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November 2, 2021

Acting Commissioner Roger Bearden
Office for People With Developmental Disabilities
44 Holland Avenue
Albany, NY 12229

Re: FY23 Division of Budget Call Letter

Dear Acting Commissioner Bearden,

In response to the Division of Budget (DOB) call letter sent to all agencies on October 21, which asks for requests for the FY23 Executive Budget, The Arc New York offers the following comments and recommendations.

Despite the request that OPWDD's proposal "be consistent with funding levels in the FY 2022 Budget," it is our position that this level of funding will be insufficient to maintain the current system of supports and services from voluntary providers.

The recent mid-year update to the New York State Financial Plan confirmed the incredible fiscal strength of the state. Economic growth is steady, with revenues projected \$4 billion higher than prior estimates for the current year. As a result, the state budget will be balanced in every year through FY 2025. While this is wonderful news, we are disheartened to hear that the state plans to place \$3.3 billion of this windfall into reserves, when we are facing an emergency which threatens the health, safety and wellbeing of the people we support, and the permanency of services for New Yorkers with intellectual and developmental disabilities (I/DD). As has been well-publicized and documented, we face an historic crisis in recruiting and retaining qualified staff.

For decades, New York state has not made adequate investments to sustain the programs and services on which its citizens with I/DD rely. Our field has received virtually no cost-of-living adjustment (COLA) to keep up

with inflation and rising costs in the last decade. To date, the field has received only a 0.02% COLA in more than 10 years. A 1% COLA was included in the approved state budget this year, but rates still have not been updated to reflect that modest increase. Over that same period, inflation has risen by 25%, causing voluntary providers to find solutions to remain open – often at the cost of programs and staff wages.

Continually deferring investments in our care infrastructure has already disrupted supports and services for people with I/DD. In a recent survey conducted by New York Disability Advocates, 39% of providers reported that they could not reopen programs due to staff shortages. On average, approximately 25% of all DSP positions are vacant across the state. Just as any bridge or roadway, our care infrastructure requires maintenance. Without a significant increase in the FY23 Executive Budget, we risk further disruptions and program closures affecting the quality of life and safety for people with I/DD.

Without adequate funding, I/DD providers cannot offer competitive wages to recruit and retain the skilled direct support staff that provide the foundation of care for more than 140,000 New Yorkers with I/DD. The existing workforce crisis escalated dramatically in the wake of the COVID-19 pandemic. Without immediate action, this emergency will continue to force service reductions and loss of supports for people with I/DD throughout the state.

For your FY23 budget proposal, we are calling on OPWDD to include the statutorily-required COLA, which is projected to be 5.4% (\$484M). This number is not arbitrary and represents inflationary costs experienced by all providers. Higher costs without an COLA means less money to support competitive wages and, in turn, potential further reduction of programs.

Additionally, we ask for continued investment in DSP salaries. As proposed in the OPWDD eFMAP plan through the American Rescue Plan Act (ARPA), direct care CFR Title Code 200 series staff will receive a 20% increase. It is critical for New York state to maintain and expand the 20% wage enhancements (\$500M) to continue these significant efforts. The Arc New York recommends expanding this investment to CFR Title Code 100 and 300 Series Frontline Workers, and securing a commitment to continued funding of the 20% wage enhancement. This investment would prevent a fiscal cliff after the eFMAP has ended and bring staff salaries closer to a competitive market rate after years with few increases.

For over 70 years, The Arc New York has fought for people with I/DD to live the life they choose as integrated members of their community. We have worked with OPWDD and New York leaders to develop a robust system of exceptional, comprehensive, individualized services and programs that aid independence, support families, and emphasize inclusion in communities. Unfortunately, instead of progress, we are facing regression. Where once there were a multitude of options allowing an individual to lead a person-centered life of their choosing and be active members of society, we are now faced with limited options that do not work for all people. We hope that OPWDD recognizes its role in advocating for the people they support and for the workforce providing these supports day in and day out.

Please take this opportunity to be leaders at a time of immense crisis.

Sincerely,

A handwritten signature in black ink, appearing to read "Erik C Geizer".

Erik Geizer
Chief Executive Officer
The Arc New York

cc: Governor Kathy Hochul
Jihoon Kim, Deputy Secretary for Health and Human Services