

State of the State Summary

January 5, 2022

Prepared by Carreau Consulting

In her first State of the State address on Wednesday, January 5th, Governor Kathy Hochul outlined her vision for the state's coming year from the podium of the State Assembly, also known as "the People's House." The return to such location was a poignant nod to tradition as she vowed to "repair the fractured relationship between the governor's office and state legislators."

While the address itself was historic given Hochul is the state's first female governor, the normal pomp and circumstance of the occasion was dulled by very limited legislative attendance (the Speaker himself, absent due to a positive COVID test, his second, to date) and masking of the few who did attend; stark reminders that while the day is marked as an effort to look forward, the state is in the midst of the Omicron surge and therefore still mired in the very real repercussions of a pandemic that refuses to loosen its grip.

As such, the address focused on a myriad of initiatives related to the state's ongoing pandemic recovery beginning with a proposed \$10 billion plan to grow the state's health care workforce by 20% over the course of the next five years. The initiative would include retention bonuses as an effort to drive higher salaries in the fields, expansion of medical institutions, medical school tuition supplements, stipends and flexibility in licensing requirements for out of state physicians and nurses, and a \$500 million for Cost-of-Living Adjustments (COLA'S) for human services workers. In addition, the plan includes a proposal to waive requirements for nurses to have a written agreement with a physician.

Other workforce investments include incentives to related to recruit and retain more teachers and school workers, measures to support workers and expand the social safety net, proposals to expand access to childcare.

The Governor's healthcare plan also includes provision providing health equity such as establish parity for telehealth services across commercial insurance plans and requiring insurers to offer an adequate network of telehealth health care providers.

She balanced left leaning criminal justice reforms, such as a proposed "jail-to-jobs" program, against more conservative leaning proposals to hire more police officers and prosecutors and provide more resources to trace illegal firearms.

And in response to the state's acute housing crisis, the Governor proposes the creation of a program to help build 100,000 units of affordable housing and given the state's pending end of the state's eviction moratorium, the creation of a program to provide free legal assistance to poor renters facing evictions.

Noticeably absent from the address and book, was any mention of child welfare. The entire State of the State Book can be viewed at [2022StateoftheStateBook.pdf \(ny.gov\)](https://www.ny.gov/2022StateoftheStateBook.pdf) A sampling of notable proposals are excerpted below...

HEALTHCARE

- 2 billion to support healthcare and mental hygiene worker retention bonuses, with up to \$3,000 bonuses going to full-time workers who remain in their positions for one year, and pro-rated bonuses for those working fewer hours.
- \$500 million for Cost-of-Living Adjustments (COLAs) to help raise wages for human services workers.
- \$2 billion for healthcare capital infrastructure and improved lab capacity.
- Other investments in workforce and healthcare access and delivery.

Other Healthcare-related Proposals

- **Licensure Between States** – Propose legislation for New York to join the Interstate Medical Licensure Compact and the Nurse Licensure Compact.
- **Scope Practice** –
 - Expand scopes of practices for more professionals to be authorized to administer vaccines, flu and COVID-19 testing.
 - Remove requirement for nurse practitioners to maintain written practice agreement with a physician.
- **Telehealth** – Pursue payment parity for telehealth services across commercial insurance plans and require insurers to offer an adequate network of telehealth health care providers, expanding access for telehealth services throughout the state.
- Increase the Training Capacity of Medical Institutions -- Increase the training capacity of medical institutions by covering the costs of new programs, provide compensation to allow workers to train full-time support staff (who help free up existing staff do more training), and the development of new training techniques.
- Attract Students into Healthcare by Relieving Their Financial Burdens – Direct financial support for students pursuing education in high demand health care occupation including free tuition, stipends, and wraparound services such as childcare or transportation.
- Award Prior Learning Credit across SUNY and CUNY – State University of New York (SUNY) and the City University of New York (CUNY) will adopt a consistent, statewide policy for crediting relevant prior learning and work experience, supporting credit accumulation, certifications, and post-secondary attainment.
- Recruit Medical Professionals to Work in Underserved Areas

