



**TESTIMONY OF
THE NEW YORK STATE REHABILITATION ASSOCIATION**

**PROPOSED EXECUTIVE BUDGET
STATE FISCAL YEAR 2006-2007**

**Presented To The Joint Fiscal Committees
Of The Legislature**

WEDNESDAY, JANUARY 25, 2006

Good afternoon. My name is Jeff Wise and I am the president and chief executive of the New York State Rehabilitation Association. We are NYSRA are grateful for the opportunity to speak before you today regarding the governor's Executive Budget.

The New York State Rehabilitation Association is a statewide 501 (c) (6) organization representing over 130 rehabilitation providers, that advocates on behalf of people with differing disabilities and the agencies who serve them. NYSRA is governed by a twenty-three member Board of Directors, which meets quarterly. Our community providers offer the full spectrum of services to consumers throughout New York State, including individuals with developmental disabilities, mental illness, deaf and hearing impaired, as well as people with addiction and traumatic brain injuries. Collectively, NYSRA's member agencies are instrumental in assisting consumers toward full integration into the community. NYSRA's providers also have a rich history in promoting employment opportunities for individuals that range from work centers to one-stops.

Our diverse interests mean that there is much in the Executive Budget that interests us. My testimony today will focus on a few of the major items.

COST OF LIVING ADJUSTMENT

The Governor's budget proposes a three-year, Consumer Price Index-adjusted cost-of-living adjustment for several programs in the mental hygiene field, including programs of great interest to NYSRA in the OMR and OMH domains. This is welcome news. And we applaud the efforts of the Executive Chamber and those at the Division of the Budget who have listened to the cries for help that we and others have been voicing for some time.

As the Executive's Memorandum in Support notes, at page 12:

“Such providers have only received limited COLAs over the past 11 years – in fact a cumulative 7.5 percent increase compared to the comparable cumulative 29.4 percent trend factor afforded hospitals and nursing homes – which has created serious workforce and other operating pressures, regulatory compliance and quality of care issues, and concerns about addressing community expansion needs. The three-year COLA is intended to help alleviate these issues.”

It is heartening to read such language from the Executive; it would be difficult for us to describe the situation with any more clarity ourselves. Except to add that, in addition to receiving “limited COLAs” over the years, some of these programs have actually seen cuts over the years.

While we are genuinely grateful for the Executive's acknowledgement of these needs, and for his recommendation to “help alleviate” the problems, we must respectfully say that, frankly, more help is needed.

Governor Pataki is absolutely correct in his budget materials when he notes that these providers have workforce issues and that recruitment and retention are major concerns. For many, probably most, NYSRA providers, this is a matter of absolute survival. As the challenges for our workforce mounts, so does the cost of employing quality people. As we strive to improve the quality of services through things like criminal background checks – a major step to ensure our consumers are well served by quality workers – the greater our investment in amassing a workforce skilled enough to provide that quality service. We are fortunate to have fine people working on our agencies and we work hard to reward their efforts. But more than a decade of budget neglect has left us scrambling for the best people – it is not hard to understand why quality direct-care staff leave or forego employment with our agencies when they can make better wages, receive better insurance benefits, and acquire vested rights in substantial pension plans offered by other employers with far greater resources.

Very often we find those other employers are the county governments and the state agencies with whom our not-for-profit agencies partner.

It is, quite simply, a matter of finding and keeping the best people we can find while playing on a field that is nowhere near level. The governor's COLA is a major step in the right direction, but there is more leveling to be done.

With that in mind, and with all due respect and gratitude to the governor, we must and do ask the Legislature to consider additional assistance. Unlike many other trended programs, this COLA is limited to three years. We ask the Legislature to consider a permanent COLA or trend, indexed to inflation, that can truly allow these programs to at least hold their own in meeting the increasing costs of providing services to disabled New Yorkers.

In addition, we ask that the Legislature investigate ways to find a one-time infusion of funds into these programs, with an eye toward helping those programs that have seen cuts in the past decade. Given the number of programs, the seriousness of the situation, and the length

of time they have been without adjustments, we believe there is ample reason to seek \$10 million in funding that helps out these programs immediately.

There is sufficient reason to see this request as one for an investment in the future. Insufficient resources in the service sector lead to all sorts of outcomes that end up costing all of us, including the taxpayers, more money down the line – things such as a higher incidence of institutionalization, incarceration, emergency room use, homelessness.

We would, of course, be happy to work with anyone in the Legislature to identify ways to help ensure the health of the agencies that help ensure the health of all our disabled New Yorkers.

NYSRA believes that people with disabilities are entitled to have choices in their search for employment and, for that reason, we acknowledge that the COLA will apply to Sheltered Workshop operations.

With an employment rate for people with disabilities so much higher than it is for non-disabled in New York State there continues to be a need to have various tools to transition people with differing abilities into the workforce. Some are people who have never worked before, while some are people in need of change in their jobs due to the challenges they face with their newly acquired disability. Still other people choose to stay in this work environment because that have been long time participants in a workcenter and it presents for them all the opportunities and supports their unique abilities require.

NYSRA has been working diligently and collaboratively with peer networks and consumer advocates as well as its own constituency to identify all paths to employment that meet today's definition of full community participation.

Boosting these efforts can only pay dividends for this very important population and for New York generally. They are just one more reason for considering the additional assistance we request today.

MEDICAID REFORM

Although this issue is perhaps better left to the fiscal hearing relating to the Department of Health, it is one of supreme importance to providers of mental hygiene services. Many programs in which we participate receive Medicaid assistance, and through the constructive and creative work of agencies like OMRDD and Commissioner Maul, that is a good thing for our neediest New Yorkers.

And we believe that rooting out fraud and waste in the Medicaid system is a good thing as well. We are ready to stand shoulder-to-shoulder with those taking aim at the truly fraudulent, the truly wasteful. We must ask, however, that reform steps be done in consultation with those in our field who are expert at identifying these practices. Care must be taken, for example, to be program-specific in many cases when trying to determine best

practices and worst practices. While our reputable providers would never contest the propriety of outcome measures, we remind everyone that these issues vary from consumer to consumer. That is to say that measuring the efficacy of a program that serves developmentally disabled persons will necessarily involve different quantifiers than measuring the efficacy of a program that services someone who is hard-of-hearing. We ask the Legislature to take care in fashioning these reforms – particularly in light of the current environment in Washington, where Medicaid seems on its way to becoming the next major Federal Block Grant, instead of an entitlement program.

GERIATRIC MENTAL HEALTH

As are others, we are encouraged to see the governor propose \$2 million in funding for demonstration programs under the Geriatric Mental Health Act, enacted last Session. NYSRA is pleased to be affiliated with the Geriatric Mental Health Alliance and urges continued, and expanded, support for studying geriatric mental health issues as our New York population ages.

TIMOTHY'S LAW

The lack of a mental health insurance parity law in New York means, among other things, the shifting of mental health costs to citizens who cannot afford it and to a public health system that is trying to find ways to curtail costs and utilization. As the Executive and the Legislature investigate ways to find efficiencies in our health system, we urge you to consider the passage of Timothy's Law, which can have positive fiscal implications for the public purse – it is already, in our view, beyond dispute that it could help prevent the type of tragedy the O'Clair family has had to endure.

All of us at NYSRA appreciate this opportunity to speak with you on these critically important matters. We are prepared to work with you and the Executive in any way we can to ensure that New Yorkers with disabilities continue to receive the best services in the nation.

Thank you.