

**JOINT
NEW YORK STATE SENATE FINANCE
AND
ASSEMBLY WAYS AND MEANS COMMITTEES

MENTAL HYGIENE BUDGET HEARING**

FRIDAY, FEBRUARY 5, 2021

**TESTIMONY BY:
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Thank you for the opportunity to testify this morning. My name is John Coppola and I am the Executive Director of the New York Association of Alcoholism and Substance Abuse Providers (ASAP), a statewide association representing the interests of the continuum of substance use disorders services across New York State. Our organization represents more than 150 agencies, 15 statewide and regional coalitions of programs, and dozens of affiliate and individual members.

Every time that ASAP has testified at this Joint NYS Senate Finance and Assembly Ways and Means Mental Hygiene Budget Hearing during the past decade, we expressed great concern about the worsening public health crisis related to addiction. During each hearing convened in response to an Executive Budget Proposal submitted by Governor Andrew Cuomo, we expressed concerns about prescription opioids, heroin, and fentanyl and the continuing upward trajectory of overdose deaths, the increase in New Yorkers seeking treatment for addiction, and the unimaginable grief and stress experienced by so many families across New York State. Every one of those years we were disappointed that the proposed budget did not reflect the resources that should be expected by the frontline workers and programs charged with combating the problem. The magnitude of our response has been dwarfed by the magnitude of the problem itself. Consequently, deaths due to opioid overdose have continued an alarming upward trajectory, with an increase of more than 20% in 2020 vs. 2019 according to the CDC. A Simultaneously, the tragedy of women dying from an alcohol-related cause at a rate that has doubled in the last decade, is barely mentioned by public health officials. Things are getting worse. How much worse do they have to get before the magnitude of New York's response meets or exceeds the magnitude of the problem?

This year we start our testimony with the same plea, "Senate members and Assembly members, please give us the resources needed to do the prevention, harm reduction, treatment, and recovery work so needed in communities across New York State". As New York continues to grapple with the COVID-19 pandemic, substance use disorders service providers have continued to provide life-saving services twenty-four hours a day, seven days a week. In spite of the heroic efforts of our essential frontline workers and the escalation of the public health crisis they are seeking to quell, Governor Cuomo has proposed a budget that includes a reduction of \$13 million in state aid for SUD services. This is on the heels of a 20% reduction in funds that local programs continue to absorb. As you

As the Senate and Assembly scrutinize the Governor's budget proposal and work to develop their one-house budget bills, ASAP members ask that you work together to ensure that **all** funds available to give New Yorkers a fully funded continuum of substance use and gambling disorders prevention, harm reduction, treatment, and recovery services are utilized efficiently

for the greatest possible impact. It is possible to have a budget and a plan that provides a response to New York's addiction crisis that has the magnitude to make a difference and to halt and reverse the deadly trends that have remained relatively unchecked.

PRIORITY #1: RESTORE THE CUTS TO SUBSTANCE USE DISORDERS PROGRAMS

More than 80% of the respondents to a 2020 survey of prevention, harm reduction, treatment, and recovery programs reported that they would have to lay-off staff and would cut services because of funding cuts to their programs that began in July, 2020. Staff have already been laid off and services have already been cut. It is unconscionable that we are doing anything other than strengthening services and increasing resources during New York's addiction crisis. **We ask the Senate and Assembly to restore all state funding that has been cut from OASAS and from local SUD programs.**

PRIORITY #2: USE NEW REVENUE TO SUPPLEMENT, NOT SUPPLANT, CURRENT FUNDING

To adequately fund SUD prevention, harm reduction, treatment, and recovery services to address New York's addiction and overdose epidemic, **several new sources of funding should be targeted** to support the Office of Addiction Services and Supports (OASAS) budget:

- New Federal funds, resulting from the work of ASAP and other advocates with Congress, will almost double the SAMHSA Substance Abuse Prevention and Treatment Block Grant to New York State. The proposed budget reflects this increase of close to \$90M but fails to lay out a plan for how these funds will be used. ASAP will work with you so that both the Senate and Assembly come up with a plan that meets the needs of their constituents, strategically uses ALL available resources, and ensures that all efforts are sustainable into the future, in spite of these difficult fiscal times
- Settlement funds collected from NYS lawsuits with opioid manufacturers should be restricted for use by OASAS to address the consequences of the opioid addiction crisis and not used to supplant existing funds. OASAS is the lead agency in addressing the consequences of the Pharma behaviors that led to the lawsuits. It should have responsibility for steering settlement funds to areas of greatest need. These funds could also be used going forward to support Senate and Assembly initiatives, if the federal block grant increase is reduced post-COVID.
- State funds generated from the Opioid Excise Tax (signed into law in 2019) should be targeted to support SUD services. Another source of funds that could help stabilize fiscally tenuous SUD service providers, ASAP asks the Senate and Assembly to monitor the state's progress in collecting these funds and then to restrict their use for the intended purpose of addressing the opioid crisis.
- An increase in the tax on the sale of alcoholic beverages could fund prevention, harm reduction, treatment and recovery services. A small increase in the alcohol tax could go a long way in financing SUD services in communities across New York State.
- 25% of gross tax revenues from proposals to legalize marijuana for adult use

We ask the Senate and Assembly to use new funding sources to strengthen the SUD service continuum.

