

# STATE OF NEW YORK

3669

2025-2026 Regular Sessions

## IN SENATE

January 29, 2025

Introduced by Sen. PERSAUD -- read twice and ordered printed, and when printed to be committed to the Committee on Finance

AN ACT in relation to establishing a targeted inflationary increase for designated programs

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. 1. Subject to available appropriations and approval of the  
2 director of the budget, the commissioners of the office of mental  
3 health, office for people with developmental disabilities, office of  
4 addiction services and supports, office of temporary and disability  
5 assistance, office of children and family services, and the state office  
6 for the aging (hereinafter "the commissioners") shall establish a state  
7 fiscal year 2025-2026 targeted inflationary increase, effective April 1,  
8 2025, for projecting for the effects of inflation upon rates of  
9 payments, contracts, or any other form of reimbursement for the programs  
10 and services listed in subdivision four of this section. The targeted  
11 inflationary increase established herein shall be applied to the appro-  
12 priate portion of reimbursable costs or contract amounts. Where appro-  
13 priate, transfers to the department of health (DOH) shall be made as  
14 reimbursement for the state and/or local share of medical assistance.

15 2. Notwithstanding any inconsistent provision of law, subject to the  
16 approval of the director of the budget and available appropriations  
17 therefor, for the period of April 1, 2025 through March 31, 2026, the  
18 commissioners shall provide funding to support a seven and eight-tenths  
19 percent (7.8%) targeted inflationary increase under this section for all  
20 eligible programs and services as determined pursuant to subdivision  
21 four of this section.

22 3. Notwithstanding any inconsistent provision of law, and as approved  
23 by the director of the budget, the 7.8 percent targeted inflationary  
24 increase established herein shall be inclusive of all other inflationary  
25 increases, cost of living type increases, inflation factors, or trend

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD08160-01-5

1 factors that are newly applied effective April 1, 2025. Except for the  
2 7.8 percent targeted inflationary increase established herein, for the  
3 period commencing on April 1, 2025 and ending March 31, 2026 the commis-  
4 sioners shall not apply any other new targeted inflationary increases or  
5 cost of living adjustments for the purpose of establishing rates of  
6 payments, contracts or any other form of reimbursement. The phrase "all  
7 other inflationary increases, cost of living type increases, inflation  
8 factors, or trend factors" as defined in this subdivision shall not  
9 include payments made pursuant to the American Rescue Plan Act or other  
10 federal relief programs related to the Coronavirus Disease 2019 (COVID-  
11 19) pandemic public health emergency. This subdivision shall not  
12 prevent the office of children and family services from applying addi-  
13 tional trend factors or staff retention factors to eligible programs and  
14 services under paragraph (v) of subdivision four of this section.

15 4. Eligible programs and services. (i) Programs and services funded,  
16 licensed, or certified by the office of mental health (OMH) eligible for  
17 the targeted inflationary increase established herein, pending federal  
18 approval where applicable, include: office of mental health licensed  
19 outpatient programs, pursuant to parts 587 and 599 of title 14 CRR-NY of  
20 the office of mental health regulations including clinic (mental health  
21 outpatient treatment and rehabilitative services programs), continuing  
22 day treatment, day treatment, intensive outpatient programs and partial  
23 hospitalization; outreach; crisis residence; crisis stabilization,  
24 crisis/respite beds; mobile crisis, part 590 comprehensive psychiatric  
25 emergency program services; crisis intervention; home based crisis  
26 intervention; family care; supported single room occupancy; supported  
27 housing programs/services excluding rent; treatment congregate;  
28 supported congregate; community residence - children and youth;  
29 treatment/apartment; supported apartment; community residence single  
30 room occupancy; on-site rehabilitation; employment programs; recreation;  
31 respite care; transportation; psychosocial club; assertive community  
32 treatment; case management; care coordination, including health home  
33 plus services; local government unit administration; monitoring and  
34 evaluation; children and youth vocational services; single point of  
35 access; school-based mental health program; family support children and  
36 youth; advocacy/support services; drop in centers; recovery centers;  
37 transition management services; bridger; home and community based waiver  
38 services; behavioral health waiver services authorized pursuant to the  
39 section 1115 MRT waiver; self-help programs; consumer service dollars;  
40 conference of local mental hygiene directors; multicultural initiative;  
41 ongoing integrated supported employment services; supported education;  
42 mentally ill/chemical abuse (MICA) network; personalized recovery  
43 oriented services; children and family treatment and support services;  
44 residential treatment facilities operating pursuant to part 584 of title  
45 14-NYCRR; geriatric demonstration programs; community-based mental  
46 health family treatment and support; coordinated children's service  
47 initiative; homeless services; and promise zones.

