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The SFY 2024-25 Final Enacted Budget for the Behavioral Health Sector MUST INCLUDE:



3.2% COLA tied to the Consumer Price Index-U (CPI-U) (July 2023) & \$500M Investment in Additional Resources

Advocates for New Yorkers with mental health and addiction related challenges, and the community-based organizations that support them are grateful that mental health is front and center in Governor Hochul's SFY 25 Executive Budget proposal. Many of the proposed initiatives in the Executive proposals are reflective of the immediate needs of adults, children and families seeking access to mental health and substance use disorder services after decades of an underfunded system.

We concur with the Governor that "mental health is the defining challenge of our time" and recognize the Governor's commitment to the sector through unprecedented new proposals and the 1.5% Cost-of-Living Adjustment (COLA). However, this amount is much less than what is needed, which is the full 3.2% tied to the July 2023 CPI-U. This proposal does not adequately deliver the resources the behavioral health sector needs to address the severe workforce crisis and the increasing costs associated with the daily operations of services. The 3.2% COLA and further investments are needed for our workforce and operations.

New Yorkers continue to have long waiting periods to access mental health and substance use disorder services and support. Children and families seeking services often remain in emergency rooms for unacceptable periods of time, from weeks to months.

INCLUDE A 3.2% COLA

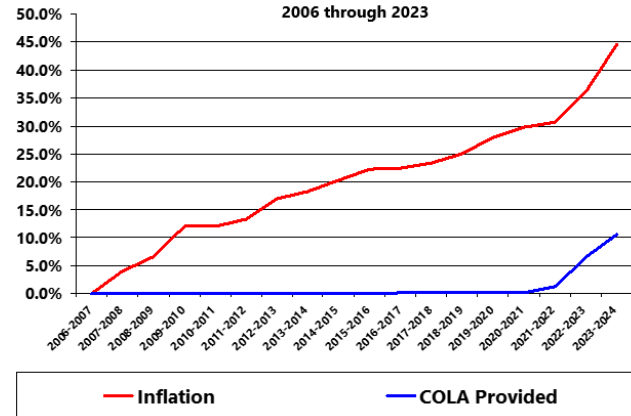
Include a Cost-of-Living Adjustment (COLA) tied to the Consumer Price Index-U (CPI) at 3.2% (July 2023) in the SFY 2024-25 Executive budget proposal and add it back to the statute. The COLA allows needed flexibility for agencies to meet increased costs associated with operations (energy, transportation, maintenance, food, required technology/ software, and more) and provide salary increases for their most valuable asset, their workforce.

COLA Increases and Deficits By the Numbers

From 2007-2008 through the current fiscal year 2023-24:

- **\$500 Million** - The approximate total amount of **COLA funding deficit for OMH and OASAS providers.**
- **44% annual CPI increases** over a 17-year period.
- **34% total COLA deficit** for the OMH & OASAS providers.

EROSION IN BEHAVIORAL HEALTH FUNDING DUE TO INFLATION 2006 through 2023





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& \$500M Investment in Additional Resources**

ADD \$500 MILLION

Increase rates for unrestricted flexible funding to make up for decades of underfunding for the mental health and substance use disorder workforce, services and support. Such funding would be available to Medicaid and contract providers in the adult and children's behavioral health sector. Adding resources to behavioral health programs and services will take some of the burden off the current workforce. According to a recent survey (July 2023) of mental health and substance use disorder agencies, **job vacancies are at 21% for staff working directly with individuals receiving care and services**. The vacancy rate continues to be high as our workforce is being asked to carry large caseloads, manage an abundance of paperwork and do tasks that aren't related to caring for the behavioral health concerns of the adults, children and families that they are serving.

Build the job pipeline by offering tuition reimbursement, scholarships and internship stipends available to individuals who commit to working in the public mental health and substance use disorder field following graduation.

Expand loan forgiveness and repayments to all levels of staff working directly with individuals receiving care and services from non-profit, for-profit and community based mental health and substance use disorder agencies.

Develop Career Pathways for Adult, Youth and Family Peers (people with lived experience and training) who are a critical part of the behavioral health workforce. Investments are needed to develop career pathways for adult, youth and family peers that recognize the critical personal experience they bring to complement traditional clinical approaches.

Offer support in racial and social equity by recognizing that the behavioral health workforce is diverse, primarily BIPOC women and, consequently, has been disproportionately impacted by lack of adequate wages. Our workforce often works multiple jobs to make ends meet. Providing increased funding for education, training, culturally competent care and support will help assist in sustaining our workforce.

Lack of Resources Impacts Access with High Demand

Behavioral health providers are closing programs due to workforce shortages. At the same time, waitlists to access care continue to grow.

According to the Commonwealth Fund, [more than one-third of adults report](#) having a mental health condition or substance use disorder, but [less than half of adults receive treatment](#) for their condition because of provider shortages, high out-of-pocket costs, and [gaps in coverage and reimbursement](#) for behavioral health services.

New York's rising overdose deaths are startling. According to OASAS, from 2018 to 2022 there was a [73% increase for all statewide overdoses \(3,697 to 6,393\)](#), and a [127% increase in fentanyl related overdoses](#). In NYC, DOHMH reported [700 overdose deaths in the first quarter of 2023](#).

Investments are needed for substance use and mental health services as [more than 1 in 4 adults with serious mental health problems also have a substance use problem](#).

A two-year decline in yearly suicides ended in 2021, as [suicide rates rose](#) among younger Americans and people of color, according to [a new report from the Centers for Disease Control and Prevention](#). Between 2018 and 2021, the suicide rate among Black people increased by 19.2 percent, from 7.3 to 8.7 per 100,000. The swiftest rise took place among some of the youngest Black people, those ages 10 to 24. The suicide rate in that group rose by 36.6 percent.

Epidemiological data now show alarming rates of [behavioral health needs among school-age youth](#). Children and families are experiencing waitlists, and they are significantly more likely to go to the emergency department and to be hospitalized for mental health reasons since the start of the pandemic.