- **Increase Funding for the Doctors Across New York Program:** This proposal will provide loan forgiveness up to \$120,000 for doctors who work in underserved areas for three years.
- Create a “Nurses Across NY” Program: Based on the successful Doctors Across NY program as a model, this proposal will place nurses in underserved areas across the state.
- Connect Immigrant New Yorkers to Direct Support Professions -- State agencies will work with external partners to develop an apprenticeship job training program that provides new and existing immigrant workers with a career pathway in the workforce
- Expand Workforce Development Partnerships to Build a Human Services Talent Pipeline
- Make Healthcare More Affordable to More New Yorkers - Expand Essential Plan eligibility for New Yorkers, raising the threshold from 200 percent of federal poverty line to at least 250 percent subject to federal approval reducing the uninsured by at least 14,000 and make healthcare more affordable for at least 92,000 New Yorkers.
- Improve Access to Child Health Plus Insurance and to Mental and Behavioral Health Services for Children in Low-Income Households - Eliminate the \$9 premium for families between 160 and 222 percent of the federal poverty level; and, align Child Health Plus benefits with Medicaid benefits, including mental health and substance use services, home- and community-based services, evidence-based treatment for individuals diagnosed with serious mental illness, and residential rehabilitation for youth.
- Expand Access to Midwifery Services Through Increased Reimbursement Rates - Medicaid reimbursement rate for midwife maternal services would be increased to better align with medical practitioners who also perform deliveries.
- Protect Consumers from Healthcare Provider Misinformation -- Adopt a new regulation to ensure that New Yorkers are not charged surprise out-of- network costs when a healthcare provider is incorrectly listed as in-network in the insurer’s provider directory, an insurer provides incorrect information about a provider’s network participation status in response to a request from a consumer, or the insurer fails to respond to a consumer’s request for such information.
- Create the Pharmacy Benefits Bureau in the Department of Financial Services - The new Bureau will begin licensing PBMs and will issue comprehensive regulations to ensure transparency and accountability for PBM practices. The Bureau will also hire a new compliance team to investigate PBM business practices and review complaints of misconduct. Additionally, this team will expand DFS’s ongoing efforts to investigate significant spikes in prescription drug prices and to require drug manufacturers — or whoever is responsible for the price increase — to show a reasonable justification for sudden increases.

MENTAL HEALTH & SUBSTANCE USE DISORDERS

- Fight the Opioid Epidemic in New York State Using a Public Health Approach
 - Expand and enhance a public health-style program coordinated by DOH and the Office of Addiction Services and Supports (OASAS) that includes harm-reduction services, health monitoring, and evidence-based community interventions. Programs will include established initiatives such as expanded access to sterile syringes, naloxone, buprenorphine, and other medications used to treat opioid use.

- Create a Division of Harm Reduction within OASAS to develop and incorporate harm reduction principles and strategies across the OASAS system of care. This new division, in collaboration with the DOH's Office of Drug User Health, will implement harm-reduction initiatives that could include:
 - Expanding naloxone and buprenorphine access by mandating pharmacies to maintain a stock of these medications.
 - Investing in fentanyl test strips, opioid overdose prevention kits, safety kits, and resources to prevent individuals from overdosing while alone.
 - Developing a public awareness campaign to prevent overdose deaths in public settings.
 - Creating and implementing a medication-assisted treatment program for uninsured individuals.
 - Expanding access to sterile syringes by allowing emergency departments and health departments to provide syringes to individuals who present with signs and symptoms of injection drug use.
- Expand Mobile Treatment Services for Opioid Addiction
 - Revise the opioid treatment program rules to allow for opioid treatment providers to implement a robust mobile methadone program.
 - OASAS will strengthen and modernize outpatient addiction programs, including opioid treatment programs (OTP), by taking the following actions:
 - Removing the regulatory requirement that OTP locations must be in contiguous counties.
 - Developing guidelines for providing mobile methadone.
 - Retrofitting existing outpatient mobile treatment units.
 - Purchasing additional units to provide mobile services.
 - Investing in additional telehealth equipment for mobile service providers to expand service capability and access across the State.
- Provide Individuals with Supportive Recovery Housing - Direct OASAS to create a voluntary certification process for recovery-supportive housing that provides substance-free environments and mutual support for individuals engaged in the recovery process. Certification would involve inspection, record-keeping, and operational standards for recovery homes.
- Enhance Suicide Prevention in Schools, Homes, and Communities
 - Provide Home-Based Crisis Intervention to More Families
 - Establish a Mental Wellness Community Workforce -- Establishing a frontline workforce of credible messengers to engage communities on the ground, called the Mental Wellness Community Workforce. This workforce, a community corps of lay personnel trained in mental health, will be certified to provide quality care to New Yorkers who currently have little or no access to mental health care. Using a state-of-the-art Mental Wellness Everywhere Digital Platform, this new workforce will engage with community healthcare providers as well as places of worship, senior centers, and social service agencies to offer personalized treatment options for New Yorkers experiencing depression, anxiety, substance use, and suicide risk.
 - Integrate Mental Health Services into Pediatric Primary Care
 - Create the New York State Gender-Based Violence Training Institute
- Expand the Joseph P. Dwyer Peer-to-Peer Veterans' Support Program Statewide

- Support the Military-to-Civilian Transition Pathway – Announce a statewide initiative to help ensure the presence of Expiration of Term of Service (ETS) sponsors in every county aiding the transition one year after leaving service.

