Chair Louis and distinguished members of the Council, thank you for the opportunity to testify today. I’m Nadia Chait, the Director of Policy & Advocacy at the Coalition for Behavioral Health. The Coalition represents over 100 community-based mental health and substance use providers, who are deeply invested in providing care to communities of color. The majority of clients our members serve are people of color, and the majority of their employees are also people of color. Our members provide services in many languages, including Spanish, Mandarin, Cantonese, Farsi, Japanese, Korean, Cambodian, American Sign Language, French, Urdu, Hindi, Punjabi, Creole, Dutch, Gujarati, Italian, German, Polish, Russian, and Hebrew.

Unfortunately, there simply is not adequate access to mental health care. Chronic underfunding of behavioral health, combined with substantial regulatory requirements and increasing costs, has left New York without the capacity to provide mental health and substance use care to all who need it.

The Public Mental Health System & Who It Serves
Our providers primarily serve individuals with Medicaid, individuals who are uninsured and/or individuals who are undocumented, so our testimony will focus on this population. Our providers are part of the public mental health system, and operate programs through contracts from the City & State, and through state licensed and designated programs. According to data from NYS Office of Mental Health, 33% of the individuals served by the public mental health system are Black, 34.4% are Hispanic, 4.5% were Asian, and 2.4% were multi-racial. Compared to the census, Black and Hispanic individuals are over-represented, while white and Asian individuals are underrepresented.

Black and Hispanic New Yorkers, therefore, have access to the public mental health system. However, we simply do not have a big enough public mental health system, and so many New Yorkers of color are left without the care they need and met with waitlists and long delays before a first appointment. Our mental health system was stretched beyond capacity before COVID: in 2019, less than half of adults with mental health conditions received services, and nearly 90% of those with a substance use disorder did not receive treatment.

Impact of COVID on New Yorkers & Behavioral Health Providers
This has only worsened due to the COVID-19 pandemic. Over one-third of New Yorkers reported symptoms or anxiety in October 2020, a number that is more than triple pre-pandemic levels. These numbers are higher among Black and Hispanic New Yorkers. This has taken a system that was already unable to meet the need and brought it to the brink. Based on a recent survey of our providers, over 75% had seen an increase in demand; for over one quarter, they did not have the capacity to meet this increase.

What happens when providers lack capacity? New Yorkers go without service. They are placed on waitlists for essential care, they are referred to providers farther from their homes, or they are put in a level of care that does not meet their needs. This is a problem that has been significantly worsened by the
pandemic, but it is not new. Prior to COVID, twenty percent of positions were vacant at behavioral health agencies.⁷ Staff turnover was an astronomical forty-two percent annually. This is not a way to provide care.

Agencies had weak finances before the pandemic, and many are now on the brink. One quarter of behavioral health agencies have one month or less of cash on hand, and two-thirds have three months or less of cash on hand.⁸ Agencies are strategizing week to week to determine how to cover payroll, to pay insurance costs, to settle rent bills. Over the course of the pandemic, agencies reported losing about a half million dollars in revenue, and reported increased expenses of nearly $300,000 for COVID-related purchases such as PPE and air filtration.

**Behavioral Health Care for Asian New Yorkers**

For Asian New Yorkers, the issue is more complex. Asian New Yorkers are unable to access care for many of the same capacity reasons that affect Black and Hispanic New Yorkers, but also face a lack of language and cultural competence. While many of our members are working to serve these communities, it can be incredibly difficult to recruit staff who speak many of the languages of the Asian continent. Additionally, Asian Americans are less likely than other groups to seek out mental health care, in part due to stigma and in part due to a language barriers with service providers.⁹

**Investing in Care is Essential**

It is critically important that the City invest in community-based behavioral health organizations to increase access to mental health and substance use care. These are the organizations that know their communities and that are able to recruit from these communities to ensure cultural and language competency among staff.

**Recommendations**

To increase capacity and access to care in communities of color, we recommend the following:

- **Fully Fund the Indirect Cost Rate Initiative (ICR):** the City must meet its commitment to nonprofits and fully fund indirect cost rates. When contracts are underfunded, providers are unable to invest in services and support their workforce. By fully funding ICR, the City will help community-based providers handle the significant costs that come with complex regulatory and compliance needs and the challenges of working with ten different managed care plans, along with fee-for-service Medicaid and commercial insurance. This directly addresses the chronic underfunding of the sector.
- **Pair Social Service Providers with Behavioral Health Agencies to Increase Cultural Competency & Capacity:** the Connections to Care program pairs community-based organizations with mental health providers. The mental health organization provides significant training to the CBO’s staff in how to conduct behavioral health screenings, mental health first aid, motivational interviewing, and psychoeducation. CBO staff use these skills to identify clients at need of behavioral health services, to work with the clients to reduce discomfort around seeking mental health services, and to engage in a warm handoff to the mental health provider. This increases behavioral health capacity by having CBOs provide screenings and other non-clinical services. It also decreases the stigma that hampers access to mental health care in many communities, by having a trusted, culturally and linguistically competent organization provide the referral and discuss the importance of this care. A preliminary evaluation of the program had encouraging results; we encourage the City to continue funding this service and expand to include more CBOs.⁸
- **Increase Contract Funding to Support Higher Salaries for Staff:** City contracts typically provide insufficient funding to pay staff adequate wages. Low pay is the key reason why our sector has such high vacancy and turnover rates. It also hampers the ability to recruit from diverse communities, because most individuals are not able to take on the cost and debt of undergraduate
and masters degree programs, only to be met with salaries of $45,000 annually. Behavioral health workers will leave for positions at hospitals and with managed care companies that pay thousands of dollars more per year. Many transition into private practice, where they make significantly more money. We simply will not be able to have a sufficient workforce without paying them appropriately.

• **Invest Funding to City Council Mental Health Initiatives:** the Council’s Mental Health Initiatives funding goes to organizations that are embedded in communities. This funding is flexible and often provides for essentials that cannot be funded in other ways. The fifteen percent cut to initiative funding in FY21 resulted in 40% of providers serving fewer people. 20% of providers laid off staff, 30% cut staff hours, and 13% cut staff salaries. At a minimum, the Council must restore the initiatives to FY20 funding. Funding should also be increased on initiatives that serve some of our most vulnerable: Opioid Prevention and Treatment ($5,375,000), Geriatric Mental Health ($2,858,310), Mental Health Services for Vulnerable Populations ($3,477,000), and Children Under Five ($1,200,000).

• **Fund Programs in the Community:** many individuals are not comfortable going to a mental health clinic, due to stigma, lack of transportation, and other access barriers. City programs that provide mental health services in community settings can increase access in communities of color by eliminating this barrier. These programs include: Mental Health Services in High Needs Schools (which should be expanded to serve all schools); Mental Health Services in Shelters, Runaway and Homeless Youth Residences and Drop-In Centers; and Clinicians in Senior Centers. These programs provide mental health care where people are, in settings that they already trust. This can increase access to care. By adequately funding these programs and expanding them to more settings, we will increase capacity in the system.

By following these recommendations, the City can significantly increase access to care in communities of color. As we begin to confront the massive mental health and substance use impacts of COVID, the city must take these steps now so that individuals do not fall through the large gaps in our current mental health system.

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