



# Coalition Briefs

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BREAKING NEWS ABOUT COMMUNITY MENTAL HEALTH IN NEW YORK

## 1998 COLA Distribution Update

On March 31, 1999, OMH and OASAS both distributed the monies for the 2.5% COLA allocated in the 1998 legislative session. OMH Medicaid dollars for the period from April 1, 1998 through March 31, 1999 will be distributed in a lump sum as a Medicaid rate adjustment that will be applied to services provided from January 1, 1999 through March 31, 1999.

OMH identified about 500 agencies as eligible for the COLA allocation. Of those, 92 either did not return a survey or returned a survey but not a Board resolution. Over 40 providers declined the COLA allocation. **OMH has set aside dollars for agencies that returned a survey but have not yet sent in a resolution from the Board. Similarly, dollars are being held back (based on 1996 CFR data) for agencies that returned neither a survey nor a resolution.**

OMH was able to leverage more Medicaid dollars than was originally anticipated. As a result, approximately \$18 million was available for the COLA, up from the \$11.7 million originally anticipated. Because of this, the money sent to providers **should cover ALL program employees.** Other important issues include:

Providers who declined the COLA based on the fact that the allocation would not cover all staff *may* be able to reverse their decision. Although there is no definitive answer from OMH on this yet, if you feel you may wish to change your decision, we recommend that you contact OMH.

OMH is willing to accept applications for adjustments from agencies where all staff were not covered by the allocation. Applications will not be processed until all agencies that are eligible for the COLA have been accounted for, but at a later date, OMH will readjust the amounts.

There is currently no “drop dead” date when providers will no longer be permitted to send in surveys or Board resolutions. We will inform you as soon as we hear of a date, but **we recommend that you make your decisions and contact OMH as soon as possible.**

If you have further questions, or need more information, contact Joshua Rubin at (212) 586-4555x17 or [jfrubin@cvmha.org](mailto:jfrubin@cvmha.org).