



**Office of Addiction
Services and Supports**

OASAS. Every Step of the Way.

KATHY HOCHUL
Governor

CHINAZO CUNNINGHAM, MD
Commissioner

Overview of OASAS Provider Corporate Structures

August 7, 2023

Inquiry

- ❖ At the December 2022 meeting of the Behavioral Health Services Advisory Council (BHSAC), members of the Project Review Committee made a request of OASAS to gather data on the number of applications received to establish new *For-Profit* vs. *Not-for-Profit* providers.
- ❖ For the December 2022 BHSAC agenda, OASAS presented 4 “New OASAS Provider” applications –
 - 2 were *For-Profit* and
 - 2 were *Not-for-Profit* applicants.
- ❖ Since then, OASAS has presented to the BHSAC 3 “New OASAS Provider” applications:
 - February Meeting – 2 *Not-for-Profit* applicants
 - April Meeting – 1 *For-Profit* applicant
 - June Meeting – 0 applications

Analysis

- ❖ To address the BHSAC inquiry, OASAS culled the following data, **broken out by *For-Profit vs. Not-for-Profit***:
 - Total number of existing OASAS-certified providers.
 - Total number of OASAS-certified programs operated by each.
 - Number of Certification applications currently under review by OASAS to establish new providers
 - Number of Certification applications processed by OASAS in 2022 to establish new providers
 - Total number of existing OASAS-certified providers in 2018 (5-year look-back)
 - Same for 2013 (10-year look-back).

Certification Applications Reviewed

- ❖ There are 18 “New OASAS Provider” applications under review.
 - 8 are from *For-Profit* entities,
 - 10 are from *Not-for-Profit* entities

- ❖ In 2022, 20 “New OASAS Provider” applications received
 - 12 were from *For-Profit* entities
 - Of these 7 were completed
 - 8 from *Not-for-Profit* entities
 - Of these 1 was completed

- ❖ In 2021, of the 11 “New OASAS Provider” applications received,
 - 5 were from *For-Profit* entities,
 - 5 were from *Not-for-Profit* entities, and
 - 1 was from a County

- ❖ In 2020, there were 13 applications –
 - 4 were from *For-Profit* entities, and
 - 9 were from *Not-for-Profit* entities.

Statutory Authority

❖ NYS Mental Hygiene Law Section 32.05(c):

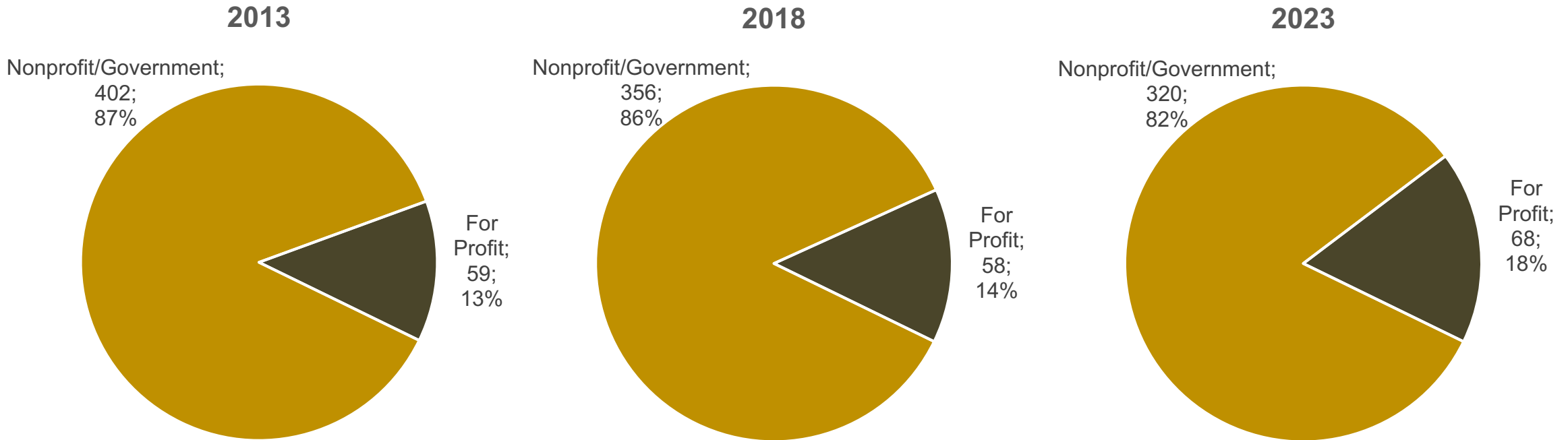
“No individual, partnership, association, corporation, limited liability company or partnership, public or private agency or any part thereof shall adopt a corporate name or hold itself out to the public in a manner which indicates, directly or indirectly, the availability of treatment, programs, or services for persons suffering from chemical abuse or dependence unless it has obtained an operating certificate from the commissioner in accordance with the provisions of this article.”