48 (ii) Programs and services funded, licensed, or certified by the  
49 office for people with developmental disabilities (OPWDD) eligible for  
50 the targeted inflationary increase established herein, pending federal  
51 approval where applicable, include: local/unified services; chapter 620  
52 services; voluntary operated community residential services; article 16  
53 clinics; day treatment services; family support services; 100% day  
54 training; epilepsy services; traumatic brain injury services; hepatitis  
55 B services; independent practitioner services for individuals with  
56 intellectual and/or developmental disabilities; crisis services for

1 individuals with intellectual and/or developmental disabilities; family  
2 care residential habilitation; supervised residential habilitation;  
3 supportive residential habilitation; respite; day habilitation; prevoca-  
4 tional services; supported employment; community habilitation; interme-  
5 diate care facility day and residential services; specialty hospital;  
6 pathways to employment; intensive behavioral services; community transi-  
7 tion services; family education and training; fiscal intermediary;  
8 support broker; and personal resource accounts. The office, in collab-  
9 oration with the education department, shall also provide a comparable  
10 cost of living adjustment to the independent living centers program.

11 (iii) Programs and services funded, licensed, or certified by the  
12 office of addiction services and supports (OASAS) eligible for the  
13 targeted inflationary increase established herein, pending federal  
14 approval where applicable, include: medically supervised withdrawal  
15 services - residential; medically supervised withdrawal services -  
16 outpatient; medically managed detoxification; inpatient rehabilitation  
17 services; outpatient opioid treatment; residential opioid treatment;  
18 residential opioid treatment to abstinence; problem gambling treatment;  
19 medically supervised outpatient; outpatient rehabilitation; specialized  
20 services substance abuse programs; home and community based waiver  
21 services pursuant to subdivision 9 of section 366 of the social services  
22 law; children and family treatment and support services; continuum of  
23 care rental assistance case management; NY/NY III post-treatment hous-  
24 ing; NY/NY III housing for persons at risk for homelessness; permanent  
25 supported housing; youth clubhouse; recovery community centers; recovery  
26 community organizing initiative; residential rehabilitation services for  
27 youth (RRSY); intensive residential; community residential; supportive  
28 living; residential services; job placement initiative; case management;  
29 family support navigator; local government unit administration; peer  
30 engagement; vocational rehabilitation; HIV early intervention services;  
31 dual diagnosis coordinator; problem gambling resource centers; problem  
32 gambling prevention; prevention resource centers; primary prevention  
33 services; other prevention services; comprehensive outpatient clinic;  
34 jail-based supports; regional addiction resource centers; and addiction  
35 treatment centers.

36 (iv) Programs and services funded, licensed, or certified by the  
37 office of temporary and disability assistance (OTDA) eligible for the  
38 targeted inflationary increase established herein, pending federal  
39 approval where applicable, include: the nutrition outreach and education  
40 program (NOEP); New York state supportive housing program; solutions to  
41 end homelessness program; and state supplemental nutrition assistance  
42 program outreach program.

