, Wayne and Finger Lakes offices, and then beginning in 2012 at Catholic Family Center, had been distributing regional newsletters. Kathy Dubel had been doing likewise for much of her thirty-plus years as Justice and Peace Coordinator in the Southern Tier. It was mutually agreed that while retaining local newsletters, the organization would be well served by a regular Diocesan-wide approach. Laurie is to be commended for making this concept a well-regarded reality.
 - The second Diocesan-wide activity conceived by the staff was the establishment of the notion of a Diocesan-wide Parish Social Ministry Convening. The target audience for this event has been parish social ministry committee members as well as interested parish staff. The first such event had been held previously in 2012 at Camp Stella Maris. During this time period, events were held every year on the Saturday prior to Mother’s Day. At each of the events, there were general session presentations, as well as opportunity for focused small group discussions. Laurie Konwinski introduced the concept of “open-space” discussions to give participants greater voice in choosing topics for discussion. In 2014, the session was held at Our Lady of Peace Conference Center in Geneva, and featured the celebration of mass by newly installed Bishop Salvatore R. Matano, as well as a presentation by Father Jim Hewes on Consistent Life Ethic advocacy. Presentations were given in 2015 by Dr. Gerry Gacloch on Global Climate Change and John Strazzabosco on cultural and language differences experience by persons living in poverty. In 2016, Dr. Gacloch gave an updated presentation on Global Climate Change and Dr. Nancy Rourke from Canisus gave a presentation on relating the spirituality of Catholic Social teaching and Laudato Si to

global climate change. All events were well attended and well received.

These, then, together with the collaboration initiatives previously mentioned, are the ways Diocesan Catholic Charities has responded to the opportunities and challenges in the “Brave New World” of human services delivery.

Diocesan Public Policy Committee

a. Introduction

At the 1971 World Synod of Bishops, it was proclaimed that “Advocacy on behalf of Social Justice is a constitutive element of the preaching of the Gospel”. The National Conference of Catholic Charities directors recognized this importance in 1972 by adopting a mission statement which recognized “advocacy to transform the social order” as one of the three core elements of the national mission statement.

Recognizing that this advocacy is a responsibility not just of Catholic Charities but of all entities, Bishop Clark established the Diocesan Public Policy Committee in October, 1992. While Catholic Charities was to provide primary staff support for the work of the committee, its membership included representation from other Diocesan departments, parish representation, and committed Catholics with particular areas of public policy expertise.

As stated in the Diocesan Public Policy Committee Member’s Manual published in May, 2011,

“The Diocesan Public Policy Committee (DPPC) is a volunteer committee charged with providing advice on matters of public policy to the Bishop of Rochester. The Bishop receives annual recommendations from the DPPC that advance the Church’s public policy priorities at the international, federal and state levels of government, propose priorities for adoption through appropriate Church channels and develop local public policy priorities based upon Gospel values, Church teaching and personal understanding of a community’s needs.”

The work of the Diocesan Public Policy Committee from its inception in 1992 through 2008 is described in the author’s previous work *Spirit Alive! Consistent Life Ethic Advocacy and Parish Social Ministry in the Diocese of Rochester 1958-2008*. Its work from 2008-2013 is described in the author’s short version of the history of Catholic Charities up to 2013. Here is described the work of the committee over the past three years.

b. Membership

The committee was chaired for its first five years by Father Mike Bausch who had been involved in the work of Catholic Charities since 1983. From 1997 until the present time, the committee has been ably chaired by Father Brian Cool, Director of the Catholic Newman Community at the University of Rochester.

c. Ongoing Annual Activities

As the work of the committee has evolved over time, it now includes a number of ongoing annual activities during each program year:

- Fall publication of the Diocese of Rochester Legislative Agenda for the subsequent year.
- January Bishop’s Legislative Luncheon
- Petition Weekend the second weekend in February.
- Participation in Albany Advocacy.
- Summer Legislative Visits.

