

Investing in Mental Health and Substance Use Disorder Rates and Contracts

Adequate Access to Behavioral Health Care

THE PROBLEM

The demand for mental health and substance use disorder services has never been higher, yet adults, children, and families are facing waitlists, limited access to care, and a workforce that is struggling to meet the growing need, despite New York State's commitment to supporting these services.

New York must make meaningful investments to close treatment gaps, eliminate disparities, and improve access to services by making investments in the workforce and addressing inflated operating expenses that service providers must pay.

Increased Need VS Current Capacity

The failure to adequately invest in the mental health and substance use disorder service delivery system coupled with chronic underfunding of the behavioral health safety net, too few people entering the profession, comparatively low wages, layers of regulation and high case load, results in a workforce shortage and difficulty with access to care.

THE SOLUTION

Governor Hochul must address the longstanding underinvestment in the health and wellbeing of our communities by addressing the following:

Provide a 7.8% increase for mental health and substance use disorder rates and contracts.*

This investment will:

- **Reduce staff vacancies** which are **currently a statewide average of 20%-30%**
- **Reduce staff turnover rates** which are **currently a statewide average of 35%**
- Support aging infrastructures, advancing technologies, and covering costly administrative burdens.

**7.8% investment in funding is essential to help address these alarming challenges. The 7.8% represents the total of the current inflationary increase of 2.9% (CPI July, 2024) and the difference between the human services COLAs over the past three years (12.2%) and the CPI increases (17.1%) over that same period.*

BEHAVIORAL HEALTH AGENCIES SURVEYED...

According to a survey conducted by behavioral health agencies in August 2024 (a sampling of 43% of the total workforce in community OMH and OASAS programs), even with the influx of state funding over the past couple of years, behavioral health agencies are experiencing a

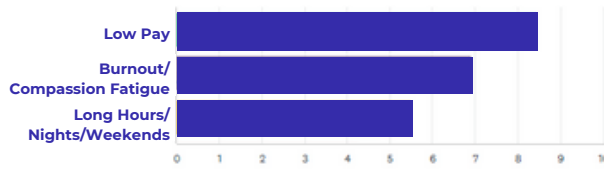
statewide average of **20% - 30% vacancy rate**, depending on provider type, and a **35% annual turnover rate**.

Our survey showed on average **onboarding costs for new employees at \$4,792 per new hire**. For a 6-month window, extrapolated out to the actual number of employees reported on the CFRs, New York's Behavioral Health community system is spending **approximately \$75M annually to onboard new staff**.

The following factors make it difficult to **RECRUIT** staff:



The following factors make it difficult to **RETAIN** staff:



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NEW YORK STATE CARE MANAGEMENT COALITION
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INUNITY ALLIANCE
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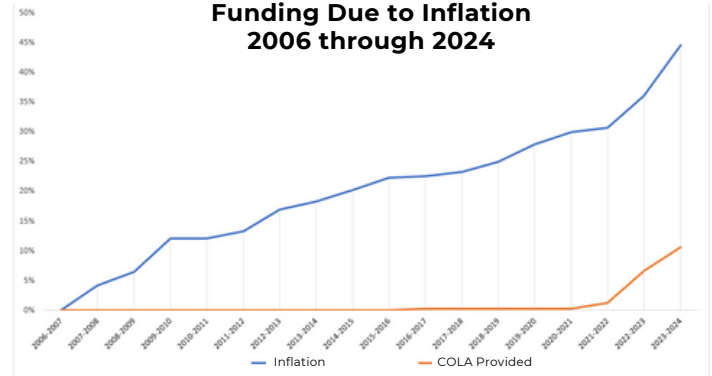
The total cumulative Cost-of-Living Adjustments (COLA) that **should have been provided** to behavioral health agencies, based on the CPI-U for each year since Governor Hochul has taken office, **totals 17.1%, yet providers only received 12.2% over the same period of time.** Over the past three years, this funding deficit has created a gap in services, workforce retention and ultimately, access to services.

BACKGROUND ON LACK OF FUNDING FOR MENTAL HEALTH AND SUBSTANCE USE DISORDER SERVICES & SUPPORTS

From 2006-2007 through the current fiscal year 2024-25:

- **\$500 Million** - The approximate total amount of **COLA funding deficit for OMH and OASAS providers.**
- **44% annual CPI increases** over a 17-year period.
- **34% total COLA deficit** for the OMH & OASAS providers.

Erosion in Behavioral Health Funding Due to Inflation 2006 through 2024



LACK OF RESOURCES IMPACTS ACCESS

- Mental health and substance use disorder providers face workforce shortages, leading to program closures, while waitlists for care grow. **Nearly one-third of adults have mental health or substance use disorders, yet less than half receive treatment due to provider shortages, costs, and coverage gaps.**
- New York sees a startling rise in overdose deaths, with a **73% statewide increase and a 127% rise in fentanyl-related overdoses from 2018 to 2022.** NYC reports **700 overdose deaths in Q1 2023.**
- Investments are crucial for substance use and mental health services as **1 in 4 adults with serious mental health issues also have substance use problems.**
- **Suicide rates rose** among younger Americans and people of color from 2018 to 2021, with a **19.2% increase among Black individuals and a 36.6% rise among Black youth aged 10 to 24.**
- Epidemiological data reveal **high behavioral health needs among school-age youth**, leading to waitlists and increased emergency department visits and hospitalizations since the pandemic's onset.
- In May 2024, The Centers for Disease Control and Prevention (CDC), published Youth Mental Health: The Numbers, which states, **"Adolescent mental health in the U.S. was worsening prior to the COVID-19 pandemic,"** but adding "Our nation's youth are experiencing a mental health crisis." The data finds increasing rates of depression with the percentage of high school students feeling sad and hopeless increasing significantly over a ten-year period reaching nearly 45% especially for females and LGBTQ youth.