Regulations

- ❖ Title 14 of New York Codes, Rules and Regulations (NYCRR) Part 810: Standards for Approval of a Certification Application
- ❖ Section 810.7(h) – Entities eligible to file Certificates of Approval for an OASAS Operating Certificate include:
 - *Not-for-Profit Corporations* – an entity incorporated or proposed to be incorporated under the Not-for-Profit Corporation Law; and
 - *Business Corporations* – any entity incorporated or proposed to be incorporated or organized under the Business Corporation Law or the Limited Liability Law.

Findings: Providers by Operator Type and Year

Operator Type;
Number of Providers;
% of Total Providers



Operator Type	2013	2018	2023	% Change 2013-2023
Not-for-Profit/Government	402	356	320	-20%
For-Profit	59	58	68	15%
Total	461	414	388	-16%

Source: NYS OASAS Data Warehouse, Provider Directory System Data Mart

Findings: Programs by Operator Type and Year

Operator Type;
Number of Programs;
% of Total Programs

2013

2018

2023

Nonprofit/Government;
992;
89%

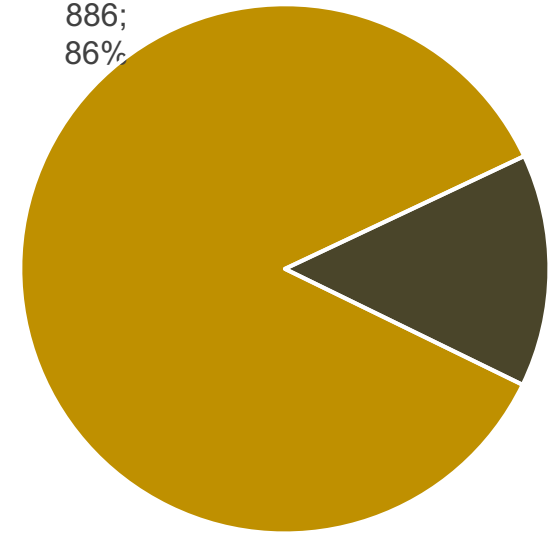
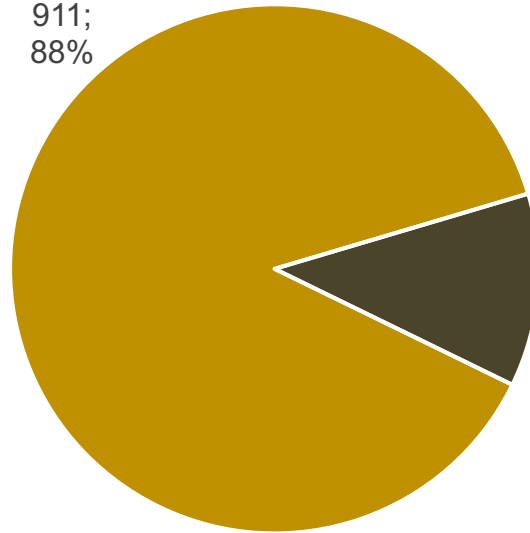
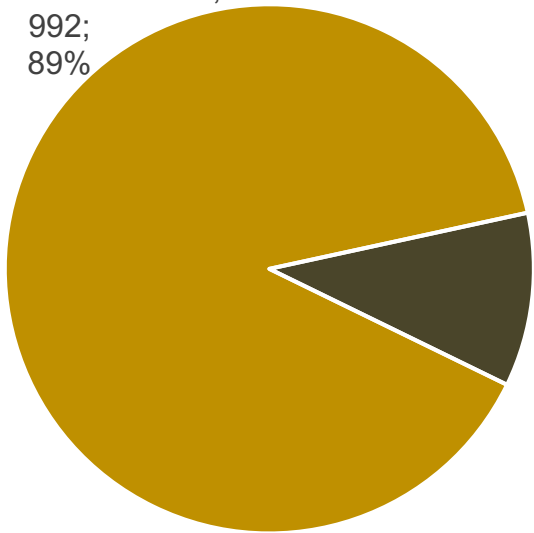
Nonprofit/Government;
911;
88%

