

(4.3.20) Please see below for a final analysis of the OASAS budget for SFY20-21. Please reach out with any questions.

OASAS Aid to Localities:

The OASAS ATL budget is **\$3.5M above the Executive Budget request** (includes \$925K in State Ops budget), and is **\$15.8M above last year's OASAS ATL budget**.

The budget included funds for Minimum Wage increases, and the 2% salary increase effective January 1, 2020 for all CFR Part 100 and 200 series employees, as well as the April 1, 2020 2% wage increase for all CFR Part 100, 200, and 300 employees.

(Please note below that the Executive has flexibility, because of the COVID-19 emergency, to make significant adjustments to disbursements to balance the budget).

Specific adds over Executive Budget request:

- SAPIS: NYC Department of Education for substance abuse prevention and intervention specialists: \$2M
- Family and Children's Association: \$600,000
- Save the Michaels of the World, Inc.: \$450,000
- Recovery Community and Outreach Center: \$350,000
- Camelot of Staten Island: \$25,000
- SAFE Foundation, Inc. : \$100,000

Reappropriations:

All of the reappropriations from last year's budget, regarding funds that have not yet been extended, were fully reappropriated with the following exception:

A total of \$200,000 appropriation/reappropriation for Addicts Rehabilitation Center Foundation, Inc. were deleted, and four \$50,000 appropriations were added for each of the following:

- Legal Action Center
- Dynamic Youth Community, Inc.,
- Ryan Health; and
- Elmcor Youth and Adult Activities, Inc.

Article VII Amendments:

Adult Use Marijuana was NOT included in the final budget bills.

Telehealth Flexibility (EFLA, Part HH, p. 424)

To increase the application of telehealth in behavioral health and other settings, to high need populations, the Commissioner of Health, in consultation with the Commissioners of OASAS, OMH and others, may authorize additional acceptable modalities for the delivery of services via Telehealth, including but not limited to audio-only telephone communications, online portals and "survey applications," and may approve additional categories of "originating sites" at which the patient may be located at the time services are delivered.

Banning Fentanyl Analogs (ELFA, Part CC)

Updates the State Schedule lists of Controlled Substances to add additional Synthetic Fentanyl Analogs and other related substances. Also, would authorize the Commissioner of Health to classify a substance as a State Schedule Controlled Substance, if it is listed on the Federal Schedules of Controlled Substances.

Behavioral Health Parity: (TED, Part QQQ)

Mental Health and Substance Use Disorder Parity Compliance Program and a Behavioral Health Parity Compliance Fund, which will receive funds resulting from penalties collected from health plans and HMOs for violations of behavioral health parity laws. The funding shall be used to enforce behavioral health parity requirements and the MH/SUD Ombudsman Program.

Medication Assisted Treatments/Opioids -State Formulary (ELFA, Part GG)

DOH shall publish a single statewide formulary of opioid dependence agents and opioid antagonists, for Medicaid fee-for-service and managed care plans, which shall include as “preferred drugs” all drugs in such classes, provided that the cost to the State shall not exceed the lowest cost paid for the drug by any managed care provider or Medicaid fee for service program, after rebates (i.e., the “lowest best price”). The formulary shall be established within 6 months after enactment.

Provisions of law are included to permit prescription of opioid dependence agents and opioid antagonists that are not on the statewide formulary, using reasonable medical professional judgment when the patient’s clinical condition is consistent with criteria for approval of the non-preferred drug.

The opioid medications on the statewide formulary, shall not require prior authorization. Also, prior authorization shall not be required for methadone, when used for opioid use disorder and administered or dispensed in an opioid treatment program.

Provisional Credentialing of Physicians: (ELFA Part YY)

Newly licensed or physicians relocating into NYS, and physicians who have a new tax ID number, and whose services are billed by a general hospital, D&TC, or facilities licensed by OASAS, OMH, or OPWDD, shall be provisionally credentialed by the health care plan, provided that the provisionally credentialed physician is not designated as the insured’s primary care physician. Plans do not have to pay for the services of provisionally credentialed providers services until the provider is fully credentialed, but then will have to pay for all services rendered during the provisional period. If the physician is not ultimately credential, the plan’s liability would be limited to out of network payments required under the contract.

Capital Budget:

OASAS Capital Projects appropriations: same as Executive request and same as last year.

Special Appropriations:

- \$4 Billion Special Public Health Emergency appropriation can be used for personnel, equipment, supplies, travel and training; a portion can be for aid to municipalities, school districts and “eligible nonprofit organizations”
- \$25 Billion Special Emergency appropriation to be used to apportion any Federal Aid made available to the State to meet the crisis
- \$1 Billion Special Emergency appropriation may be used to meet State expenses associated with the crisis.

EXPANDED EXECUTIVE POWER TO BALANCE BUDGET

The 2020-21 Budget contains a new process to ensure balance in light of a projected budget deficit of up to \$ 15 billion, due to a shortfall of revenues associated with the current pandemic. The State’s Budget Director is given the authority to produce plans reducing payments periodically throughout the fiscal year depending on updated projections of revenues. The Legislature maintains the ability to substitute their own plan. This process maintains maximum flexibility to manage the Budget without trying to reduce appropriations by the full \$15 billion. To the extent revenues pick up during the year or future Federal funds are made available any reductions can be offset.

The specific language in the budget allows the Budget Director to uniformly reduce payments across the board as practicable or by specific appropriation as needed.

The Budget Director must submit payment Plans to the Legislature for specific periods April 1 -April 30, May 1- June 30 and July 1 -December 31.

The Legislature will have 10 days to pass a resolution with a revised plan or the Budget Director's Plan will govern. The Budget Director must also report monthly to the Legislature on any reduction in payments. There are specific programs and actions that are excluded from any reductions through this process:

- public assistance for the aged, blind and disabled persons under Supplemental Social Security,
- reductions that would violate Federal Law
- debt service payments, and
- court orders or judgments.

The reduction plans will be based on cash projections of revenues and disbursements. The Budget Director establishes cash projections for disbursements against specific appropriations.

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