



NEW YORK
**ALLIANCE FOR
INCLUSION & INNOVATION**

**Testimony to the
Fiscal Committees of the New York State Legislature
Hearing on the FY 26 Executive Budget
NYS Office for People With Developmental Disabilities**

Mental Hygiene Budget Hearing
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NYS Legislative Office Building
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My name is Michael Seereiter, President & CEO of the New York Alliance for Inclusion and Innovation (NY Alliance). We, and the 135 not-for-profit members of our association who provide services to people with intellectual and developmental disabilities (I/DD) appreciate the opportunity to provide our perspectives on the FY 2026 Executive Budget proposal for the NYS Office for People With Developmental Disabilities (OPWDD) by Governor Hochul.

Overall, we are very pleased with so many of the components of the Governor's Executive Budget Proposal that pertain to people with I/DD and the service delivery system that provides them support. Many components of the Governor's general budget proposal for New Yorkers will have significant benefits for people we support and the workforce of direct support professionals who provide those supports. For example, the various aspects of the Governor's Affordability Agenda, including the Middle-Class Income Tax Reduction, tripling the childcare tax credit, providing free school breakfast and lunch, and the inflation rebate initiative, will provide tremendous benefit and relief to direct support professionals and other low wage earners who provide supports to people with disabilities.

Looking more specifically at budget proposal pertaining to OPWDD and benefitting New Yorkers with I/DD, there are many aspects of the Governor's budget for which we are grateful to the Governor and OPWDD Acting Commissioner Baer, including:

Annualization of Rate Re-basing Resources

The Executive Budget proposal continues a significant investment to support increased reimbursement rates to the provider community and its dedicated and compassionate staff, effective retroactive to July 1, 2024. On behalf of the NY Alliance membership, we applaud Governor Hochul and Acting Commissioner Baer for the current year investment provided through the required rate re-basing process and for including the continuation of these resources in the proposed budget. These increases in rates to support our provider community assist our members greatly with the ongoing wage and salary challenges that have plagued our workforce recruitment and retention efforts for years and help them address increased costs necessary to provide services. We fully support the annualization of these resources, accounting for approximately \$850 million.

Targeted Inflationary Increase

The Executive Budget proposal includes a 2.1% targeted inflationary increase for eligible OPWDD programs to address staff compensation and the rising costs of goods and services necessary for our providers to maintain operations. We thank the Governor for acknowledging the ongoing need to provide such an increase especially to not-for-profit agencies and call upon the State Legislature to increase the percentage to 7.8% in the final State Budget. Such an increase would allow disability service providers to avoid



losing ground with other sectors when it comes to workforce recruitment and retention, and to be able to maintain operations necessary for service delivery. Additionally, we would recommend that Care Coordination Organizations, which provide care management services to people with I/DD, be included in the eligible programs for the targeted inflationary increase.

Minimum Wage Increase

The NY Alliance also supports the \$53 million to support the minimum wage increases that have been statutorily required by the State.

Preferred Source Modernization Act

Several NY Alliance members are participating providers in the Preferred Source Program. The program is set forth in statute and currently sunsets at the end of this year. We support the Governor's Health & Mental Hygiene Article VII proposal to continue this important program and the changes to the contract thresholds implemented a few years ago that have helped us employ more people with disabilities. Further, we support rescinding the sunset provision, so the program is permanent.

Service Reform and Expansion Resources

We are pleased to see \$30 million in new State resources to fund new OPWDD priority program reforms and new service opportunities to enable individuals to receive the support they need.

Institute for Basic Research and Willowbrook Learning Center

We support the inclusion of \$75 million in Capital Project funding to renovate the Institute for Basic Research. This project will include a Genomics Core facility to identify genetic imperfections underlying an individual's developmental disability. Further, we support the creation of the Willowbrook Learning Center, which will help generations to come understand the atrocities that took place at Willowbrook and how they shaped the OPWDD system into what it is today.

Regional Disability Clinics

We are pleased to see the inclusion of \$25 million in Capital Projects to support the development of Regional Disability Clinics. People with disabilities face so many barriers to accessing health care, and we hope that by addressing some of the physical barriers to such care, this can help pave the way to further improvements in access to health care services. These resources would support one-time building modifications and/or equipment designed to increase accessibility and improve the quality of healthcare





for people with developmental disabilities who access services in clinics licensed by Article 28 of the Public Health Law and Article 16 of the Mental Hygiene Law.

Expand Independent Living Opportunities

Likewise, we are pleased to see \$15 million in Capital Projects funding included for OPWDD to expand independent living opportunities for individuals with I/DD.

In addition to the OPWDD-related budget items mentioned above, there are several components of the Governor's budget outside of OPWDD that will significantly benefit people with I/DD and the service delivery system that supports them. Perhaps the most exciting among them is an increase in funding for both the Empire State Supportive Housing Initiative (ESSHI) and the NYS Supportive Housing program (NYSSHP). In the ESSHI program, the per unit amount of operating funds will increase from \$25,000 to \$31,000 per year (up to \$34,000 in the NYC metro region), and the budget proposes a 40% increase in funding for NYSSHP. These opportunities to support more individuals with I/DD with their housing needs, including those beyond certified residential supports provided directly by OPWDD, are very welcome.

Opportunities to Improve Upon the Governor's Executive Budget Proposal

In addition to our recommendation to increase the Targeted Inflationary Increase the Governor proposes from 2.1% to 7.8% mentioned above, we have several other recommendations for improving upon the Executive Budget Proposal:

Include the I/DD Community in the State's Climate Goals

Providers of long-term supports and services to people with I/DD should play a significant part in the state's efforts to address climate change and to meet the State's climate goals. Collectively, our sector has approximately 6,500 physical locations throughout NYS (administrative offices, clinics, residences, and day programs) where improvements to energy efficiency could be made with access to capital resources. I/DD service provider organizations should be able to apply for capital funding to make such energy-efficient investments that would have positive short-term and long-term environmental benefits for our state, and save service provider organizations money by lowering their energy bills. We ask that OPWDD providers be included in those authorized to apply for such capital resources.

Human Services Wage Commission

We were disappointed to see that the Governor did not include our recommended Human Services Wage Commission in her Executive Budget Proposal. Such a commission could study the various jobs associated with work in human services and make recommendations to the



Governor and Legislature for setting wages that are commensurate with the responsibilities of these positions, including Direct Support Professionals. We need to look no further for evidence that a comprehensive approach is needed than a study last year finding 50% of direct support professionals in NYS are both food and housing insecure. While the investments in this proposed budget will surely help to increase wages and salaries for direct support professionals, frontline supervisors and others who deliver key services to the people they support, a more comprehensive solution to the systemic problem of pay for the Human Services sector is needed. We urge the Legislature to include the authority for such a commission in their one house budget proposals so that recommendations for what wages should be paid for human services jobs can be considered in next year's budget.

Rate Setting Return to OPWDD

In 2015, as part of the State budget, NYS moved rate setting authority and responsibility from the three Department of Mental Hygiene state agencies – OPWDD, the Office of Mental Health, and Office of Addiction Supports and Services – to the NYS Department of Health. Since that time, the delays associated with yet another state agency oversight process have resulted in increases authorized by the legislature to be distributed as late as 11 months after passage of the budget. The NY Alliance believes the time has come to return the rate setting authority, responsibility, and staff positions associated with rate setting to OPWDD as part of this year's state budget.

Closing

Thank you for the opportunity to provide testimony and we stand ready to be a resource to you as you consider your one-house budget proposals and then negotiate a final NYS budget.