Nonprofit/Government;
886;
86%

For Profit;
118;
11%

For Profit;
122;
12%

For Profit;
147;
14%



Operator Type	2013	2018	2023	% Change 2013-2023
Not-for-Profit/Government	992	911	886	-11%
For-Profit	118	122	147	25%
Total	1,110	1,033	1,033	-7%

Source: NYS OASAS Data Warehouse, Provider Directory System Data Mart

Types of Programs

- ❖ When examining the different types of programs, OASAS finds that *For-Profit* providers operate the following (comparing 2023 to 2018):

For Profit Total		Providers		Programs	
2023		68	% of All	147	% of All
SERVICE	Crisis Services	17	32.7%	18	31.0%
	Inpatient Treatment Services	13	22.0%	14	22.2%
	Opioid Treatment	11	18.3%	16	14.2%
	Outpatient Services	52	18.6%	94	19.9%
	Residential Services	5	5.5%	5	2.4%

For Profit Total		Providers		Programs	
2018		58	% of All	122	% of All
SERVICE	Crisis Services	9	16.7%	10	14.7%
	Inpatient Treatment Services	6	10.5%	7	12.1%
	Opioid Treatment	9	18.0%	15	13.9%
	Outpatient Services	49	17.4%	84	18.2%
	Residential Services	6	6.1%	6	2.9%

