

Testimony
New York State Joint Legislative Budget Hearing on Mental Hygiene
Friday, February 14, 2022

Submitted by
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Thank you for the opportunity to submit testimony on behalf of Catholic Charities of Orange, Sullivan & Ulster- a contracting agency and provider of social services - on the challenges we face entering the FY 2023 budget season.

Catholic Charities of Orange, Sullivan & Ulster is committed to providing help and creating hope for our friends and neighbors in Orange, Sullivan, and Ulster Counties. We offer a helping hand and a caring heart to those suffering from the disease of addiction, to families and individuals struggling with poverty, including emergency food and shelter assistance, and to immigrants navigating the journey to citizenship. We assist organizations with providing their employees access to quality social and human service support and maintain a commitment to enhancing and improving the quality of life for the residents of Orange, Sullivan, and Ulster Counties.

While the issues facing vulnerable New Yorkers preceded the COVID-19 pandemic, the resulting economic fallout, and the 31% rise in overdose deaths over the past two years, these events have dramatically impacted the human services sector and the communities we serve. Addressing the realities of inequality, lack of opportunity, and exclusion is already embedded in Catholic Charities' work and is the context within which our advocacy work will be conducted in 2022 and beyond.

Within this context, we would like to bring your attention to the following items:

- **Substance Use Disorder and Mental Health Services Cost of Living Adjustment and Frontline Worker Bonuses:** The Executive Budget's inclusion of a one-time 5.4% Cost-of-Living Adjustment (COLA) for human services providers, \$40.7 million in increased funding to cover minimum wage increases, and over \$200 million in retention bonuses for frontline workers is a welcome step toward reducing the gap between contract amounts and the true cost of services. While these resources will help reduce staff vacancy rates and improve worker retention in the short-term, reversing the negative effects of years of underinvestment will require sustained solutions. Catholic Charities supports the State's application of these funds to include the full range of substance use disorder and mental health programs and service categories, and the extension of these initiatives into future years.
- **Enhanced Medicaid Reimbursements:** The Executive Budget's restoration of the 1.5% across-the-board cuts from the FY21 budget and 1.0% increase in across-the-board Medicaid rates is a positive development, particularly as Ambulatory Patient Groups (APG) rates have risen only 1.7% since 2011. Further increases in APG rates would enable outpatient substance use disorder treatment programs to continue to provide quality services.

Additionally, the continued physical, emotional, and economic stressors of the pandemic have resulted in clinicians and peers providing more complex case management, filling service gaps, and problem solving, meaning increased time is spent on currently unbillable tasks. Services such as case management to overcome barriers, time spent searching for open treatment bed availability, providing food delivery to quarantined/isolated clients, and time spent transporting client groups to treatment and medical appointments, especially in rural areas, should be reviewed and incorporated into existing payment structures.

- **Clinical Practice Exemptions:** Current clinical practice exemptions enable trained staff without professional social work licenses to perform a variety of services necessary to the assessment and implementation of mental health and substance abuse treatment plans. While annual extensions to these exemptions have been granted in previous budgets, making such exemptions permanent would lessen the impact of workforce shortages and retention issues and promote the stability that enhances service efficacy and efficiency.
- **Reinvestment of Certain Revenues to Promote Accessibility of Care** – A portion of the revenues derived from the taxation and regulation of opioids and other substances should go to the treatment of individuals struggling with addictions to these same substances. When applied as additional rather than substitute funding, these revenues advance equitable investments in the health and well-being of communities disproportionately affected by substance abuse and allow providers to prepare for and accommodate rising caseloads. With the continued rise of opioid overdoses, Catholic Charities supports additional resources for substance use and mental health treatment, recovery and prevention.

Thank you for the opportunity to testify today on behalf of Catholic Charities of Orange, Sullivan and Ulster and the clients we serve, and thank you for continuing to serve this great State of New York.