



National Association of Social Workers

New York State Chapter

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NEW YORK STATE ASSOCIATION OF DEANS OF SCHOOLS OF SOCIAL WORK

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Memorandum in Support

Funding for Expansion of Social Work Loan Forgiveness

The National Association of Social Workers, New York State and City Chapters and the New York Association of Deans of Schools of Social Work, request an enhancement and broadening of the current social work loan forgiveness program.

Recruiting and retaining social workers in high demand critical human services areas has been an ongoing challenge. However, a number of evolving pressure points are exacerbating the situation such as, predicted changes in the country's demographics, an aging of the social work workforce, implementation of the Affordable Care Act and new payment structures. In addition, there continues to be a growing need for an expanded social work workforce who represents the diverse cultures and languages of communities in need.

Given these factors, the Federal Bureau of Labor Statistics has projected an increased demand for licensed social workers to the tune of 25%. Closer to home, the NYS Department of Labor (Long-Term Occupational Employment Projections) projects a 23.3% increased need for Healthcare Social Workers and a 19.6% increased need for Mental Health and Substance Abuse Social Workers by 2020. Our own Governor, in his *NY Agenda* and *Urban Agenda*, recognized the increased need for social workers (among other health workers).

Despite the projected need, recruitment and retention of such work force is reportedly worsening. An alarming number of reports note that social workers are leaving the field at a time when their services are needed the most, citing low pay and high student debt to salary ratio's as primary reasons. Expansion of our state's loan forgiveness is one route to addressing one of New York's workforce issues.

Our current Loan Forgiveness Program was established in 2006 and was renewed in 2011 through 2016 (S679-A of Ed Law) in the annual amount of \$978,000. It is administered by NYS Higher Education Services Corporation (HESC), and granted to qualifying social workers employed in identified geographic and service delivery high need areas.

- Geographic need was determined by HESC using a formula based on the utilization of public assistance, food stamps and Medicaid, resulting in a list of 28 eligible counties.
- Critical human service areas were identified as health, mental health, substance abuse, aging, HIV/AIDS and child welfare.

Despite the fact that reports show social workers have a much larger debt to salary ratio, the social work loan forgiveness program is currently the least funded loan forgiveness programs in the state. According to the National Association of Colleges and Employers, the annual 2012 starting salary of a social worker remained stagnant at \$36,000 per year. If you cross walk such salary information with survey results from 3,653 social workers surveyed by the National Association of Social Workers and the NASW Center for Workforce Studies, 52% reported owing between \$10,000 and \$39,999. Further analysis of the above noted figures paints an alarming picture for the field of social work. Economists Baum & Schwartz's benchmark system for determining burdensome student debt, report that thirty seven percent (37%) of public (four year) social work college graduates and fifty-five percent (55%) of private social work college graduates have too much debt to manage as a starting social worker. This is *before* required graduate studies.

Social Work *WORKS!* Social Workers have long been an essential under-pinning of mental health service delivery systems and as such, will be in the forefront of our systemic transformation. As our service delivery system shifts, a collective focus on outcomes and efficacy rates related to various interventions will be crystallized. Hospitals, for instance, will be penalized by Medicare for high readmission rates. Social work interventions (particularly in home care) are evidenced to drastically reduce readmission rates:

- University at Binghamton/Upstate Medical conducted a 2 year study on social work interventions. Social work students were assigned to 100 patients living independently but at high risk for hospitalization readmission. Results yielded overwhelming indicators that social work intervention was highly correlated with a drastic reduction in readmit rates. Experimental group experiencing only a 7 percent readmit rate while the control group experienced a 15% readmit rate.
- CDPHP/Samaritan Care Coordination Pilot (in NY's Capital Region) - Readmission rates down 30% in one year.
- Independence Blue Cross reports social work intervention yielded a 10.7% reduction of hospital readmission rates.

As a nation, and a state, we will struggle to meet the needs of aging baby boomers. Literature review conducted by the National Association of Deans and Directors of Schools of Social Work and the New York Academy of Medicine (NYAM) entitled *Studies of the Cost-Effectiveness of Social Work Services in Aging* (Rizzo and Rowe) iterates the cost effectiveness of social work interventions specific to care-giving, health, geriatric evaluation and general interventions. Findings included:

- "...convincing empirical evidence that social work services can have a positive and significant impact on quality of life and health care costs and use for aging individuals."
- Social work interventions have been shown to significantly reduce inpatient medical bills; and
- Social work care coordination reduces emergency room visits and costly inpatient visits.

We urge the two houses to support and include a \$500,000 annual increase to current social work loan forgiveness program for the next three years, broaden the current language to include social workers in all 62 counties; and broaden the service delivery categories to include Home Care.