



**New York State Fiscal Year 2020/2021 Joint Legislative Budget
Mental Hygiene Hearing**

**Testimony of Alice Bufkin
Director of Policy for Child and Adolescent Health
Citizens' Committee for Children of New York**

February 3rd, 2020

Citizens' Committee for Children of New York (CCC) is a 75-year-old independent, multi-issue child advocacy organization dedicated to ensuring that every New York child is healthy, housed, educated, and safe. CCC does not accept or receive public resources, provide direct services, or represent a sector or workforce. For over 70 years, CCC has undertaken public policy research, community education, and advocacy efforts to draw attention to children's needs so that we can advance budget, legislative, and policy priorities that produce the best outcomes for our youngest New Yorkers.

CCC is also the co-lead of Healthy Minds, Healthy Kids, a statewide coalition of behavioral health providers, advocates, and New York families, joining together to create the public and political will necessary to ensure that all children and adolescents in New York receive the high-quality behavioral health services they need.

We would like to thank Chair Krueger and Chair Weinstein, and all the members of the Senate Finance and Assembly Ways and Means Committees, for holding today's hearing on the proposals related to Mental Hygiene in the Governor's Executive Budget for State Fiscal Year 2020-2021.

We are deeply concerned about the potential impact of this budget on the behavioral health of children and families. We share the concerns of many advocates and members of the Legislature regarding the Medicaid Global Cap, which puts artificial limits on the ability of the state to meet the changing needs of a growing and diverse population. We are extremely concerned that proposals in the Executive Budget to shift billions of dollars in costs to local governments will dramatically impede counties, and in particular New York City, from addressing local health and human service needs, and will result in poorer outcomes for the most vulnerable New Yorkers.

We cannot achieve a healthy future for our state if we continue to cut funding from preventive services for the youngest New Yorkers. New York's children's behavioral health system is facing a public health crisis. We must act now to stop cuts, and instead invest in the programs and services that improve outcomes for children and families.

The Children's Behavioral Health System is in Crisis

Suicide is the second leading cause of death for New York children age 15-19, and the third leading cause of death for children age 5-14.¹ 54.5% of children ages 3 through 17 with a diagnosed mental/behavioral condition in New York do not get the treatment they need, including 55% of young people with major depression.²

The consequences of unmet mental health needs can be devastating: Children get sicker, parents miss work, and families are overwhelmed and sometimes broken. Children are left on waitlists or forced into emergency rooms, hospitals, the juvenile justice system, or into preventable foster care placements because they cannot get the care they need when they need it. Families and communities suffer further when unaddressed problems in childhood develop into adult mental illness.

Importantly, we know what types of children’s services and interventions are needed to reduce hospitalizations and unnecessary use of psychotropic medications, as well as what interventions are needed to help children and families thrive. These types of interventions help ensure children become healthy, stable adults and help reduce health and other related challenges that compound when children’s behavioral health needs go unaddressed.

However, the children’s behavioral health system has been chronically under-resourced, preventing the system from meeting the needs of children, much less investing in innovative practices we know are effective.

A central cause of the lack of access to behavioral health care is a lack of provider capacity. For example, in New York, there are only two child psychiatrists for every 10,000 children.³ Families face challenges accessing care regardless of whether they need outpatient care, intensive inpatient services, or community support services. These issues are further exacerbated for specific sub-populations, including families in rural areas or those in need of bilingual services.

Despite federal and state parity laws, too many parents can’t find, or afford, the services their children need. In the face of inadequate networks, too many parents spend hours calling lists of providers, or are forced to travel of hundreds of miles to seek care. We have the knowledge and tools to provide excellent care but lack commitment from the State to invest in the services that

¹ New York State Department of Health. “Leading Causes of Death, New York State, 2008-2016.” https://apps.health.ny.gov/public/tabvis/PHIG_Public/lcd/reports/#state

² Child and Adolescent Health Measurement Initiative. 2016-2017 National Survey of Children’s Health (NSCH) data query. Data Resource Center for Child and Adolescent Health supported by Cooperative Agreement U59MC27866 from the U.S. Department of Health and Human Services, Health Resources and Services Administration’s Maternal and Child Health Bureau (HRSA MCHB). Retrieved from www.childhealthdata.org. CAHMI: www.cahmi.org; Mental Health America. “Mental Health in America – Access to Care Data: Access to Care Rankings 2020.” <https://www.mhanational.org/issues/mental-health-america-access-care-data>

³ McBain, Ryan et al. “Growth and Distribution of Child Psychiatrists in the United States: 2007-2016.” *Pediatrics*. November 2019.

work. The State and managed care plans must be held accountable to create a system that works for children and families.