PRIORITY #3: STRENGTHEN THE SUD WORKFORCE

ASAP supports the Governor's proposed \$1.8 million minimum wage increase for staff working in OASAS-certified SUD nonprofit organizations.

With new sources of funding outlined above, including dollars from the Substance Abuse Prevention and Treatment Block Grant:

- The prevention service workforce, which has shrunk by a third over the last two decades, could be remade to more adequately address prevention needs in schools and communities across New York State
- Treatment programs could recruit and retain program staff to ensure availability of a full continuum of treatment
- Recovery services are under resourced and under staffed. Staff and resources should be added so that recovery supports are available in every county
- Harm reduction services are similarly under-funded and under-staffed.

Failure to address the needs of a workforce that is predominantly women and people of color calls into question the degree to which institutional racism and sexism are at the foundation of the state's failure to support our workforce. **We ask the Senate and Assembly to prioritize funding for the SUD workforce to restore service capacity.**

PRIORITY #4: ENSURE THE INTEGRITY OF SUD SERVICES WITHIN A NYS OFFICE OF ADDICTION AND MENTAL HEALTH

- Ensure service provider participation in discussions about creation of a new state agency
- Ensure full funding for a full continuum of SUD services
- Ensure that the SUD workforce and addiction specialty credentials are supported in a new agency

We ask that the Senate and Assembly work with ASAP to ensure continuity and strengthening of SUD services

PRIORITY #5 ADDRESS POTENTIAL THREATS TO THE FISCAL VIABILITY OF SUD SERVICE PROVIDERS

- **OMIG AUDITS:** Recent Probe Audits and case record audits have created considerable angst in a field that remembers the catastrophic results of a state fiscal crisis and aggressive audits that clawed back millions into the state coffers, not because of fraud, waste, or abuse, but because of simple human/clerical errors. This is no time to use harmful extrapolation formulas and fines to balance the state budget on the backs of service providers.
- Failure of NYS to adjust Medicaid rates for SUD service providers, in some cases for more than a decade. Programs serving Black, Indigenous, and People of Color and communities with high levels of poverty are not being paid the full cost of delivering

services to these communities. This is **structural racism** manifest in the SUD and MH service delivery systems. It must be corrected by a thorough examination of rate disparities and a correction to all rates that have lagged behind inflation.

- Structural racism and sexism that pervade our culture must be addressed in the infrastructure of the SUD field. Lower wages than other health and human service sectors, lower rates for comparable services in other systems, and persistent failure of state government to adequately support OASAS and the SUD service delivery system raise questions about underlying bias and structural/systemic issues as a possible explanation. We must address these.

FUNDING FOR SUD SERVICES HAS NOT KEPT PACE WITH INFLATION EVEN WITH AN EPIDEMIC

OASAS Aid to Localities Funding: Trend Year Funds Increase

2013-14	\$457,696,000	-
2014-15	\$460,896,000	0.7%
2015-16	\$474,716,000	3.0%
2016-17	\$501,490,000	5.6%
2017-18	\$507,548,000	1.2%
2018-19	\$573,405,000	13.0%
2019-20	\$579,206,000	1.0%
2020-21	\$591,464,000	2.0%

The consequences of the State’s failure to adequately support our substance use disorders servicesdelivery system is documented in the results of a survey commissioned by ASAP conducted by the Center for Human Service Research in 2018, which found that: 1) Employee recruitment and retention is a significant problem in SUD programs across the State. 2) Inadequate pay was the most common reason cited for direct service staff leaving the field. The Center for Human Services Research found that prevention and treatment staff receive \$5,000 to \$7,500 less than comparable professionals in other settings. Over three-fourths (76%) of communitySUD service providers found it difficult to attract new employees due to uncompetitive salaries. 3) Treatment program staff vacancies are creating waiting lists and creating a barrier to life-saving services for individuals seeking treatment. Treatment beds remain empty because there is no staff person to provide care, resulting in individuals suffering from addiction being added to waiting lists. 4) Nearly 2/3 of survey respondents from inpatient and outpatient programs believe vacancies have become a greater problem due to the opioid/heroin epidemic. 5) Prevention programs across the State have lost more than 1/3 of their staff over the past 20years due to funding

cuts and inadequate pay.

Incentives available to other professions, such as student loan forgiveness, scholarships for training, education, and certification, and salary/hiring incentives to help to recruit and retain staff are frequently not available to SUD professionals needed to address this epidemic.

More funding is needed so that prevention, treatment, recovery, and harm reduction services are supported at a level sufficient to address the magnitude of New York's crisis.

Thank you for consideration of our perspective and recommendations. Thank you for your service to the people of New York State.