For the 2013-2016 time period, specific activities included:

DOR Legislative Agenda

Whereas in its early work, the committee first promulgated a legislative agenda that was basically the New York State Catholic Conference Legislative agenda, it became apparent that the document was too overwhelming for its audience, particularly parishes. Gradually the format of the agenda involved to a focus each year on three issues – an advocacy issue and one or two education issues, as well as a listing of issues of ongoing concern. In this time period, priorities included:

2014

Advocacy Issue: Strengthening Families Maternity and Early Childhood Foundation, Healthy Families, Living Wage Legislation

Education Issue: Care for Creation

Issues of Ongoing Concern: Reject Abortion Expansion, Immigration/Farmworkers, Peace, Mental Health

2015

Advocacy Issue: Opposition to Abortion Expansion

Education Issues: Care for Creation
Child Poverty

Issues of Ongoing Concern: Education Investment Tax Credit, War and Non-Violence, Federal Immigration Reform, NYS Farmworkers Fair Labor Practices Act and Access to Mental Health Care

2016

Advocacy Issue: Child Care Subsidies,

Education Issue: Opposition to Assisted Suicide Legislation
Care for God’s Creation (with an emphasis on Pope Francis’ Encyclical *Laudato Si*)

Issues of Ongoing Concern: War and Non-Violence, Federal Immigration Reform, NYS Farmworkers Fair Labor Practices Act and Access to Mental Health Care

Bishop’s Legislative Luncheon

During the author’s tenure in Rochester, it was often said at State Catholic Conference meetings in Albany that the Diocese of Rochester enjoyed the best relationship with its legislative delegation of any of the Dioceses in the State. This reality was the result of the work of the Public Policy Committee throughout the year to build individual relationships with legislators in many different ways. One of the most important annual activities has been the Bishop’s Legislative Luncheon. This event also has evolved over the years. Over the last decade, the event has been held

on a Friday in early January at St. Patrick's in Victor. The event, whose attendees have included Public Policy Committee members and Catholic Charities leadership staff, emceed either by Father Cool or Jack has featured a welcome and remarks by the Bishop and presentations on the priorities in the DOR legislative agenda, and dialogue with our legislators.

In the last three years, Bishop Matano has enthusiastically embraced this event. Presentations have been:

2014

Children and Families in Poverty: Lisa Galatio, Catholic Charities of Steuben County

Opposition to Abortion Expansion: Jann Armantrout

Education Tax Investment Credit: Ann Marie Deutsch

2015

Opposition to Abortion Expansion: Suzanne Stack

Children and Families in Poverty: Ellen Wayne

Education Investment Tax Credit: Anthony Cook

2016

Child Care Subsidy: Marv Mich and Leah Kazmierski (Working Parent)

Opposition to Assisted Suicide: Suzanne Stack

Care for Creation: Marcus John Ebenhoe

Advocacy Weekend: Second Weekend in February

An important component of the work of Catholic Charities is our partnership with parishes which occurs in various ways. Catholic Charities seeks to be the “leaven” and provides support to parishes to develop local service activities. Catholic Charities is available to accept referrals for services from parishes. Parish communities are a source of volunteers for Catholic Charities. Parishes support the work of Catholic Charities through the CMA, special second collections and tithing grants. Equally important, Catholic Charities and the Public Policy Committee seek to encourage parishioners to respond to the call for social justice advocacy. Efforts are made to provide resource packets on DPPC priorities to parishes, to continually post information on our website, and to make presentations on the issues at parishes. Special attention is given to providing information beginning in the fall and continuing into January on the issue about which parishioners will be asked to sign petitions in February. Over the years and continuing into the last three years, this has been a successful effort. Generally, two-thirds of parishes participate and usually between 8,000 and 10,000 persons sign petitions. As indicated above, in 2014, the petition issue was Strengthening Families; in 2015, Opposition to Abortion Expansion, and 2016, Increasing Child Care Subsidies. Petitions are then delivered to the appropriate legislator by district, either locally or in Albany, with a copy of all petitions delivered to the Governor’s office, and, if appropriate, the leaders of the Senate and Assembly. While it is impossible to evaluate the impact on legislative deliberations, anecdotal evidence indicates that this effort makes a difference,

particularly in 2015 when Senator Robach spearheaded an effort to increase child care subsidies. Equally important is the opportunity for parishioners to recognize that advocacy as well as service is an important way to respond to the Gospel call to love our neighbor.

