



On January 17th, Governor Cuomo released his executive budget. Key areas of the budget impacting supportive housing providers include:

OTDA SUPPORTIVE HOUSING

- **New York State Supportive Housing Program (NYSSHP) & the New York State Solutions to End Homelessness Program (STEHP)**

The Executive Budget increases the budget line that funds both the New York State Supportive Housing Program (NYSSHP) and the Solutions to End Homelessness Program (STEHP) by \$703,000. Last year's funding level for both NYSSHP and STEHP totaled \$26,578,000. The Executive Budget increases it to \$27,281,000.

- **Homeless Housing Assistance Program (HHAP) Capital - \$30 million**

The Executive Budget proposes keeping the HHAP Capital program at last year's level of \$30 million with continued program administration from OTDA.

NEW YORK/NEW YORK III

- **DOH AIDS/Institute** – DOH AIDS/Institute NY/NY III service funding was adequately funded for all existing programs.
- **Office of Children & Family Services** – OCFS NY/NY III funding was maintained at last year's level of \$2,137,000.
- **Office of Mental Health** - OMH NY/NY III service funding was adequately funded for all existing programs.
- **OASAS** - OASAS NY/NY III funding was adequately funded for existing programs. \$1.5 million in additional funding was allocated to support new supportive housing units for homeless families with members suffering from a chemical dependency in New York City consistent with the NY-NY III agreement.

HOMES & COMMUNITY RENEWAL

- **Housing Trust Fund** capital funding is increased from last year's level of \$29 million to \$32.2 million – a \$3.2 million increase.
- **Neighborhood and Rural Preservation Program Funding** – The Executive Budget recommends eliminating funding for the Neighborhood Preservation Program (NPP) and the Rural Preservation Program (RPP).

OFFICE OF MENTAL HEALTH

- **Further Investment in Supported Housing** - The Executive Budget reinvests a portion of proposed savings in the OMH budget to support the following:
 - 1,000 supported housing units for residents of nursing homes (600 by the end of 2013);
 - 5,100 supported housing beds over the next three years to deal with emerging needs, including individuals in adult homes and those moving to the community from State Psychiatric Centers (2,100 by the end of 2013);and
 - 3,400 beds for the NY-NY III program (800 by the end of 2013).

MEDICAID REDESIGN

- **Supportive Housing Development Reinvestment Program** - Article VII language in the Executive Budget includes a list of statutory changes necessary to implement Medicaid Redesign Team recommendations, including those advanced through Phase II workgroups. This includes the establishment of a Supportive Housing Development Reinvestment Program that supports the MRT's recommendation to establish a formal mechanism to set aside a portion of Medicaid and non-Medicaid savings related to any reduction of inpatient hospital, psychiatric center or nursing home capacity to a fund dedicated to supportive housing development.

OTHER CRITICAL FUNDING IN THE HOMELESS AND HOUSING COMMUNITY

- **Executive Compensation and Administrative Costs in Service Providers**

Governor Cuomo is proposing the following reforms beginning in 2012-13 due to "inadequate controls to protect against excessive executive compensation, administrative costs, and profit."

 - At least 85 percent of every public dollar will be spent on direct services, not administration.
 - Reimbursement for any executive's compensation will be capped at \$199,000.
 - Excess compensation will be a basis for rejection of a provider
- **Suspend New York City Shelter Supplement Funding**

The 2011-12 Budget included \$15 million for a new initiative to prevent eviction and address homelessness in New York City. Because the initiative remains under development, additional funding will be suspended pending a determination of the efficacy of the program.
- **Eliminate Planned Cost of Living Adjustments/Trend Increases**

The Executive Budget eliminates the planned 3.6 percent annual human services COLA and maintains existing rates for other programs including OMH residential treatment facilities, community residences, family based treatment, and various residential and day programs for individuals with developmental disabilities. A new program will be established for 2013-14 which will provide increases based on appropriate provider costs and meeting performance outcomes