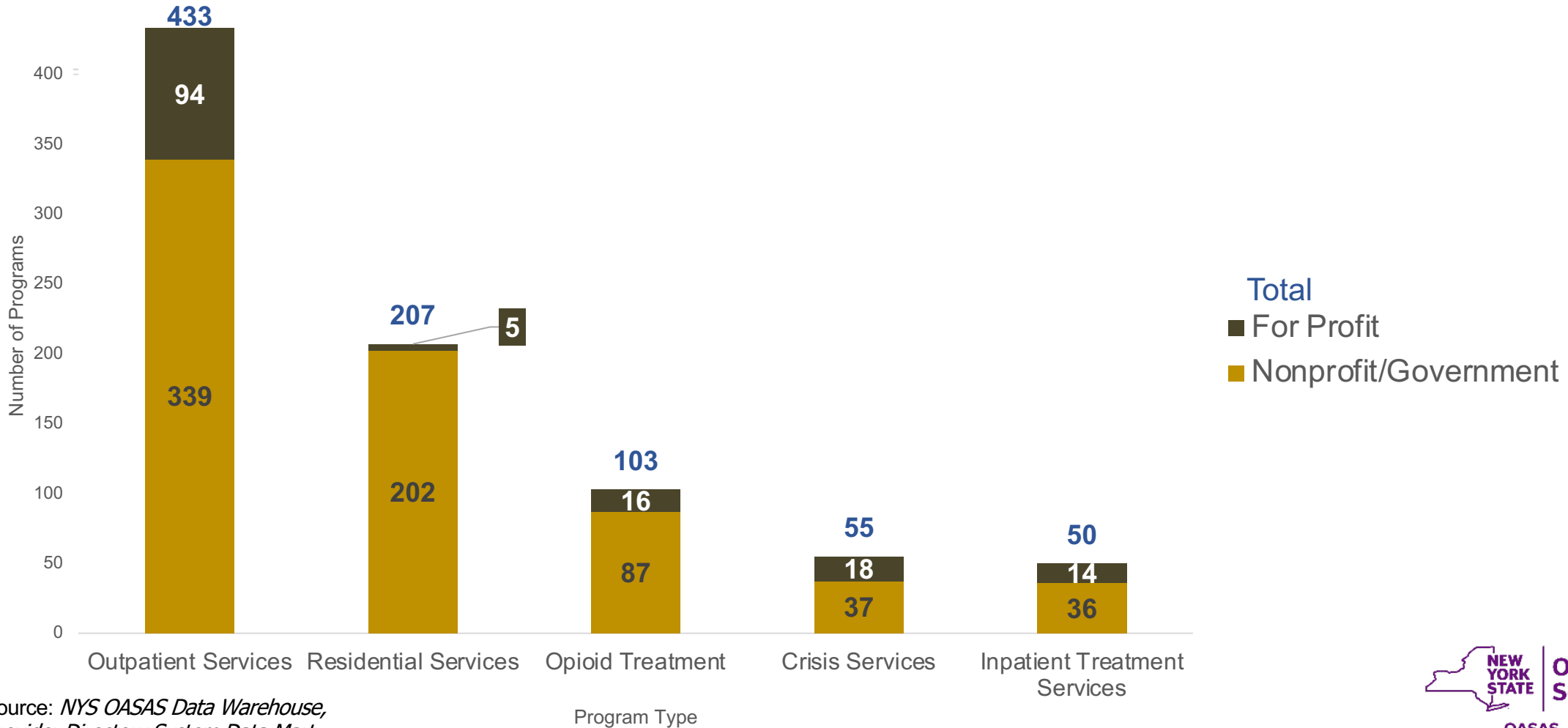
Types of Programs

- ❖ For comparison purposes, *Not-for-Profit* providers have operated the following OASAS-certified programs over the past 5 years:

Not for Profit Total		Providers		Programs	
2023		272	% of All	782	% of All
SERVICE	CD Prevention	46	92.0%	62	93.9%
	Childrens Services	5	100.0%	19	100.0%
	Crisis Services	32	61.5%	37	63.8%
	Inpatient Treatment Services	33	55.9%	36	57.1%
	Opioid Treatment	42	70.0%	87	77.0%
	Outpatient Services	197	70.6%	339	71.8%
	Residential Services	84	92.3%	202	96.7%

Voluntary Total		Providers		Programs	
2018		299	% of All	784	% of All
SERVICE	CD Prevention	63	92.5%	81	94.2%
	Childrens Services	0	N/A	0	N/A
	Crisis Services	35	64.8%	48	70.6%
	Inpatient Treatment Services	38	66.7%	38	65.5%
	Opioid Treatment	35	70.0%	83	76.9%
	Outpatient Services	203	72.0%	335	72.5%
	Residential Services	88	89.8%	199	94.8%

Programs by Ownership and Program Type (2023)