Participation in Albany Advocacy

In 1986, Bishop of Albany Howard Hubbard, Chairperson of the New York State Catholic Conference Public Policy Committee, was the force behind the establishment of the New York State Conference Public Policy Forum held every year in March. Through this event, 1,000+ Catholics from New York State, including about 100 from Rochester, convened in Albany to meet with our legislators to advocate for five or six public policy priorities, usually including our petition issue. This event was attended annually by staff, school representatives, Public Policy Committee members and parishioners, again affording participants the opportunity to respond to the mandate for social justice advocacy. This event was also another important annual opportunity for contact and relationship building with our Legislators.

After the retirement of Bishop Hubbard in 2013, for a variety of reasons, this approach was discontinued after the 2014 event. It was replaced, beginning in 2015, by a Catholic Charities-focused event held in early February with advocacy centered on human services budget priorities. For example, 2016 priorities were child care subsidies, affordable housing, and a minimum wage increase.

Summer Legislative Visits

While the tradition of regular interaction with Legislators at the Bishop's Legislative Luncheon, through delivery of petitions and at State Catholic Conference Public Policy Forum in March had been well established, and while annually there were other individual meetings with different legislators on specific issues, ten years ago Father Cool felt that there was need for additional relationship building contact. Hence was established the notion of annual summer legislative visits.

Each year, organized by the appropriate Justice and Peace coordinator, individual sessions are organized with almost all sixteen legislators (4 Senators and 12 Assembly representatives) whose district is primarily within the Diocese of Rochester. Participants include Father Cool, Jack, local Catholic Charities leadership and parish representatives. While a major agenda item is presentation of our legislative agenda for the coming year, other discussion items include an update on Catholic Charities services, an affirmation of our willingness to respond to consistent concerns, a request that the legislators update us on their view of the Albany scene, and an opportunity for the legislators to raise their own issues and concerns. Again, the major purpose of these sessions is "relationship building".

d. Advocacy on Individual Issues

In addition to the primary focus on issues in the annual DOR Legislative agenda, during this time period, the Public Policy Committee gave attention to other important public policy matters, as follows:

Religious Liberty

This three year period saw a continuation and expansion of threats to religious liberty. Three major examples were: the HHS Contraceptive Mandate, first promulgated by the Obama administration in 2011 and continuing discussion up until the present time, the 2015 Supreme Court decision legalizing same-sex marriage and the promulgation of a regulation by the State Department of Health in 2016 mandating abortion coverage in all commercial health plans without religious exemption. The Diocesan Public Policy Committee has joined with the United States Catholic Conference advocating for the passage of the Conscience Protection Act first introduced in 2013. It has supported efforts of the New York State Catholic Conference to bring litigation calling for injunctive relief against and rescission of the Health Department regulation.

Education Investment Tax Credit

The New York State Catholic Conference has advocated for more than a decade for some type of tax credit relief for support of Catholic schools. With the support of Governor Cuomo, new legislation was introduced in 2014. Public Policy Committee member Anne Marie Deutsch advocated for this issue at the 2014 Bishop's Legislative Luncheon. In 2015, advocacy efforts were further ratcheted up. School Superintendent Anthony Cook spoke on this issue at the 2015 Bishop's Legislative Luncheon. In February, Bishop Matano wrote to all our legislators in support of inclusion of this initiative in the State budget and also encouraged school and parish advocacy. The Public Policy Committee communicated this message to parishes in February and March. On June 1st, Jack Balinsky represented Bishop Matano at back-to-back luncheons held at the Executive Mansion in Albany, hosted by the Governor and Cardinal Dolan, first with members of the Senate and then with members of the Assembly, urging enactment of this legislation, unfortunately without success. It continued to be a matter of concern in 2016 and remains an important committee priority.

