



**FOR IMMEDIATE RELEASE:** April 19, 2024

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## **Mental Health, Addiction Providers Hail Landmark Mandate in NYS Budget That Will Expand Access to Life-Saving Care for New Yorkers**

*Budget's Commercial Insurance Rate Mandate Will Help Tackle New York's Devastating Opioid Overdose and Youth Mental Health Crises*

*[One in Three](#) New Yorkers Face Mental Health Challenges as New York City Reports [All-Time High](#) for Overdose Deaths*

**ALBANY, N.Y.** – After a decade of advocacy from the New York State Council for Community Behavioral Healthcare, Gov. Kathy Hochul and the New York Legislature will enact a state budget that makes meaningful strides toward increasing access to care for New Yorkers urgently in need of mental health and addiction services. A landmark [mandate](#) in the Fiscal Year 2025 New York State Budget will ensure that community-based providers are reimbursed at a fair rate for services provided to individuals with commercial insurance, significantly opening up access to desperately needed care for thousands of New Yorkers waiting for critical services. The mandate comes as [one in three](#) New Yorkers statewide face a mental health challenge and after New York City reported an [all-time-high](#) for overdose deaths in 2022 – rates are even worse for low-income New Yorkers.

For more than a decade, the New York State Council has worked tirelessly to ensure all New Yorkers can access care through the state's public mental hygiene system – regardless of the insurance card in their pockets. As a result of the deeply inadequate rates insurers have long been allowed to pay community-based providers, waiting lists for life-saving care have grown massively amid a crushing overdose epidemic and intensifying youth mental health crisis.

"With this historic budget provision, New York has taken a courageous and necessary step to ensure providers can afford to meet increasing demands for care," **said Lauri Cole, Executive Director of the New York State Council for Community Behavioral Healthcare.** "We have stayed the course and led the charge for this provision for more than a decade for one reason: New Yorkers in need of mental health and substance use disorder services deserve equitable access to care. This change will grow the number of in-network providers for New Yorkers who need care and marks a seismic shift in the way these essential services are reimbursed. Access to care is and has always been our north star."

The mandate will require commercial insurers to pay community-based mental health and substance use disorder agencies at least the same reimbursement rate that is paid to providers for services to Medicaid members. New York State set a mandated minimum reimbursement rate for community-based mental health and substance use disorder services under Medicaid more than 10 years ago. For more on the new mandate, visit [Part AA of the Health/Mental Hygiene, Article VII](#), in the budget bill.

“Our son Harris died at the age of 19 due to an accidental overdose. Despite having decent commercial insurance we had great difficulty finding a provider that accepted his insurance and who had the resources and expertise to address Harris' complex co-occurring mental health and substance use disorders,” said **Stephanie Marquesano, Impacted Family Member and Director of the Harris Project in Westchester County**. “We encountered deeply committed staff who were underpaid and who did not have the advanced training to deliver care that adequately addressed both conditions. Community-based mental health and substance use disorder agencies need to be paid fairly for the services they provide so they can afford to recruit and retain staff that have a high level of expertise, or so that the agency can provide the training staff need. That takes resources. The commercial rate proposal enacted today will go a long way to ensure families across New York can count on community-based agencies that can afford to recruit, retain the staff they need who are equipped to meet the complex needs of our children and youth.”

“For several years, our agency has witnessed a significant increase in individuals with commercial insurance seeking mental health or substance use treatment. Unfortunately, our commercial rates have historically failed to cover the costs of these critical, life-saving services,” said **Jeffrey Friedman, CEO, Central Nassau Guidance and Counseling Services (CN Guidance) in Hicksville**. “Our board of directors grappled with the decision to either limit or eliminate acceptance of commercial insurance, recognizing that long-term sustainability was unattainable in the current environment. We extend our heartfelt gratitude to New York’s public officials for including the Commercial Rate Mandate in the final budget. This mandate will enable us to maintain our existing workforce, attract qualified candidates in a highly competitive job market, expand our capacity to serve vulnerable populations, and facilitate greater access to behavioral health treatment and services for hundreds of individuals.”

“For decades our agency has struggled to continue to serve our community members with commercial insurance. Insurers have been unwilling to pay an adequate rate for our mental health and substance use disorder services because they were not required to do so,” said **Lisa Hoeschele, CEO, Family Counseling Services of Cortland County**. “This has strained our finances and tied our hands when it comes to our ability to recruit and retain the staff we need at salaries that are competitive with other businesses in our community. The need for high-quality mental health and substance use disorder services in communities like ours has never been greater. We are grateful to Governor Hochul for hearing our concerns, to lawmakers and legislative leaders for getting behind this game-changing reform, and to our advocates at the NYS Council for Community Behavioral Healthcare for persevering for over a decade, educating and pushing lawmakers to address rate disparities that result in disparate access to care.”

"A significant portion of the families, children and adults we serve have commercial insurance and they have suffered as the result of inadequate rates that have made it impossible (and fiscally irresponsible) for JBFCS to provide on demand care to all who need it," said **Dr. Jeffrey Brenner, CEO of The Jewish Board of Family and Children's Services**. "Right now there are children and youth living in Emergency Departments across New York due to significant waiting lists for the care they need when they return to the community. New Yorkers, including children and families, deserve better. This new budget provision is a game changer for them and for non-profits. In the past we have needed to turn away contracts due to insufficient commercial rates. Fixing this problem will permit The Jewish Board to serve New Yorkers who urgently need mental healthcare including critically, New York's children, youth and families."

"Our agency has always strived to serve anyone in need of our services regardless of the insurance card in their pocket. But as time has gone on and the cost of providing care has increased exponentially, we have struggled and had to seriously consider whether we could sustain this open door policy given deeply inadequate rates paid by commercial insurers," said **Jennifer Carlson, CEO of Finger Lakes Area Counseling and Recovery Agency (FLACRA)**. "Our community members count on us to provide them with critical and often life saving addiction prevention, treatment, and recovery services. Now with the passage of this amazing policy reform, we will be far better situated to increase access to care in our communities amidst a pernicious and devastating overdose crisis."

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### **About the New York State Council for Community Behavioral Healthcare**

The New York State Council for Community Behavioral Healthcare (The NYS Council) represents 150 community-based organizations that provide recovery-focused mental health and/or substance abuse/chemical dependence and addiction treatment programs and services for New Yorkers in need. The Council's mission is to protect and enhance effective and efficient behavioral health programs and services that meet the unique needs of underserved individuals and families in communities across New York. Learn more at [www.nyscouncil.org](http://www.nyscouncil.org).