

BUDGET PRIORITIES

For people with intellectual and
developmental disabilities

PROTECT THE PROGRESS.

CONTINUE THE INVESTMENT.

New York's investments in IDD services are making progress for people with disabilities. Sustaining that progress requires sustained investment.



NEW YORKERS WITH IDD NEED YOUR SUPPORT TO



Keep funding in step with rising costs

3.4% Targeted Inflationary Increase (TII)



Give frontline staff a lasting raise

Human Services Careforce Worker Wage Investment



Ease rising health insurance costs

Healthcare Enhancement Program

INVESTMENT WORKS.

Vacancies are down 45% since State investments raised pay for essential direct care positions.

THE JOB ISN'T DONE.

Nearly 1 in 3 direct care staff still leave every year. Without funding to support wage growth, turnover disrupts quality care.

THREE PRIORITIES. ONE SUSTAINABLE SYSTEM.

Together, these investments protect access to quality services for people with IDD, and improve equity for the skilled staff they rely on every day.



3.4% TARGETED INFLATIONARY INCREASE (TII)

Fund the full care system.

The basic costs of providing support continue to rise, but Medicaid-funded providers can't raise prices. Five years of TII investments have made progress in correcting for the previous decade without any increases, but **minimum investments must be made every year to adjust for inflation.** A 3.4% TII simply covers increased costs to sustain the services people with disabilities rely on.



HUMAN SERVICES CAREFORCE WORKER WAGE INVESTMENT

Hire and keep skilled staff.

This dedicated, recurring investment will strengthen compensation and retention of direct care staff, clinicians, care managers, and other eligible human services employees. Funding for these increases must be built permanently into rates **in addition to the TII**, matching the State's commitment to its own workforce, providing cumulative increases of **\$2,500 → \$4,500 → \$6,000** over three years.



RESTORE HEALTHCARE ENHANCEMENT

Offset rising healthcare costs.

Health insurance is the biggest cost after wages for many providers, and those costs have increased more than 30% since 2023. **Covering rising insurance costs pulls money from programs and services, and cuts into wage progress for staff.** The Healthcare Enhancement gives providers \$2,500 per employee to offset rising costs and help staff afford the coverage they need.

INVEST IN PEOPLE WITH DISABILITIES.
INVEST IN STAFF. INVEST IN EQUITY.

INVEST IN
us!

Learn more at thearcny.org/budget

THREE PRIORITIES. ONE SUSTAINABLE SYSTEM.

SUSTAIN SERVICES ADVANCE THE WORKFORCE PROTECT THE PROGRESS

Three priorities work together to achieve a sustainable system of support for New Yorkers with intellectual and developmental disabilities.

Quality care requires all three.



SUSTAIN

3.4% Targeted Inflationary Increase

Corrects rates to cover this year's inflation and the rising cost of delivering services. **Keeps the system from slipping backward.**



ADVANCE

Careforce Worker Wage Investment

Provides skilled staff a dedicated, lasting raise, in addition to the TII. **Improves pay equity so quality staff can afford to stay.**



PROTECT

Healthcare Enhancement Program

Reinstates funding to offset rising health insurance premiums. **Prevents healthcare costs from cutting into services and wage increases.**

Fund all three in the final budget.

Learn more at thearcny.org/budget



New York State Fiscal Year 2027–28

BUDGET PRIORITY IN FOCUS: 3.4% Targeted Inflationary Increase

FUND THE FULL CARE SYSTEM.

Adjust rates for inflation to keep the system from slipping backward.



2027–28 BUDGET PRIORITIES

for people with intellectual and developmental disabilities

↗ **Keep funding in step with rising costs · 3.4% TII**

👤 **Give frontline staff a lasting raise · Careforce Wage Investment**

💖 **Ease rising health insurance costs · Healthcare Enhancement**

COSTS KEEP RISING. RATES MUST KEEP PACE.

To sustain services, rates must be adjusted to cover inflation every year.

INFLATION SINCE 2006 **+55.3%**

TII/COLA RATE
INCREASES SINCE 2006 **+27.1%**

13 years without increases created this gap. Five straight increases under the Hochul administration are closing it.

