

Testimony  
New York State Joint Legislative Budget Hearing on Mental Hygiene  
Friday, February 5, 2021

Submitted by  
Shannon Kelly, Deputy CEO/Chief Operating Officer  
Catholic Charities of Orange, Sullivan, and Ulster

Thank you for the opportunity to submit testimony on behalf of Catholic Charities of Orange, Sullivan, and Ulster- a contracting agency and provider of social services - on the challenges we face entering the FY 2022 budget season.

Catholic Charities of Orange, Sullivan, and Ulster is committed to providing help and creating hope for our friends and neighbors in Orange, Sullivan, and Ulster Counties. We offer a helping hand and a caring heart to those suffering from the disease of addiction, to families and individuals struggling with poverty, including emergency food and shelter assistance, and to immigrants navigating the journey to citizenship. We assist organizations with providing their employees access to quality social and human service support and maintain a commitment to enhancing and improving the quality of life for the residents of Orange, Sullivan, and Ulster Counties.

The COVID-19 pandemic and the events leading up to and in the aftermath of the 2020 elections have dramatically impacted the human services sector and the communities we serve. Addressing the realities of inequality, lack of opportunity, and exclusion is already embedded in our work and is the context within which our advocacy work will be conducted in 2021 and beyond.

Within this context, we would like to bring your attention to the following items:

- **Contract Withholdings and Rate Adjustments:** The threat of 20% contract withholdings presented significant operational and personnel challenges for Catholic Charities of Orange, Sullivan and Ulster and threatened to affect both current levels and standards of service. The reduction of these withholdings to 5%, while in one sense a relief, remains contingent on federal assistance and will still pull resources from services upon which New Yorkers increasingly rely. An annual three percent increase to contract amounts and rates for the next five years would help to ensure that New Yorkers are able to access the mental health and substance abuse services they need as we defeat and recover from the COVID-19 pandemic.
- **OASAS Funding: Investment in Solutions or Federal Substitutions?** – The FY22 Executive Budget includes a \$94 million increase to all funds appropriations for the Office of Addiction Services and Supports (OASAS) and attributes this increase to “minimum wage increases, continued community-based service development, and additional appropriation authority for potential federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funding.”<sup>1</sup> According to the Agency Appropriations document for OASAS, federal funding is the exclusive driver of this increased investment, as recommended General Fund appropriations for both State Operations and Aid to Localities funds would decrease by a

---

<sup>1</sup><https://publications.budget.ny.gov/pubs/archive/fy22/ex/agencies/appropdata/AddictionServicesandSupportsOfficeof.html> (Last accessed 2.4.21)

total of \$14 million. Rather than be used to plug other areas of the budget, this amount should be used to enhance the current treatment system, particularly as this system continues to fight against the opioid epidemic within the pandemic, wherein some areas continue to endure overdose counts that have tripled compared to last year.

- **Reinvestment of Certain Revenues to Promote Accessibility of Care** – A portion of the revenues derived from the taxation and regulation of opioids and other substances should go to the treatment of individuals struggling with addictions to these same substances. When applied as additional rather than substitute funding, these revenues advance equitable investments in the health and well-being of communities disproportionately affected by substance abuse and allow providers to prepare for and accommodate rising caseloads. With the continued rise of opioid overdoses and the anticipated rise in need from the passage of the Cannabis Regulation and Taxation Act, Catholic Charities supports revenue from this law, as well as the previously established Opioid Excise Tax, being partially allocated to OASAS to increase accessibility of care.

Thank you for the opportunity to testify today on behalf of Catholic Charities of Orange, Sullivan and Ulster and the clients we serve, and thank you for continuing to serve this great State of New York.