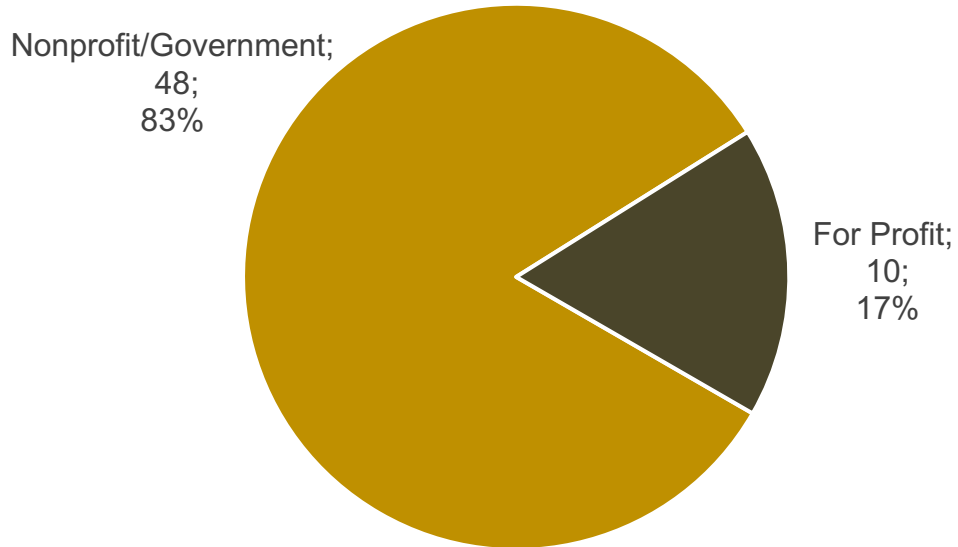


Source: NYS OASAS Data Warehouse, Provider Directory System Data Mart

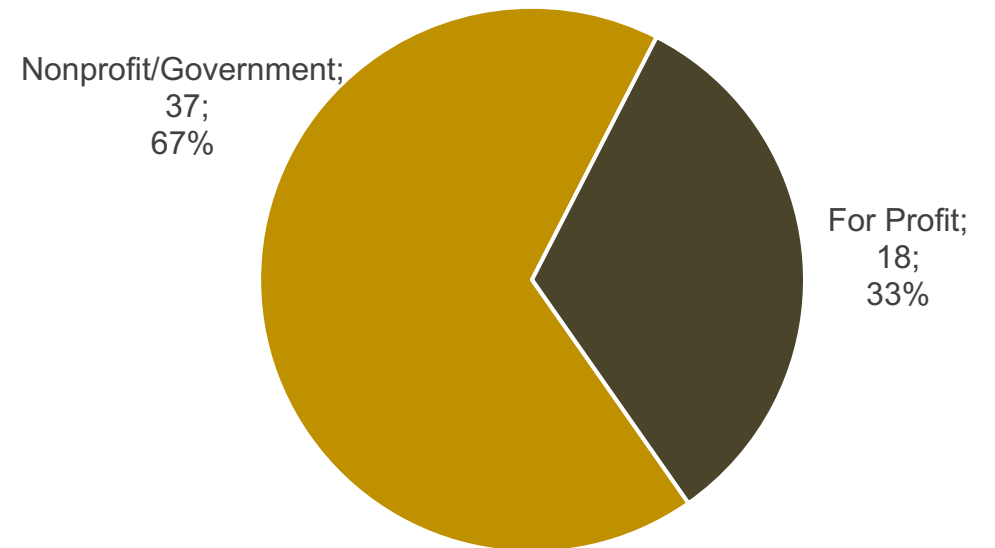
Crisis Programs by Operator Type and Year