WHAT THE 3.4% TII DOES

3.4%
inflationary increase

The TII adjusts provider rates for inflation, based on July 2026 CPI-U, so funding keeps pace with the rising cost of delivering services.

Learn more at thearcny.org/budget

WHY THE TII MATTERS

3.4% IS THE BARE MINIMUM.

A 3.4% increase simply maintains the status quo: it corrects rates for *this year's* inflation, so the gap between rates and current costs doesn't grow. **It doesn't make progress. It keeps the system from slipping backward.**

THE STATE SETS THE RATES.

IDC providers are funded through Medicaid, at rates set by New York state. If those rates don't cover rising costs, **providers can't sustain services, pay fair wages, maintain facilities or ensure quality care.**

IT FUNDS THE FULL COST OF CARE.

The full spectrum of care for people with disabilities includes food, transportation, utilities, insurance, medical supplies, home maintenance and more. **These costs continue to rise, and rates must increase to meet them.**

THE TII HELPS STAFF.

Providers invest the majority of TII funding in staff, by increasing wages and benefits to cover their rising cost of living. In the past 5 years, **17.5% in increases helped providers raise DSP starting wages about 30%.**

THE TII AND CAREFORCE WORK TOGETHER.

3.4% TII

Adjusts for all increased costs

Careforce

Directly enhances wages

The TII adjusts the full cost of care, including wages, to correct for this year's inflation. The Careforce Investment makes lasting wage progress for staff.

CARE MANAGEMENT CAN'T BE LEFT BEHIND.

TII eligibility must be restored for Care Coordination Organizations. Critical Care Management staff have been excluded from the TII since 2024.

**INVEST IN PEOPLE WITH DISABILITIES.
INVEST IN STAFF. INVEST IN EQUITY.**

INVEST IN
us!

BUDGET PRIORITY IN FOCUS: Careforce Worker Wage Investment

HIRE AND KEEP SKILLED STAFF.

Support a dedicated, recurring raise for the human services workforce.



2027–28 BUDGET PRIORITIES

for people with intellectual and developmental disabilities

↗ **Keep funding in step with rising costs** · 3.4% TII

👥 **Give frontline staff a lasting raise · Careforce Wage Investment**

💡 **Ease rising health insurance costs** · Healthcare Enhancement

FIVE YEARS OF PROGRESS, INVESTED IN STAFF

After more than a decade with no increases in funding for services for New Yorkers with IDD, the State made progress with five straight years of investment.

STATE TII
INVESTMENTS:

+17.5%

DSP STARTING
WAGES:

+30%

Providers invested those increases in staff.

Wages are up, and vacancies have decreased 45% since 2021. But we have yet to achieve a living wage for this skilled work, and **nearly 1 in 3 direct care staff leave every year.**

WHAT THE CAREFORCE INVESTMENT DOES

\$2,500

Year 1 · ~\$1.35/hr



\$4,500

Year 2 · ~\$2.47/hr



\$6,000

Year 3 · ~\$3.30/hr

Per eligible employee, built permanently into rates, in addition to the TII.

WHY CAREFORCE MATTERS

PEOPLE WITH IDD DESERVE STABLE CARE.

Nearly 1 in 3 Direct Support Professionals (DSPs) leave each year. When staff leave, people with IDD lose someone they trust who understands their unique support needs. Turnover disrupts the lives of people with disabilities and the quality of care.

SKILLED WORK DESERVES MORE THAN \$19 AN HOUR.

DSPs give medications, perform first aid and CPR, deescalate behavioral crises, and teach fundamental life skills, from self-care to financial management. Yet after five years of increases, **the average DSP starting wage is only \$19.03 an hour, not a living wage** for this skilled work. Pay barely grows with experience, and **experienced staff can't afford to stay**. Even after years of service, the average DSP earns just \$21.06.