PUBLIC SAFETY

- Triple Resources for State Police’s Crime Gun-Tracing Efforts – Triple the state’s gun violence intelligence resources by staffing the New York State Intelligence Center (NYSIC) with a team of analysts necessary to process and investigate crime guns across the state faster than before.
- Form a Gun Tracing Consortium with Local Law Enforcement Agencies, and Neighboring States – Direct the State Police to form a new Interstate Gun-Tracing Consortium to facilitate the exchange of intelligence between localities and neighboring states.
- Expand the Level and Scope of the State’s Direct Support to Local Law Enforcement -- Increase funding for Gun Involved Violence Elimination (GIVE) Programs allowing the launch of new initiatives:
 - Standing up a non-fatal shooting program to improve the often-abysmal clearance rate of these crimes, solving today’s shootings that cause injury before they become tomorrow’s fatal tragedies.
 - Supporting law enforcement participation in youth engagement and community-based programs that promote positive skills.
 - Implementing an alternative community supervision pilot program using the “Swift, Certain, and Fair,” model to reduce re-offenses and improve connections with employment.

INVEST IN NEW YORKERS/WORKFORCE

- **Tax Relief for Small Businesses** – Provide \$100 million in tax relief for 195,000 small businesses, to help them keep their doors open and weather what the next few months bring. The relief will come from increasing a tax return adjustment (known as a “subtraction modification”) that reduces a small business’s gross taxable income, as well as from widening eligibility to more entities.
- **Accelerate \$1.2 Billion in Middle-Class Tax Cuts for 6 Million New Yorkers** – This includes fully phasing-in the 2018 middle-class tax cut beginning in the 2023 tax year (the earliest it can occur, because this change would be enacted mid-2022).
- **\$1 Billion Property Tax Rebate for More Than 2 Million New York Families**
- **Job Skills, Access, and Protections** – A new Office of Workforce and Economic Development at Empire State Development (ESD) will coordinate this effort statewide through the State’s Regional Economic Development Councils (REDCs), and in conjunction with the Department of Labor (DOL), the State University of New York (SUNY), and the City University of New York (CUNY).
 - Overhaul the State’s Workforce Development Efforts to Focus on Region- Specific Employment Needs
 - Strengthen the Office of New Americans’ (ONA) successful workforce development programming

- **Help More New Yorkers Move Between Education and Career**, through expansion of part-time Tuition Assistance Programs, allowing parents and dislocated workers to attend school without upending their lives, serving 75,000 students, providing financial support for non-degree workforce training at CUNY and SUNY, developing public-private funding partnerships to create new internship opportunities for SUNY and CUNY students, establishing a policy that would enable work experiences to count toward degree credits and incentivizing concurrent enrollment programs around credit achievement and matriculation.
- **Expand Access to Apprenticeships** – To help expand access to apprenticeships, Governor Hochul proposes:
 - Increase funding for apprenticeship programs at SUNY and CUNY.
 - Extend the Empire State Apprenticeship Tax Credit and further incentivize employers to hire disadvantaged youth.
 - Support apprentices in high-growth industries, targeting underrepresented groups such as women and people of color.
 - Create a pre-apprenticeship portal to help more New Yorkers find programs that are right for them.
 - Support direct-entry pre-apprenticeships as well as organizations supporting pre-apprenticeships.
 - Make qualified apprenticeship expenses eligible for spending out of college savings (529) accounts.

“Jails to Jobs”: A Program to Improve Re-Entry into the Workforce and Reduce Recidivism

Over the next year, the Department of Corrections and Community Supervision (DOCCS) and the Division of Criminal Justice Services (DCJS) collaborate to train a network of nearly 100 of the State’s parole officers and re-entry specialists on career planning and job placement.

- Propose to amend the New York State Constitution to allow public-private partnerships that would enable hybrid work-release programs within prisons, creating private-sector engagements that provide critical job skills to incarcerated individuals, making re-entry more successful and expanding job opportunities.
- Direct DOCCS to launch a vocational program to train incarcerated individuals to obtain commercial driver’s licenses.
- Restore the Tuition Assistance Program (TAP) for Incarcerated Individuals
- Pass the Clean Slate Act – Push to pass the Clean Slate Act, providing for certain felony records to be sealed after seven years, and misdemeanor records to be sealed after three years, following the completion of a sentence.
- Pilot a New Approach to Transitional Housing for Post-Incarceration Individuals – Create a pilot program to secure suitable residences for parolees who might otherwise have been released into the shelter system. This pilot would leverage a residential treatment facility set up to provide parolees with stable housing for 90 days as they pursue a job and a permanent home.
- Eliminate Outdated Supervision Fees to Reduce Barriers for Individuals Returning to Society After Incarceration
- Fully Staff the Parole Board and Prohibit Outside Employment for Board Members