New York Must Place an Immediate Moratorium on Cuts to Children's Behavioral Health Care

New York has a moral obligation – and a legal obligation through State and Federal Mental Health Parity laws – to ensure that all children in our state receive the behavioral health services they need. However, we cannot begin to achieve this goal if the state continues to slash funding for children's behavioral health care.

Already, our State's chronically underfunded system has led to a revolving door of children sent to hospitals and emergency rooms, involved in the juvenile justice system, or put in preventable foster care placements as a result of inadequate support and unmet needs.

All children have a right to receive the behavioral health supports they need, when they need them. However, our state cannot improve the health and wellbeing of its children, nor can it truly contain Medicaid costs, if it *continues to not only fail to invest, but to repeatedly cut funding for children's behavioral health care.*

CCC and the Healthy Minds, Healthy Kids Campaign call for an immediate moratorium on cuts to children's behavioral health services.

We urge the Legislature to negotiate a budget with the Governor that, at a minimum, protects and invests in critical children's services and programs through the following actions:

- 1. Fulfill the State's commitment to fully fund and implement the Children's Medicaid Redesign Plan.** Nine years ago, the State began the process of Medicaid Redesign. In creating a separate subgroup for Children's Medicaid Redesign, there was a recognition of chronic under-investment in the children's behavioral health system, and an acknowledgement that children's behavioral health needs differ from those of adults. The State claimed that by identifying innovative preventive care strategies, would achieve cost savings while also improving care. Instead, after nearly a decade of planning, we may be facing a reality where fewer children are receiving high-quality behavioral health services, despite an acute increase in need.

A stated promise of children's Medicaid redesign was to increase access to services through Medicaid and provide more service coverage under Medicaid Managed Care. In order to achieve this promise, the State estimated the cost of implementation would be \$63.7 million, yet ultimately funded only \$15 million for the transition. **New York must provide the remaining \$48.7 million the State committed to support the Medicaid transition.** New York is in fact at risk of serving *fewer* children than were served prior to Medicaid transition if it does not commit the resources promised to expand access.

- 2. Place a moratorium on cuts to any services or programs redesigned by the children's behavioral health Medicaid Redesign Team subcommittee and restore cuts that have**

already occurred. The work of the children’s Medicaid redesign committee is still underway, and the full array of planned services have not yet reached their intended targets. New York cannot afford to cut any of these services and programs before they have been fully implemented.

Already, the State has moved forward with cuts to new Children and Family Treatment and Support Services (CFTSS), even though these services have reached less than 4% of the 200,000 children who were intended to receive care. These services are designed to provide family-focused services that treat children early, in their communities, to prevent the need for hospitalization, residential placements, and more intensive treatments for unaddressed needs.

The State committed to providing enhanced rates in the early stage of the rollout of CFTSS, recognizing that the development of a complex new system requires additional support. Yet the State delayed the implementation of these enhanced rates, and moved forward with cutting them even as it became clear that the current rates were insufficient to enable providers to reach even a fraction of the children the State promised to reach. Now, many agencies are stepping back from providing services, and families are left on waitlists for services their children critically need.

