



TESTIMONY: UJA-FEDERATION OF NEW YORK

**The Joint Fiscal Committees of the New York State Legislature
Mental Hygiene Budget Hearing for Fiscal Year 2021-2022**

**Submitted by:
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February 5th, 2021

On behalf of UJA-Federation of New York, our network of nonprofit partners and those we serve, thank you for the opportunity to submit testimony on the importance of maintaining and expanding support for mental health services in New York State.

Established over 100 years ago, UJA-Federation of New York is one of the nation's largest local philanthropies. Central to UJA's mission is to care for those in need-identifying and meeting the needs of New Yorkers of all backgrounds and Jews everywhere. UJA connects people to their communities, responds to crises in New York, Israel and around the world, and supports nearly 100 nonprofit organizations serving those that are most vulnerable and in need of programs and services.

Supporting New York's Nonprofit Human Services Providers

Over the past eleven months, the COVID-19 pandemic has dramatically and disproportionately impacted the lives of all New Yorkers, particularly those living in poverty, further lifting-up the effects of systemic inequality and the real challenges New York State faces. In response to these needs, UJA's network of human services partners has been on the front lines since the pandemic hit, assisting New Yorkers of all backgrounds, throughout the five boroughs of New York City, Westchester, Nassau and Suffolk counties. UJA's network provides a wide range of services, including emergency childcare, mental health supports, case management services, services for survivors of domestic violence, senior services, and access to food.

The pandemic has exacerbated fiscal challenges faced by human services nonprofits. Prior to the pandemic, providers balanced service provision with late reimbursement. Now, with the state's identified revenue shortfalls, these same organizations have gone without pay for more than a year while balancing increased costs associated with the pandemic: personal protective equipment, cleaning supplies, emergency pay for essential workers, and technology enhancements to ensure continued service delivery.

To combat these additional costs, expanded investment in the nonprofit sector is needed immediately and will allow for contracts that cover the real cost of providing services; appropriate, competitive compensation for the workforce, and investments in core programs that help bring communities from crisis to stability.

The state must make the following investments to respond to the needs of nonprofits and ensure stability in the sector:

- **Honor state contracts.** New York State must honor contracts and pay for services already delivered to residents and communities. All nonprofit contracts should be paid immediately, late contracts should be registered, and the 5% withholding on contracts suspended.
- **Recognize human services workers as essential workers.** New York State must recognize human services workers as essential workers and utilize a portion of any federal aid received to fund emergency pay for the services they provide to their communities.

Each of these investments will ensure New Yorkers can continue to receive services from the nonprofits in their communities they know and trust.

Developmental Disability Services

OPWDD services are delivered in-person to people with intellectual/developmental disabilities. Because of the nature of these services, every part of the OPWDD service sector was and continues to be impacted by the pandemic. Since March, the OPWDD provider community has had to totally change how they deliver services. When stay at home orders went into place, individuals who remained in their certified residences were no longer traveling to day services like day habilitation programs and visitations from family and friends were suspended. Providers who oversee these residences had to focus on maintaining the health and safety of residents while staff were falling ill to COVID. As in-person services transitioned to virtual offerings when appropriate, many individuals with intellectual/developmental disabilities struggled to benefit from them. Individuals who live at home with their families had to rely on parents, siblings and other family members and friends to support them when in-person support options from OPWDD were not available.

Continuing to provide in-person and/or virtual services during the pandemic has been extremely costly for providers. According to a survey done with OPWDD providers by the New York Disability Advocates (NYDA), providers have spent \$130 million on additional payroll costs, \$34 million on PPE and have lost a combined \$327 million in revenue since the beginning of the pandemic. While providers struggled to reconcile these financial losses, additional rate cuts were proposed by OPWDD that altered how much intermediate care facilities (ICFs) and individualized residential alternatives (IRAs) are reimbursed when residents are vacant from their programs. When these rate cuts go into effect in May 2021, providers are projected to lose approximately \$218 million dollars. Providers of intellectual/developmental disability services simply cannot sustain any additional financial losses and cuts without services to individuals being negatively impacted.

