



Summary of FY2024 Budget Bill

Governor Phil Murphy signed into law late Friday night, June 30, 2023, a \$54.5 billion FY2024 budget bill, a record high and \$1.4 billion more than Governor Murphy's proposed \$53.1 billion budget.

NJAMHAA ADVOCACY WINS

As NJAMHAA has shared since release of the Governor's budget in February, all of the workforce priorities enumerated in NJAMHAA's [Diverse Faces: Partners in Care](#) campaign, which highlights the dedication and effectiveness of the behavioral healthcare workforce and calls for increased investments for wages, loan redemption, tuition reimbursement and more, were included in the final budget bill. These include:

- an increase of \$27 million in state funds (that will be matched by \$10.5 million in federal funding) for increase to rates and contracts (this is in addition to the FY2023 increase of \$27 million in state funds that was incorporated into the base);
- a one-time, \$86.75 million investment for the Department of Human Services (DHS) "to shore up the workforce that upholds the system of home- and community-based services." Specifically, this includes:
 - \$20 million for loan redemption programs for mental health (MH) and substance use (SUD) professionals as well as Applied Behavioral Analysts and private duty nurses;
 - Up to \$60 million for recruitment, retention and training for MH, SUD and intellectual/developmental disability professionals; and
 - Funding for free certification for Peers, Community Health Workers and others – \$40 million to increase social service provider payments within the Department of Children and Families (DCF), including rates in Child Protection Clinical Services and the Children's System of Care;
- \$36 million to increase the rates paid to services providers for residents with intellectual and developmental disabilities; and
- an additional \$31.3 million for wage increases to direct support professionals (DSPs) and \$10.4 million to address wage compression among supervisors.

NJAMHAA's Diverse Faces: Partners in Care campaign led to several more successes in the Legislature's budget bill including:

- \$1 million increase for the Office of School Linked Services (OSLS) which includes School Based Youth Services Programs and several smaller prevention programs;
- a \$3 million increase for 988 Mental Health Crisis and Suicide Prevention Hotline for a total of \$31.824 million;
- \$3 million for a Supported Employment rate increase;

- \$16.6 million to the Interdepartmental DSP wage increase budget line which is for Division of Developmental Disabilities (DDD), DCF and Department of Labor Division of Vocational Rehabilitation Services DSPs, with language indicating this will be a \$0.25 hourly increase (over and above the \$41.7 million increases included in the Governor’s budget for rates within the DDD residential and day programs noted above).

Also added into the budget is an item NJAMHAA has also strongly supported, the establishment of a statewide Mental Health Diversion Program as described in Senator Ruiz’s [S.524](#) bill that passed both houses on June 30, 2023. The Legislature has provided \$5 million in funding for the program and stipulates no less than \$1 million will be allocated to programs in Essex County.

OTHER NOTABLE LEGISLATIVE ADD-ONS

- \$3.2 million to the Department of Human Services (DHS) START Regional Response Teams to Address behavioral Health Crisis in Individuals with Intellectual or Developmental Disabilities;
- a \$39 million increase for Division of Developmental Disabilities Residential Care;
- a small increase to the Child Collaborative Mental Health Care Pilot Program, bringing the total funding to \$12.84 million, for an overall increase over FY2023 of \$840,000;
- a small increase to the Statewide Universal Newborn Home Nurse Visitation Program, for total funding of \$15.585 million, for an overall increase over FY2023 of \$4.55 million;
- a small increase to the Keeping Families Together program, for total funding of \$17.62 million, for an overall increase over FY2023 of \$905,000;
- \$1 million in the Department of Education for the Mental Health Screening in Schools Grant Program;
- \$6 million to Hackensack Meridian Health, Raritan Bay Medical Center- Psychiatric Bed Expansion;
- An additional \$500,000 to the over \$8 million in additional State funds the Governor proposed for the statewide expansion of the Alternative Responses to Reduce Instances of Violence and Escalation (ARRIVE) Together program, which pairs police officers with mental health professionals from screening centers when responding to a person who is experiencing a mental health crisis for total funding of \$10.265 million;
- \$2.7 million for Personal Care Assistance Services (raising the hourly rate from \$24.52 to \$25.16); and
- a \$1 million increase to the allocation within the Women’s Services appropriation for domestic violence agencies and the New Jersey Coalition to End Domestic Violence to expand and strengthen domestic violence services statewide.

The Legislature also added \$3.4 million for the Volunteers of America – Re-entry Services. They had provided the same increase in FY2023, but it was not in the Governor’s proposed budget. The increase maintains this funding at \$7.4 million total. Similarly, the New Jersey Re-entry Corporation – One-Stop Offender Re-entry Services, established by former Governor James

McGreevey, received a \$3.4 million increase in the Legislature’s bill for a second year in a row for total funding of \$10.4 million, which is level with their FY2023 funding.

MANY NJAMHAA MEMBERS TO RECEIVE DIRECT FUNDING

Many NJAMHAA members received direct funding in the FY2024 budget; the Legislature’s budget bill added several:

- Preferred Behavioral Health Group - Prevention First Operating Costs - \$50,000;
- Society for Prevention of Teen Suicide – Mental Health Toolkits - \$250,000;
- Center for Great Expectations - \$500,000; Straight and Narrow - \$7 million;
- Turning Point Addiction Center, Paterson - \$500,000; Care Plus New Jersey – Student Mental Health - \$500,000;
- Integrity House, Newark – Facility Improvements - \$300,000;
- RWJ Barnabas Health – Newark Projects - \$50,000 (from the Department of Health, with a reduction of \$25,000 within DHS, for a net gain of \$25,000);
- Hackensack Meridian School of Medicine - \$5 million;
- Mental Health Association - \$150,000;
- Volunteers of America – Delaware Valley – Navigator Program - \$1.6 million increase (for total funding of \$5.6 million)

Many other members received funds for programs other than behavioral health, both from state funds and from American Rescue Plan Funds. They can be found throughout the Legislature’s “[score sheet](#)” which shows all the items added by the Legislature over and above the Governor’s budget. [Starting on page 33 of the budget language changes](#) you will find a list of legislative additions from American Rescue Plan (ARP) funds.