Statute of Limitations

In the wake of the recognition of the extent of child sex abuse which occurred over many years, and the revelations in 2002 about what had happened in the Boston Archdiocese, this issue came to major national prominence. While such abuse had also occurred in many other not-for-profit organizations and in schools, the Church became a major target of victims and advocates. Since a large majority of the alleged incidents of abuse had occurred decades previously, alleged victims who wanted to bring civil suits against individual priests and Dioceses were barred from doing so because the statute of limitations for such matters had expired. In 2004, California enacted Legislation which opened retroactively a "window" in the statute which allowed such actions to proceed, resulting in significant financial implications for the Church. Given the California example, many other states began considering such legislation, including New York. Since 2005, "window" bills have been introduced every year in the Assembly. Advocacy for such legislation gained new momentum in the 2016 legislative session in the wake of a grand jury report about cases of abuse in the Altoona/Johnstown, Pennsylvania Diocese. This advocacy was fueled by

constant attention given to the matter in the *New York Post* throughout the spring. As it had in previous years, the Public Policy committee, and in particular the author of this work, became heavily involved in discussing this legislation with our State legislative representatives. In the summer of 2016, it was a major agenda item in individual visits with legislators.

Immigration Reform

Attention to immigration reform in the country was reignited when President Bush put forward a major reform proposal in 2003. Later in the decade, a small bipartisan group of Senators put forward a comprehensive immigration reform proposal. In continuation of its long-standing support for immigrants and refugees, and in light of congressional attention to this matter, the United States Catholic Conference called for creation in 2010 of a major coalition of Catholic organizations to advocate for immigration reform: the Justice for Immigrants (JFI) coalition. Particularly through the work of Ruth Marchetti, the Public Policy Committee has been aware of and supportive of advocacy for comprehensive immigration reform and President Obama's Executive Order providing more opportunities for immigrants here, and has opposed deportation policies. This issue, too, remains a matter of continuing importance for the committee.

Farmworkers and Migrants in New York State

For nearly twenty years, the Diocesan Public Policy Committee has supported the New York State Catholic Conference in its advocacy for the Farmworkers Fair Labor Standards Act to enhance protections for migrant farmworkers. In the last three years, it has also joined the Catholic Conference in advocacy for the DREAM Act, to help children of immigrants born in this country to have access to a college education.

Access to Mental Health Care

This issue also has been a matter of long-standing concern to the Public Policy Committee. Earlier in the decade, it joined with the New York State Catholic Conference in successful advocacy for expanding funding in a number of municipalities for Crisis Intervention Teams, comprised of Law Enforcement officials specifically trained to respond to individuals exhibiting behavior related to mental illness. It also advocated for a variety of measures to enhance access to children's mental health services particularly in rural areas.

In all these ways, the work of the Diocesan Public Policy Committee, supported and staffed by Catholic Charities, helps Rochester Diocesan Catholic Charities fulfill an important component of its mission.

Life Issues Advocacy

One of the four major priorities at the Diocesan Synod in the fall of 1993 was Consistent Life Ethic education and advocacy. Catholic Charities was given responsibility for implementation of this priority. From September 1995 to June 2000, Suzanne Schnittman ably filled the role of Consistent Life Ethic Coordinator,

and upon completion of the formal Synod implementation period, Diocesan Life Issues Coordinator. She was replaced by Jann Armantrout who brought an organized and effective approach to this position until her retirement in May, 2014. Jann was honored at a retirement celebration on May 29th. Her many accomplishments are described in a previous work.