43 (v) Programs and services funded, licensed, or certified by the office  
44 of children and family services (OCFS) eligible for the targeted infla-  
45 tionary increase established herein, pending federal approval where  
46 applicable, include: programs for which the office of children and fami-  
47 ly services establishes maximum state aid rates pursuant to section  
48 398-a of the social services law and section 4003 of the education law;  
49 emergency foster homes; foster family boarding homes and therapeutic  
50 foster homes; supervised settings as defined by subdivision twenty-two  
51 of section 371 of the social services law; adoptive parents receiving  
52 adoption subsidy pursuant to section 453 of the social services law;  
53 congregate and scattered supportive housing programs and supportive  
54 services provided under the NY/NY III supportive housing agreement to  
55 young adults leaving or having recently left foster care; child care  
56 resource and referral agencies; healthy families New York; maternal,

1 infant, and early childhood home visiting (MIECHV) initiative; New York  
2 state learning and enrichment after-school program supports (LEAPS); New  
3 York state commission for the blind; and residential and non-residential  
4 domestic violence services and preventative services as defined by  
5 section 409 of the social services law.

6 (vi) Programs and services funded, licensed, or certified by the state  
7 office for the aging (SOFA) eligible for the targeted inflationary  
8 increase established herein, pending federal approval where applicable,  
9 include: community services for the elderly; expanded in-home services  
10 for the elderly; the wellness in nutrition program; New York connects  
11 program; long term ombudsman program; naturally occurring retirement  
12 communities (NORCs); neighborhood naturally occurring retirement commu-  
13 nities (NNORCs); and social adult day services program.

14 (vii) Programs and services funded, licensed, or certified by the  
15 department of health eligible for the cost of living adjustment estab-  
16 lished herein, pending federal approval where applicable, include:  
17 health home care management agencies authorized under section 365-1 of  
18 the social services law; rape crisis programs; and Medicaid transporta-  
19 tion program.

20 (viii) Programs and services funded, licensed, or certified by the  
21 office of victim services eligible for the cost of living adjustment  
22 established herein, pending federal approval where applicable, include:  
23 crime victim service programs as defined by section 631-a of the execu-  
24 tive law.

25 5. All state-funded human services programs not listed in paragraphs  
26 (i), (ii), (iii), (iv), (v), (vi), (vii), and (viii) of subdivision four  
27 of this section shall be deemed eligible for the cost of living adjust-  
28 ment established herein, pending federal approval where applicable, if  
29 such program or service is provided to individuals or groups of individ-  
30 uals, for the purpose of improving or enhancing such individuals' health  
31 and/or welfare, by addressing social problems. The commissioners and  
32 directors of the office of mental health, the office for people with  
33 developmental disabilities, the office of addiction services and  
34 supports, the office of temporary and disability assistance, the office  
35 of children and family services, the state office for the aging, the  
36 department of health, and the office of victim services shall publish a  
37 list of such newly eligible programs and services each year on depart-  
38 ment websites no later than March first and review the current list of  
39 cost of living adjustment eligible programs every five years. Each local  
40 government unit or direct contract provider receiving funding for the  
41 cost of living adjustment established herein shall submit a written  
42 certification, in such form and at such time as each commissioner or  
43 director shall prescribe, attesting how such funding will be or was used  
44 to first promote the recruitment and retention of non-executive direct  
45 care staff, non-executive direct support professionals, non-executive  
46 clinical staff, or respond to other critical non-personal service costs  
47 prior to supporting any salary increases or other compensation for exec-  
48 utive level job titles.

49 6. Each local government unit or direct contract provider receiving  
50 funding for the targeted inflationary increase established herein shall  
51 submit a written certification, in such form and at such time as each  
52 commissioner shall prescribe, attesting how such funding will be or was  
53 used to first promote the recruitment and retention of support staff,  
54 direct care staff, clinical staff, non-executive administrative staff,  
55 or respond to other critical non-personal service costs prior to

1 supporting any salary increases or other compensation for executive  
2 level job titles.

3 7. Notwithstanding any inconsistent provision of law to the contrary,  
4 agency commissioners shall be authorized to recoup funding from a local  
5 governmental unit or direct contract provider for the targeted infla-  
6 tionary increase established herein determined to have been used in a  
7 manner inconsistent with the appropriation, or any other provision of  
8 this section. Such agency commissioners shall be authorized to employ  
9 any legal mechanism to recoup such funds, including an offset of other  
10 funds that are owed to such local governmental unit or direct contract  
11 provider.

12 § 2. This act shall take effect immediately and shall be deemed to  
13 have been in full force and effect on and after April 1, 2025.