

# FURTHER DETAILS ON THE INFLATIONARY RISE IN EXPENSES TO SUPPORT ADULTS, CHILDREN AND FAMILIES SERVED

Community behavioral health agencies have not received the statutorily promised Cost-of-Living Adjustment (COLA) on an annual basis as the adjustment has only been appropriated three times in the past 15 years. It is imperative that the state budget include the COLA to meet the statutory obligation of the State. As your partners in community service, we urge you to reverse this pattern of neglect and include a **5.4% Consumer Price Index-U (CPI) adjustment in the statutory COLA in the STF 2022-23 budget for community behavioral health organizations.**

## ENERGY COSTS

The **energy index rose 25.0 percent** over the last 12 months. **Gasoline prices rose 42.7 percent** over the last year. Prices for **electricity increased 5.2 percent**, its largest 12-month increase since the year ending March 2014. Natural gas prices rose 21.1 percent over the last 12 months, the largest increase since the year ending August 2008. (Bureau of Labor Statistics)

## TRANSPORTATION

Used car and truck prices **increased 31.9 percent**, while prices for new vehicles **rose 7.6 percent**, the largest 12-month increase since the year ending June 1981. (Bureau of Labor Statistics)

## FOOD

A sampling of behavioral health providers serving food to children and adults in NYS have seen an **increase of approximately 9 percent**. Food insecurities were exacerbated by the pandemic, with many non profit providers filling in gaps for healthy meals, above and beyond their budgets.

## HEALTH INSURANCE

According to NYS DFS, **Health insurance rates in New York will grow by an average of 7.6 percent** for small group market, which cover employers with up to 100 employees. (dfs.ny.gov)

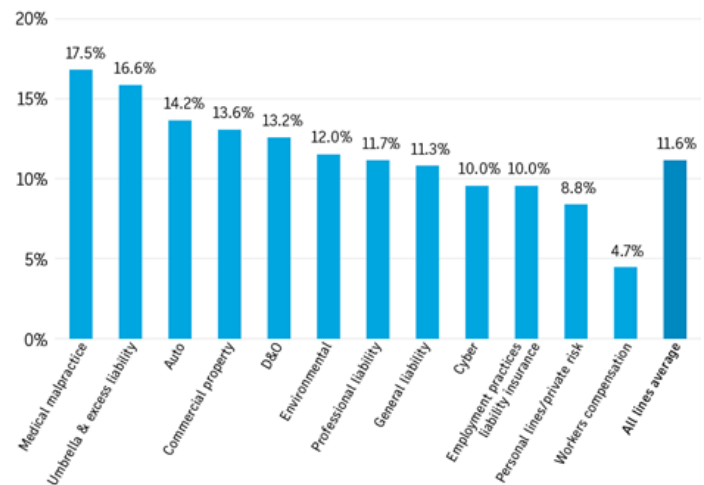
## CYBERSECURITY

According to a GAO study, more than half of respondents' clients saw **prices go up 10-30 percent** in late 2020. Behavioral health providers are citing similar increases.

## BUSINESS

[Alera Group Inc.](#) forecasts rate increases across several lines of commercial insurance. Among major lines, property coverage rates are forecast to **rise 13.6 percent in 2021** and **General Liability is projected to rise 11.3 percent** for "virtually all businesses".

2021 AVERAGE PROJECTED PRICING CHANGE BY LINE OF BUSINESS



Source: Alera Group

## TECHNOLOGY COST

Telehealth surged as providers sought ways to safely access and deliver behavioral health services. Increased expenses include laptops, note pads, upgraded routers, etc. have skyrocketed to keep up with access and service demands.

## MAINTENANCE

Behavioral health residential agencies are seeing an **increase in household/janitorial supplies by upwards of 50 percent** since the onset of the pandemic.

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