Upon announcement of her retirement, Jack Balinsky convened a Search Committee which included Bishop Matano's secretary, Father Daniel White, long-time life issues advocate Gerry Offtedhal, and Marv Mich, Coordinator of Advocacy and Parish Social Ministry at Catholic Family Center. With the approval of Bishop Matano, Suzanne Stack was hired as Diocesan Life Issue Coordinator on May 20, 2014 and began her work on June 24th. Suzanne had grown up in Rochester, worked for NYPIRG in New York City, attained a Master's Degree in Divinity from the Dominican House of Study in Washington and returned to Rochester in 2002 to become Director of Faith Formation at Guardian Angels Parish (2002-2011). She then took the same position at Nativity of the Blessed Virgin Mary (2011-2014). Meanwhile she had been pursuing a Masters' Degree in Divinity from St. Bernard's School of Theology and Ministry. . With this broad educational background and work experience, she was well suited for this position.

Major elements of her work include:

- Life Issue Public Policy Advocacy
- Organization of annual Events
- Program Administration
- Liaison to Community Groups

The two major **advocacy** activities which took place during this time period have been mentioned previously. In conjunction with the New York State Catholic Conference, Jann Armantrout played a major role in blocking passage in the 2014 legislative session of the so-called Women's Equality Act. This legislation, proposed by Governor Cuomo, contained nine provisions to assist women supported by the Catholic Conference, but also an abortion expansion position which the Church opposed. The Catholic Church in New York State achieved a major victory when the legislation was not enacted in 2014, but also in 2015 when several of the other provisions were enacted separately, and the abortion expansion component was not. The second major advocacy initiative is working to oppose the enactment in New York State of assisted suicide legislation. With such legislation enacted in five other states, a national advocacy organization, Compassionate Care, has become much more aggressive and has focused on New York State as a major target for enactment of such legislation because New York often influences national trends. As indicated above, beginning in 2015, Suzanne has led efforts to educate our Church constituency about the Church's position on this issue. The effort was aided considerably in 2016 by the publication of a powerful statement in opposition written by Bishop Matano. This advocacy will be an ongoing effort in 2017, and will be the February petition issue for the Public Policy Committee.

During this time period, Suzanne had responsibility for organizing three important **annual** events which highlight the priority position of Life Issues in the Diocese:

- the Mass for Life in January

- the March on Washington in January to highlight the Church’s opposition to Roe vs. Wade
- the Respect Life Mass held during Respect Life month in October (in 2015 this was combined with the White Mass for Physicians).

Father White, Bishop Matano’s secretary, has played a major role in organizing these events.

A third major facet of Suzanne’s work has been **program administration** for two major programs. Father Jim Hewes worked with Suzanne Schnittman to establish a Rochester Diocesan chapter of the national Project Rachel program, an initiative to offer healing for women who have experienced an abortion. The program receives requests for assistance through an 800 number and in other more direct ways, and connects those in need of assistance to counselors trained through the program. Suzanne has continued the hard work of her predecessors in carrying out the administrative functions of the program in coordination with the Project Rachel Team. In 2016, Father Hewes retired from his role as Director of the Program. He was honored for his service on the occasion of the Twentieth Anniversary celebration of Project Rachel at the October, 2016 Respect Life Mass. The role of Director has been taken over by Deacon David Snyder, currently assigned also as Deacon at St. Louis parish in Pittsford. Suzanne also administers the Consistent Life Ethic grant fund through which \$15,000 is allocated annually in small grants to groups throughout the Diocese who serve and promote life. Suzanne is also the contact liaison to Bishop Matano when the Vita Award is conferred through one of our Catholic Charities agencies.





Finally, Suzanne serves as **liaison** to other life issues oriented groups including the Finger Lakes Chapter of the Catholic Medical Association, a consortium of local pregnancy centers (who also have an 800 number) and Feminists Choosing Non-Violent Alternatives, among others.

In all these ways, Suzanne has successfully continued the work of her predecessors in keeping life issues in the forefront of Diocesan consciousness.

CONCLUSION

For more than 100 years, Catholic Charities of the Diocese of Rochester has fulfilled the Gospel mandate to serve those in need, particularly the poorest and most vulnerable among us. Today, through its nine divisions and two affiliates, Catholic Charities touches the lives of 250,000 individuals in our twelve county Diocese. The author’s next history will chronicle the evolution of the work of those eleven entities, whose efforts form the heart and soul of Catholic Charities. This work has described how in support of these entities the Diocese organization has responded over the last three years to the many external opportunities and challenges which have arisen.