The Legislature language changes also include the following noteworthy items:

- “language to restrict participating law enforcement agencies from using ARRIVE Together grant funds to offset local law enforcement salary or overtime expenses”;
- “Of the amount appropriated for the ARRIVE Together Pilot Program (P.L.2022, c.36), an amount not less than \$500,000 is allocated to Bergen County”;
- language amending the ANCHOR Property Tax Relief fund to provide an additional \$250 to seniors who otherwise are eligible for the program;
- “Modifies language regarding amounts deposited in the Opioid Recovery and Remediation Fund to reflect enactment of P.L.2023, c.25”;
- “language authorizing supplemental appropriations for Children’s System of Care grant Programs” to support increased trend costs – named programs include: Care Management Organizations, Out-of-Home Treatment Services, Family Support Services, Mobile Response, Intensive In-Home Behavioral Assistance, Youth Incentive Program, Outpatient, and Contracted Systems Administrator in the Division of Children’s System of Care;
- “Increases Division of Developmental Disabilities reimbursement rates for behavioral supports assessment/plan development and monitoring” (“the fee-for-service rate for behavioral supports assessment/plan development shall be \$22.05 for each 15 minutes

and the fee-for-service rate for behavioral supports monitoring shall be no less than \$8.26 for each 15 minutes”);

- “Increases Commission for the Blind and Visually Impaired provider reimbursement rates” (reimbursement to providers for vision exam services shall be: \$250 for a low vision exam; \$275 for a comprehensive low vision exam; and \$65 for a low vision follow-up exam”); and
- “Reimburses federally qualified health centers for payments reclaimed by federal government as a result of reduction in Medicaid Prospective Payment System rates.”

ADDITIONAL INVESTMENTS MAINTAINED FROM THE GOVERNOR’S BUDGET

The final budget bill retained several significant investments in mental health and substance use treatment and supports, as well as other investments that support the vulnerable populations NJAMHAA members serve that were in the Governor’s proposed budget. Among them are:

- investment to establish 150 new residential placements for individuals able to live in the community;
- \$43 million for the inaugural year of the NJ Statewide Student Support Services (NJ4S) network;
- funding for participating pharmacies to provide doses of naloxone free and anonymously;
- Charity Care remained flat at \$342 million, though last year it was a \$3 million legislative add that brought it to this figure – this year the Governor incorporated the increase in his proposal; and
- maintenance of \$218 million for the Graduate Medical Education, and \$24 million for Supplemental Graduate Medical Education.

Service providers and the individuals they serve will also benefit from the following provisions retained in the final budget legislation:

- *Health Insurance*: an additional \$36 million to expand the Workability program which provides benefits to New Jersey residents with disabilities who join the workforce and begin to earn income that would otherwise cost them their health benefits; and continuation of the Cover All Kids initiative that ensures healthcare for children regardless of immigration status with \$14 million in added funding;
- *Medications*: increased income limits for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and Senior Gold prescription discount programs;
- *Food Assistance*: expanded access to free school meals under the Working-Class Families Anti-Hunger Act for children in families making under 200 percent of the federal poverty level with more than \$20 million in new funding and funding to ensure a minimum of \$95 per month to every household receiving SNAP benefits;
- *Long Term Care*: includes over \$207 million to meet increasing needs for NJ FamilyCare’s long-term care population, including an extra \$15 million to provide for wage increases for nursing home staff;
- *Pre-K*: An increase of \$110 million for a more than \$1 billion investment;

- *Child Care*: This budget subsidizes child care for more than 56,000 children, and provides more than \$12 million for wage increases for child care providers. This budget also maintains the \$300 monthly supplemental payment originally provided early during 5 New Jersey Association of Mental Health and Addiction Agencies, Inc. the COVID pandemic, waived co-pays, and enrollment-based payments for providers for FY2024; and
- *Women’s Health*: The budget continues “more than \$30 million for family planning services (in addition to those covered by state-sponsored insurance programs); \$10 million for family planning facilities upgrades; \$5 million for OB/GYN training; and \$5 million for reproductive health facility security grants” that were included in FY2023.

MISCELLANEOUS ITEMS of NOTE

- The Legislature reduced funding for the Re-Entry Substance Abuse Program in the Department of Corrections by \$1.845 million, leaving the program funded at \$6.665 million.
- The Substance Use Disorder Health Information Technology Interoperability Project has been continued with flat funding of \$2.7 million.

The budget approved by both houses of the NJ legislature was approved by Governor Murphy with a Line Item Veto, reducing the funding for a number of items. For the Department of Education, the total state appropriation was decreased by \$3 million; for the Department of Health, total state appropriation was reduced by \$17.5 million; for the Department of State, the total state appropriation was reduced by \$18 million; and the Department of the Treasury total state appropriation was reduced by \$38.5 million.

More details on Governor Murphy’s Line Item Veto and the associated funding reductions can be found in [Line Item Veto Statement](#), and the [Line Item Veto Message](#).

While NJAMHAA will continue its advocacy for additional investments, the FY2024 budget bill is enormously positive for NJAMHAA members!