Operator Type;
Number of Programs;
% of Total Programs

Crisis Programs 2018



Crisis Programs 2023



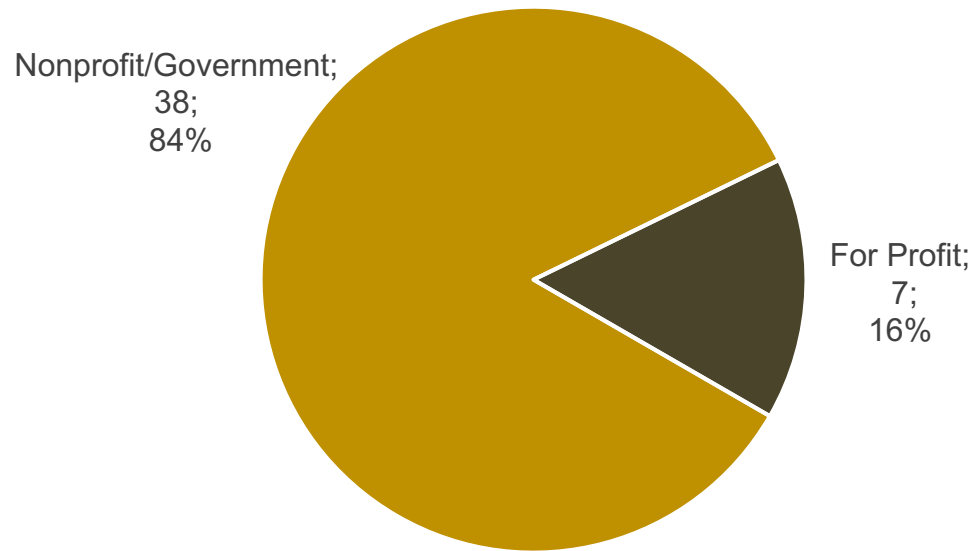
Operator Type	2018	2023	% Change 2018-2023
Nonprofit/Government	48	37	-23%
For Profit	10	18	80%
Total	58	55	-5%

Source: NYS OASAS Data Warehouse, Provider Directory System Data Mart

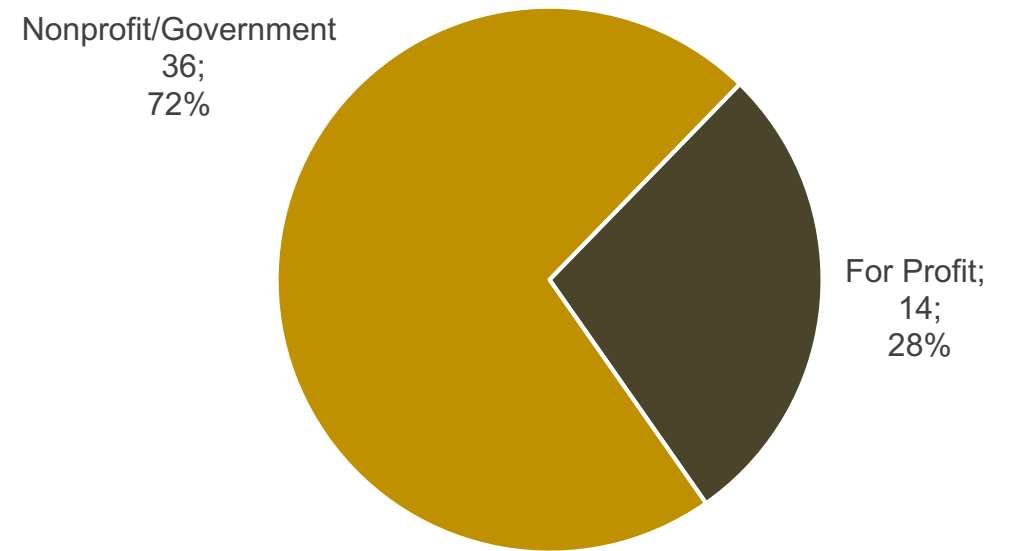
Inpatient Programs by Operator Type and Year

Operator Type;
Number of Programs;
% of Total Programs

Inpatient Programs 2018



Inpatient Programs 2023



Operator Type	2018	2023	% Change 2018-2023
Nonprofit/Government	38	36	-5%
For Profit	7	14	100%
Total	45	50	11%

Source: NYS OASAS Data Warehouse, Provider Directory System Data Mart

Takeaways

- ❖ The number of *For-Profit* providers and programs is growing, both in terms of raw numbers and relative to the overall number of programs and providers.
- ❖ Even with this growth, *For-Profit* providers and programs still only comprise a small portion of the overall number of providers and programs.
- ❖ The growth of *For-Profit* providers has not been equal across all program types.
- ❖ The two program types most affected by the growth of *For-Profit* providers has been Crisis and Inpatient services.

Thank You