



TESTIMONY: UJA-FEDERATION OF NEW YORK
The Joint Fiscal Committees of the New York State Legislature
Mental Hygiene Joint Legislative Budget Hearing for Fiscal Year 2023-2024

Submitted by: Faith Behum, UJA-Federation of New York

February 16th, 2023

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

Established more than 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 has more than 50 thousand engaged donors in the New York area, supports an expansive network of nearly 100 nonprofit organizations serving those that are most vulnerable and in need of programs and services, and allocates over \$150 million each year to strengthen Jewish life, combat poverty and food insecurity, nurture mental health and well-being and respond to crises here and across the globe.

Human Services COLA

The COVID-19 pandemic 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, older adult programming, and access to food.

The pandemic exacerbated fiscal challenges faced by human services nonprofits—personal protective equipment, cleaning supplies, and technology enhancements had to be secured, developed, and maintained to ensure continued service delivery. The inclusion of the 5.4% Cost of Living Adjustment (COLA) in the FY 2023 enacted budget brought some much-needed relief to the human services sector, specifically allowing providers to increase salaries for their staff. Despite the 5.4% COLA, UJA's network of nonprofits continue to struggle to recruit and retain its workforce while significant inflation growth has increased their operating costs.

While UJA thanks Governor Hochul for including a 2.5% COLA for state contracted human service workers in the FY 24 Executive Budget, we recognize a more substantial investment is needed to further support the work of human services agencies and help them address the rising costs of providing services. The 2.5% COLA is also not inclusive of all State-contracted human services programs. As it is currently written, in both the Aid to Localities and Article VII bills, only certain human services programs within certain agencies are authorized to

provide the COLA. State agencies should review their portfolios to ensure that all human services programs are provided a COLA. Having this COLA implemented across-the-board and inclusive of all human services nonprofits under contract with New York will help achieve better pay equity across the State. **We urge the Legislature to include an 8.5% COLA in the enacted budget in order to keep the wages of human services workers in line with inflation and help nonprofits address increased costs of operations.** Clarifying language must also be incorporated to ensure that all eligible human services are funded.

Telehealth Pay Parity

UJA supports Governor Hochul's proposed addition of telehealth pay parity in the Executive Budget. Due to the pandemic, telehealth services have become a critical tool for behavioral health providers. While many providers continue to offer in-person services, clients often prefer telehealth as it reduces barriers to care. In the past, many clients have struggled with attendance due to issues such as unreliable transportation, access to childcare, or minor illnesses. Telehealth services remove many of these barriers and have led to increased attendance. Telehealth services are commensurate with in-person care and should be compensated for at an equal rate.

Developmental Disability Services

Direct support professionals (DSPs) are the backbone of the OPWDD service system, providing personal care, feeding, transportation, and medical monitoring to individuals with intellectual/developmental disabilities (I/DD). With the support of DSPs, individuals with intellectual/developmental disabilities can thrive in community settings. Unfortunately, many OPWDD providers struggle attracting and retaining candidates for DSP jobs. The pandemic worsened this problem, with many DSPs leaving the workforce due to succumbing to the day to day stress of caring for a medically fragile population.

According to a survey performed by New York Disability Advocates, as of July 2022 the average statewide DSP staff vacancy rate was 18.59% while the average statewide annual turnover rate was 34.5%. High DSP vacancies have a direct negative impact on individuals with I/DD resulting in service reductions, program closures and loss of supports. The high DSP turnover rate is financially devastating to nonprofits costing them \$100.5 million annually.

Sustained, long-term investments must be made to truly improve recruitment and retention of DSPs. **UJA recommends the establishment of a new Direct Support Wage Enhancement (DSWE) as part of the FY 24 enacted budget.** Through the proposed DSWE, provider agencies would receive an annual funding allocation of \$4,000 per eligible employee to be used for the purpose of enhancing the hourly rate of pay for all staff that have direct care/support responsibilities for individuals with I/DD. This will provide agencies with the ability to increase the hourly pay by approximately \$2.19/hour annually for eligible staff presuming each staff member receives the same increase. The funding would be required to be used by nonprofits to enhance the rate of pay for direct support employees.

Early Intervention

According to the Kids Can't Wait campaign, Early Intervention (EI) providers are paid less than they were in 1990 which has placed a financial strain on programs. EI providers have struggled to remain open, with staff retention being one of the main reasons these programs have closed. Lack of staff has also impacted how EI services are delivered with many providers only being able to offer telehealth instead of in-person services because they do not have the staff available to meet with families in-person. The decision to provide telehealth versus in-person services should be based on the effectiveness of the services, parental preference, and the needs of the child not provider availability. Increased rates will help current providers remain in the Early Intervention system while attracting new providers and ultimately improving service availability to the children who have a legal right to Early Intervention services and therapies. **UJA urges the State to increase EI rates by 11% for all services delivered in-person and adopt high rates or rate add-ons to cover the costs of in-person service delivery.**

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 testify. Please contact Faith Behum at behumf@ujafedny.org or 212-836-1338 with any questions.