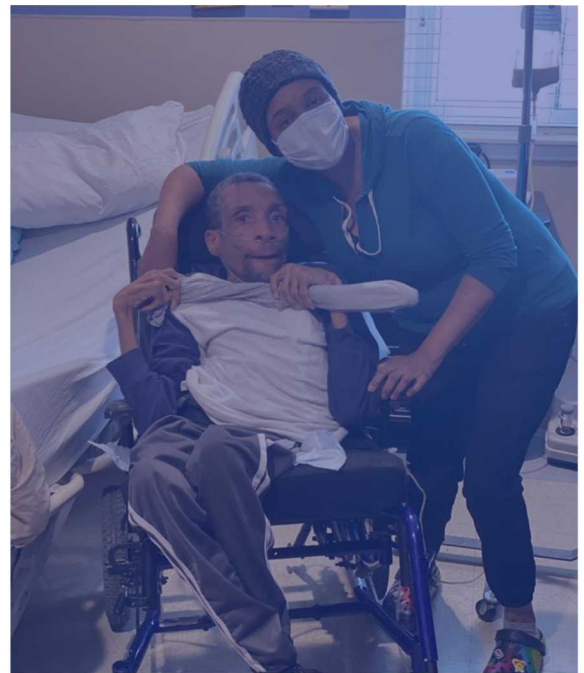


# 2021 NYDA Priorities

**New York Disability Advocates (NYDA)** is a statewide coalition of seven provider associations representing more than 300 not-for-profit agencies that are responsible for providing vital services and support to more than 130,000 New Yorkers with intellectual and developmental disabilities (I/DD).

These I/DD agencies, regulated by the Office for People with Developmental Disabilities (“OPWDD”), provide lifelong, comprehensive, individualized services to support people with developmental disabilities in all areas of their lives. In addition to delivering physical and behavioral health services, they assist with transportation, housing, medication administration, cooking, feeding, and developing personal care, community living, employment, and money management skills.



## BACKGROUND

Over the past decade, the not-for-profits which provide supports and services to New Yorkers with disabilities have been asked to do more with fewer resources. Additionally, the continued deferral of the statutory Cost-of-Living Adjustment (COLA) for over a decade has significantly deprived providers of vital resources needed to maintain operations.

Prior to the COVID-19 pandemic, 37% of providers reported losing money on their OPWDD services, cash on hand has been a significant challenge for agencies — 50% of providers had less than 40 days and 33% had less than 30 days of cash on hand, and more than 1 in 3 providers had already closed, reduced or modified programs due to the financial hardship they were under.

## COVID-19 IMPACT ON PROVIDERS

From the start of the pandemic, the I/DD service delivery system struggled to be recognized as a significant component of the public health system that is responsible for keeping our particularly vulnerable population safe and out of hospitals. These residential programs were left to finance the cost of the emergency on their own, without any financial support from the state to meet the increased costs of responding to the impact of the emergency.

From March 1st through October 31st, not-for-profit providers have incurred significant financial impacts directly as a result of the pandemic. Additionally, significant reduction in payments to providers have not been recognized by New York State due to the pandemic. We're extremely concerned that the Executive budget built in these reduced disbursements due to the pandemic as permanent cuts to I/DD sector. The Executive's budget additionally includes the October 1st cut, which has been delayed to May 1st, which will cut residential opportunities significantly across the state and limit the ability of care coordination organizations to provide efficient care management. These actions combined are an additional \$330 million removed from the service delivery system, when providers are already besieged with losses and added expenses due to the pandemic.

Furthermore, in August the State instituted a 20 percent withhold on all non-Medicaid State share payments which directly targets programs that support families and enable people to stay in their homes, both of which are critical supports during the pandemic.

## FY 2021 COVID-RELATED IMPACTS (\$ IN MILLIONS)

Total Additional Payroll Costs	\$130.8
Total Additional PPE Expenses	\$34.1
Total Other Expenses	\$20.7
Provider Program Revenue Loss	\$327.6
<b>Total Net Financial Impacts to Voluntary Providers</b>	<b>\$513.3</b>

COVID-related impacts reflect 8 months of agency expenditures from 3/1/20 – 10/31/20

## FY 2021 RATE CUTS (\$ IN MILLIONS)

7/1/20 CCO Rate Cut	\$75.0
10/1/20 Residential Cuts*	\$218.2
<b>Total Financial Impact</b>	<b>\$313.0</b>
<b>Combined Financial Impact of COVID-19 Related Impacts and FY 21 Rate Cuts</b>	<b>\$826.3</b>

\*Residential cuts originally scheduled to be implemented on 10/1/20 have been delayed until 5/1/21; the value above represents the FY21 impact.

## PROPOSED FY 2021-22 NEW YORK STATE EXECUTIVE BUDGET IMPACTS

The Executive Budget proposes \$4.9 billion in All Funds appropriations for OPWDD, a \$60.4 million or 1.2 percent decrease from SFY 2020-21.

### FY 2022 EXECUTIVE BUDGET FISCAL IMPACTS -FULL ANNUAL SYSTEM IMPACTS

(\$ IN MILLIONS)				
Budget Initiative	Implementation Date	Fiscal Impact - State Share	State Share Annualized	Gross Value - Total Impact to System
CCO Rate Reduction - Medicare Maximization	7/1/2021	20.80	27.73	92.44
OPWDD Residential Program Management	4/1/2021	22.70	22.70	75.67
5% Provider Withholding*	4/1/2021	12.00	12.00	12.00
1% OPWDD Targeted Medicaid Reduction	7/1/2021	10.50	14.00	46.67
Eliminate Residential Reserve for Replacement (RRR) Allowance*	4/1/2021	6.10	6.10	6.10
Residential FLOW*^	4/1/2021	8.00	8.00	8.00
1% COLA Deferral	4/1/2021	26.90	26.90	89.67
<b>Total Executive Budget Cuts to System</b>		<b>107.00</b>	<b>117.43</b>	<b>330.54</b>

\*State-Share only cut | ^Medicaid maximization proposal may not negatively impact programs