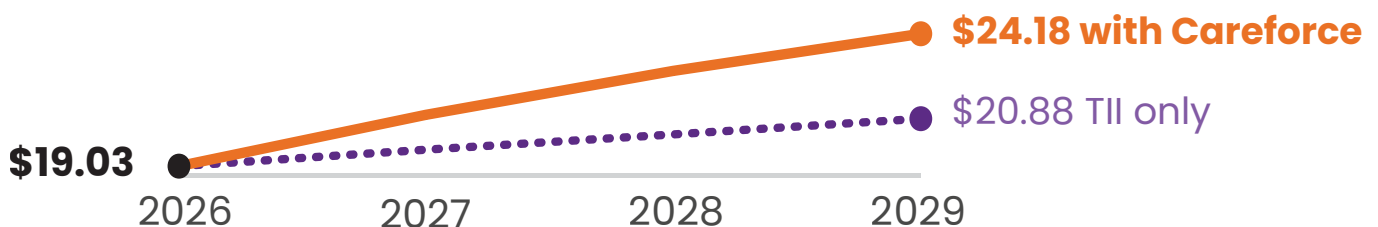
NOT JUST DSPs

People with disabilities also rely on clinicians, care managers and other staff to provide comprehensive support. **At some agencies, staffing shortages in these other key roles are now critical.** The Careforce investment covers direct care workers, nurses, clinicians, care managers and other eligible non-executive employees earning under \$125,000 a year, across all human services sectors.

WHY IT MUST BE SEPARATE FROM THE TII

Staff also face the pressure of rising costs. Raises barely cover inflation, and wages still don't reflect the skill and responsibility of these critical roles. **A TII-funded raise just keeps up with inflation. The Careforce investment makes real progress** for staff and matches the State's multi-year raises for its own workforce.

Projected DSP Starting Wage



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New York State Fiscal Year 2027–28

BUDGET PRIORITY IN FOCUS: **Healthcare Enhancement Program**

OFFSET RISING HEALTHCARE COSTS.

Reinstate dedicated funding to help providers cover health insurance costs.



2027–28 BUDGET PRIORITIES

for people with intellectual and developmental disabilities

- ↗ **Keep funding in step with rising costs** · 3.4% TII
- 👥 **Give frontline staff a lasting raise** · Careforce Wage Investment
- ▶️ **Ease rising health insurance costs** · **Healthcare Enhancement**

HEALTH COSTS ARE CLIMBING FAST

Health insurance is the largest cost after wages for many providers.

**HEALTH INSURANCE
COSTS SINCE 2023**

+31.9%

**TOTAL FIELDWIDE
COSTS IN 2026**

\$1.1B

Premiums are rising faster than inflation. Every dollar spent on them can't go to wages or services.

WHAT THE HEALTHCARE ENHANCEMENT DOES

\$2,500
per employee

Each provider receives funding equal to \$2,500 per employee, dedicated to offsetting the agency's rising health insurance costs.

Learn more at thearcny.org/budget

WHY HEALTHCARE ENHANCEMENT MATTERS

RISING PREMIUMS FORCE HARD CHOICES.

When health insurance costs rise, providers have three options: **pass costs on to staff, reduce the quality of coverage, or pull funding from programs and services.** Each one hurts people with IDD or the staff who support them.

STAFF NEED COVERAGE THEY CAN AFFORD.

A strong workforce needs more than a paycheck. **Higher out-of-pocket costs and weaker coverage negate the wage progress New York has made.** To support others, staff must be able to meet their own basic needs.

80%

of The Arc New York Chapters had to increase employee out-of-pocket health costs in the last two years.

PREMIUMS SHOULDN'T ERODE CARE.

When providers absorb rising premiums instead of passing them on to staff, **funding is pulled from the programs and services people with IDD rely on.**

IT WAS FUNDED, THEN ELIMINATED.

New York funded the Healthcare Enhancement Program from 2004 through 2011 to help providers with employee health costs. **Reinstating it would restore support that worked, updated for today's costs.**

IT PROTECTS PROGRESS.

✓ Past progress

Five years of State investment

📈 👤 This year's priorities

3.4% TII and Careforce

💚 **The Healthcare Enhancement shields both from rising health costs.**

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Tell State Leaders to **INVEST IN YOU!**



**SCAN
HERE**

to quickly send
a letter to the
Governor, your
State Senator &
Assemblymember

**LET THEM
KNOW**

We
MATTER!



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Careforce Worker Wage Investment



PROTECT

Healthcare Enhancement Program

Fund all three in the final NYS budget. Learn more at thearcny.org/budget