UJA recommends the following in order to strengthen the OPWDD provider system while improving access to services and supports for people with intellectual/developmental disabilities:

- Reject the deferral of the Cost-of-Living-Adjustment (COLA) for OPWDD programs. OPWDD provider agencies have not had a COLA adjustment in more than 10 years.
- Restore the 1% targeted rate reduction on OPWDD supports and services proposed in the Executive Budget.
- Restore the 5% cut on OPWDD non-Medicaid local assistance payments.
- Enact statutory protection to ensure that all cuts to the Intellectual/Developmental Disabilities system are restored, if additional federal funds are received by the state.
- Amend the New York Paid Sick Leave Law to authorize paid sick leave for COVID-19 vaccinations.

Early Intervention

The FY 2020 budget included a 5% increase in reimbursement rates for licensed physical therapists, occupational therapists, and speech-language pathologists in Early Intervention (EI) programs. Before the enacted FY 2020, there had not been a rate increase for Early Intervention providers since 2004 and in fact, there were actually two rate decreases in 2010 and 2011, making it very hard to sustain a business and provide

workable and competitive salaries for service providers. The FY 2020 increase in reimbursement rates left out many EI providers, evaluators and service coordinators and the rates for these providers were not increased in the FY 2021 enacted budget.

Years of low reimbursement rates and funding shortages have caused many programs to close their doors or cut back significantly on available slots. According to the Kids Can't Wait campaign, New York State's Early Intervention payment rates are currently lower than they were in the mid-1990s while the percentage of children statewide receiving timely EI services fell from 74% in 2015 to 66% in 2019. The pandemic impacted the EI system tremendously limiting capacity in programs and causing more children to be placed on waitlists for EI services.

In order to ensure access to Early Intervention services to all children with developmental disabilities who require them (and are entitled under federal law to receive them), investments need to be made now to combat years of stagnant rates and cuts. ***UJA urges the legislature to increase rates for all EI providers, evaluators and service coordinators by at least 10% to close accessibility gaps for these much needed services.***

Support Mental Health Services for Children

Before the pandemic, there were shortages of psychiatrists, psychologists, and social workers in the children's mental health system. Workforce shortages contributed to long wait times for outpatient care, intensive inpatient services, or community support services. Parents, families and caregivers of children needing mental health services had difficulty affording or locating care. And in many cases, were forced to drive hours when they located a provider.

Since the beginning of the pandemic, children's mental health has been impacted due to being socially isolated from friends and family and experiencing trauma related to the impact of COVID in their own communities. Access to reliable, appropriate and timely mental health supports is needed by children now more than ever. Without these, children struggling with mental health issues are more likely to visit the ER, be hospitalized and families will continue to live in crisis.

A number of actions can be taken to improve the children's mental health system now including: providing mental health supports to children in places where they are already receiving other services and supports; investing new federal funding in the children's mental health system; improving telehealth access; expanding the behavioral health workforce; and developing a coordinated, multi-agency strategy to achieve universal access to mental health services for children and families. Accessibility to children's mental health services can be improved by offering services to children in places they already frequent like pediatric primary care practices, early education and care programs, private homes and schools. Specifically, the state should increase behavioral health supports in schools, including Community Schools and Article-31 school-based mental health clinics. Administrative barriers should also be reduced and funding increased for integrated behavioral health programs for young children in early education and care programs.

If the state receives any new federal funding for mental health services, up to 25% of that new funding, should be forwarded to programs serving children and families, including funding from the Community Mental Health Block Grant. To improve access to telehealth, both the digital divide must be bridged and equity issues must be addressed. The workforce shortage in the children's mental health system can be addressed through: allowing for pandemic aid to pay for recruiting bonuses for licensed mental health practitioners, ensuring licensed mental health practitioners can continue to provide diagnostic services for youth, during credentialing, adding stipends for youth and family advocates to enhance participation and providing hiring bonuses for bilingual providers. A coordinated, comprehensive strategy across multiple agencies must be developed to more effectively reach children from different age groups, level of need, and provide services in appropriate settings. These investments must be made to improve issues in mental health services for children that existed for years as well as meet the current mental health needs of children and help communities recover from the pandemic. Lastly, to

combat further weakening of the mental health system for children in New York State, *UJA urges the state to place a moratorium on any cuts to children's mental health services.*

Conclusion

UJA-Federation of New York respectfully urges your consideration and support of these vital programs that assist our state's most vulnerable and neediest individuals and the organizations that serve them. Thank you for the opportunity to submit testimony and if you have any questions please email Faith Behum at behumf@ujafedny.org or 212-836-1338.