

**Cerebral Palsy Associations
of New York State, Inc.**
Mike Alvaro, *President & CEO*

**Developmental Disabilities Alliance
of WNY**
Mindy Cervoni, *President*

**Inter Agency Council of Developmental
Disabilities, Inc.**
Winifred Schiff, *Chief Executive Officer*

**New York Alliance for Inclusion &
Innovation**
Michael Seereiter, *President & CEO*

**New York Association of Emerging &
Multicultural Providers, Inc.**
Yvette Watts, *Executive Director*

The Arc New York
Erik Geizer, *Chief Executive Officer*

SFY 2025-26 New York State Executive Budget Testimony

On behalf of New York Disability Advocates (NYDA), a coalition of the six statewide provider associations representing not-for-profit agencies that provide essential support and services to over 85% of New Yorkers with intellectual and developmental disabilities (I/DD), we respectfully submit this testimony addressing the critical challenges facing the I/DD service delivery system.

State of the Field

Currently, non-profit provider agencies across the state are grappling with a 16.9% staff vacancy rate and an annual turnover rate of 35.4% among Direct Support Professionals (DSPs) the cornerstone of the I/DD service delivery system.

This high turnover and vacancy rate have precipitated a system-wide crisis, jeopardizing the essential care provided to individuals with I/DD. DSPs play a pivotal role as the frontline workforce, directly supporting individuals with tasks ranging from daily living activities to promoting community integration, ensuring compliance with care plans, and offering respite for families.

The workforce crisis is the result of 15 years of insufficient investment in the I/DD service delivery system. Cuts to programs and stagnant provider rates have left non-profit agencies unable to offer competitive wages, making it increasingly difficult to attract and retain skilled direct care staff.

We acknowledge and appreciate the efforts of the Executive and Legislature over the past three years to increase program rates tied to the Consumer Price Index for All Urban Consumers (CPI-U) through the Human Services Cost of Living Adjustment (COLA). However, while these increases have helped providers maintain the status quo, they are not enough to address the deep-rooted challenges in the field.

Provider rates are all-inclusive, covering every aspect of care—DSP wages, housing, food, transportation, and other critical services. Without adequate funding, agencies cannot meet the comprehensive needs of individuals with I/DD.

Over the past three years, the State has provided a collective inflationary increase of 12.2%, enabling I/DD provider agencies to increase frontline staff wages by nearly 15%. Yet, inflation over the same period has exceeded 17%,

leaving providers unable to keep pace with rising costs. While last year's federally required rebasing of provider rates was a critical step toward reflecting the actual costs of delivering services, continued investment is necessary to avoid returning to the cycle of underfunding that plagued the field for over a decade.

We appreciate the Governor's proposed 2.1% Targeted Inflationary Increase (TII) as a step in the right direction. However, we urge the Legislature to increase this to 7.8% to reflect the true cost of inflation over the past three years. This adjustment is vital to covering essential expenses, including staff wages, food, supplies, transportation, repairs, maintenance, employee benefits, and insurance, ensuring the sustainability of high-quality services.

Long-term Strategy Addressing the Workforce Crisis

New York's I/DD service system relies on over 150,000 DSPs, who work across group homes, day programs, and community-based environments. The DSP workforce is diverse, comprising 74.2% women and 62.6% individuals identifying as Black, African American, Asian, or Latino. This diversity enriches the field and underscores the importance of fostering an inclusive and culturally responsive environment for individuals with I/DD.

In 2023, NYDA partnered with Miami University to conduct a groundbreaking workforce study, surveying nearly 4,500 DSPs across the state on quality-of-life issues, including food and housing security, well-being, burnout, and turnover. The findings were alarming:

- Nearly half of DSPs reported experiencing food insecurity and unstable housing conditions.
- While 85% of DSPs expressed satisfaction with their work, only 25% were satisfied with their pay, revealing a significant "Satisfaction Gap" that drives high turnover and deters new workers from entering the field.
- 36% of DSPs reported struggling to meet their household's financial demands.
- 50% of DSPs lacked reliable access to affordable, nutritious food.

As of January 2025, the average starting wage for DSPs employed by non-profit providers is \$17.42 per hour downstate and \$17.23 per hour elsewhere in the state. In stark contrast, DSPs employed by the Office for People with Developmental Disabilities (OPWDD) earn \$24.74 per hour outside New York City and \$27.17 per hour in New York City. This wage gap highlights a systemic inequity in compensation that must be addressed to stabilize the workforce.

To address these disparities, we propose the creation of a **Human Services Wage Commission** to investigate wage adequacy for frontline human service workers. This commission would develop a long-term strategy to align DSP wages with the critical responsibilities they perform, recognizing the unique funding structures of human service agencies. By providing targeted recommendations for the SFY 2026–27 Budget, this commission can lay the groundwork for sustainable solutions to the workforce crisis.

Restoring Rate-Setting Authority to OPWDD

A decade ago, the State shifted rate-setting authority for I/DD services from the Office for People with Developmental Disabilities (OPWDD) to the Department of Health (DOH). This change has resulted in

a rate-setting process that is slow, unpredictable, and inefficient, leaving many non-profit agencies in precarious financial positions.

Delays in establishing and adjusting rates have caused severe cash flow challenges for providers, disrupting essential services and exacerbating staffing shortages. Restoring rate-setting authority to OPWDD would help streamline the process by placing responsibility back with the agency that has the most expertise in I/DD services.

OPWDD's deep understanding of the unique requirements and costs associated with serving individuals with I/DD makes it far better equipped to adjust rates quickly and responsively. Restoring this authority would reduce administrative burdens, improve accountability, and create a more stable financial environment for non-profits, enabling them to continue delivering high-quality care without the financial uncertainty that undermines their operations.

The challenges facing the I/DD service delivery system require bold action and sustained investment. By increasing the Targeted Inflationary Increase (TII) to 7.8%, establishing a Human Services Wage Commission, and restoring rate-setting authority to OPWDD, New York can take meaningful steps toward stabilizing the workforce and ensuring high-quality services for individuals with I/DD.

These actions will not only address the current crisis but also reflect our collective commitment to the dignity, safety, and well-being of New Yorkers with I/DD and the dedicated professionals who support them.

We urge the Legislature to prioritize these recommendations in the SFY 2025–26 Budget. Together, we can build a more equitable and sustainable future for the I/DD service system.