APPENDIX I – SERVICE MATRIX (2015)

Agency	Emergency Services	Support Service	Special Needs	Housing Services	Food Services
Catholic Family Center	* 6,000 served	* Aging & Adult Services - 15,000 served * Children Youth & Family - 3,000 served * Healthy Sisters - 40 served	* Mental Health Clinic - 2,000 served * Restart Drug & Alcohol Treatment - 2,844 served * Refugee, Immigration & Language Services - 2,000 served	* Shelters & Supportive Housing - 1,700 served	
Catholic Charities Community Services <i>(Serving 12 Counties)</i>	Over 35,000 in our twelve county diocese received emergency assistance in 2014		* Developmental Disabilities - 400 served * Care Doordination - 900 served * Supportive Services - 1,000 served	 Through a second collection authorized by Bishop Matano in March, Catholic Charities helped 500 families with heating assistance	
Catholic Charities of Chemung/Schuyler Counties	* 7,000 served	* Outreach - Schuyler - 11,000 served * RSVP - Schuyler - 350 served	* Mental Health Services (Chemung) - 661 served (Schuyler) - 24 served	 Through 162 Member Agencies, the Food Bank helps 150,000 different individuals each year	
Catholic Charities of Livingston County	* 3,854 served	* Community of Caring 125 served * Faith in Action Transportation - 133 served * HOPE Youth Mentoring - 58 served * SSVSD Case Mgmt - 33 served * TASA - 46 served		* Emergency Housing - 77 served	* Food Pantry - 3,985 served
Catholic Charities of Steuben County	* Turning Point - 9,500 served	* Substance Abuse Prevention - 6,968 served * Healthy Families - 220 families served * Therapeutic Foster Care - 33 children served * Family Preservation SHAPE - 186 families served * Bath Community Child Day Care - 145 children served	* Kinship Community Residence - 61 men served * Kinship Supportive Living - 29 men served	 Catholic Charities in the Diocese of Rochester touched the lives of nearly 250,000 individuals in our twelve county diocese in 2014.	
Catholic Charities of the Finger Lakes <i>(Serving 4 Counties)</i>	* Emergency Assistance (includes HEAP) - 3,000 served	* Supervised Visitation - 77 families served * Case Management - 64 families served * SSI Advocacy - 32 served			* Community Lunch Program - 14,200 meals served
Catholic Charities of Tompkins/Tioga Counties	* Tompkins County - 2,000 served * Tioga County - 650 served	* Immigration Svcs - Tompkins - 1,325 served * Nutrition Outreach - Tompkins - 150 served * Nutrition Outreach - Tioga - 66 served * Family Empowerment Svcs - Tompkins - 135 served * Youth Mentoring / Education - Tioga - 34 served			
Catholic Charities of Wayne County	* 3,000 served	* Childhood Counseling & Intervention - 125 served * College Bound - 200 served * Counseling - 210 served * Positive Attitude, Responsible Citizen - 750 served * Persons In Need of Supervision - 32 served * La Casa - 90 served			* Food Assistance - 3,000 served
Food Bank of the Southern Tier <i>(Serving 6 Counties)</i>	 Food assistance in 2014 was at an all time high				* Food Distribution to 162 Member Agencies - 483,549 children, 611,509 adults, 184,107 seniors (1,300,000 duplicate) * Mobile Food Pantry - 160,000 served * Back Pack Program - 2,000 students served * SNAP/Food Stamp Outreach - 300 households * Just Say Yes to Fruits & Vegetables - 1,660 class participants
Camp Stella Maris		* Summer Camp Participants - 2,666 served * ABLE Participants - 1,449 served * Off Season - 64 groups - 3,073 served			
Providence Housing Development				* 1,500 individuals served in 22 projects	

APPENDIX II – MAP OF DIOCESAN SERVICE SITES (2016)