Restoring cuts to CFTSS for 12 months would require an estimated \$2 million in state funding. **New York must restore enhanced rates for CFTSS services. Additionally, all children’s services planned through Medicaid redesign – including CFTSS, Home and Community Based Services, Children’s Health Homes, and Article 29-I Medical Services for Foster Children – must be fully funded and given the opportunity to reach the children who need them.**

- 3. Hold harmless children’s programs and restore funds for service impacted by the 1% across-the-board Medicaid cuts.** Though many Mental Hygiene Law programs were not impacted by these cuts, the children’s behavioral health system experienced cuts to both Children’s Health Homes and behavioral health supports provided through Article 28 clinics. Cuts to Health Homes amounted to approximately \$522,350, and the full impact to Article 28 clinics is not yet known. Health Homes were designed to facilitate access to a wide range of services for children for complex needs, and cutting funding for them will impede access, as well as potentially drive up utilization of other high-cost services. With behavioral health care in too short supply, cuts to Article 28 clinics will further restrict access. **The Campaign urges New York to restore the funds for these services and hold children’s services harmless from any future across-the-board Medicaid cuts.**

- 4. Ensure the children’s MRT subcommittee continue its work, without being impacted by cuts proposed through MRT II.** Children’s Medicaid redesign occurred on a different timeline and through a separate process than the redesign of the adult system, and New York is still in the midst of this transition. As such, it is not appropriate to upend the ongoing work of children’s redesign or threaten to cut services and programs before they have been fully implemented. As the State contemplates savings through massive Medicaid cuts, it must recognize the necessity and benefit of early and consistent investment in children. Cuts to children’s behavioral health care not only cause immediate harm to the health and wellbeing of

children, but they also result in an increased likelihood that these children will become sick adults with complex needs, requiring significant and costly health care. **The Campaign urges the State to allow the children’s Medicaid Redesign Team to continue the work of implementation without the threat of cuts proposed through MRT II.**

5. **Furthermore, we urge the State to ensure there is adequate representation on MRT II of experts in children’s behavioral health.** This includes the involvement of impacted families and independent consumer advocates in the work of MRT II – New York cannot largely exclude consumer voices as it did in the first iteration of Medicaid redesign.

New York Must Lay a Foundation for a System of Care to Improve Timely Access to Treatment and Improve Children’s Behavioral Health Outcomes

Beyond putting a stop to cuts to children’s behavioral health care, New York must ensure timely access to necessary clinical services, make available a range of evidence-based interventions that have proven effective, and hold accountable the health plans and insurance carriers charged with and paid to deliver behavioral health services to New York’s children. The following steps are necessary to achieve these goals:

- Invest in and bring to scale evidence-based practices that have proven to lead to long-term health improvements for children, including community-based and school-based services.
- Establish more effective, regular, and transparent reporting on children’s unmet behavioral health needs, including reporting on the impact of the children’s Medicaid Managed Care transition.
- Hold health plans accountable for meeting contractual obligations and enforce mental health parity laws on behalf of children and youth, including requirements around network adequacy.
- Support the establishment in the Executive Budget of a Behavioral Health Parity Compliance Fund, the fines and fees from which will help support the Behavioral Health Ombudsman Program.
- Ensure robust and adequate rates for children’s behavioral health services in commercial insurance, Medicaid, and CHP.

Conclusion

New York cannot continue to pursue a short-sighted approach to health care cost containment that results in cuts to preventive services for vulnerable populations, especially children. The Medicaid Global Cap remains an impediment to meeting the health needs of New Yorkers today and in the future. Early and consistent investments in children’s health and mental health ensure that children grow up to be healthy, thriving adults, and create the best path towards creating long-term cost-savings across health care and human service systems.



Response to the New York State FY 2020/2021 Executive Budget

New York's Behavioral Health System for Children is in Crisis

Across New York State, too many families find it impossible to get the mental health and substance use disorder services their children desperately need. Suicide is the second leading cause of death for children age 15-19, and the third leading cause of death for children ages 5-14. Over half of children in New York diagnosed with a mental/behavioral health condition do not receive the treatment they need.

An under-resourced children's behavioral health system leads sick kids to become sick adults, and the human and financial costs are felt by families, the State's healthcare systems, and communities more broadly. All children have a right to receive the behavioral health supports they need, when they need them. However, our state cannot improve the health and wellbeing of its children, nor can it truly contain Medicaid costs, if it *continues to not only fail to invest, but to repeatedly cut funding for children's behavioral health care.*

The Healthy Minds, Healthy Kids Campaign calls for an immediate moratorium on cuts to children's behavioral health services.

We urge the Legislature to negotiate a budget with the Governor that, at a minimum, protects and invests in critical children's services and programs through the following actions:

1. Fulfill the State's commitment to fully fund and implement the Children's Medicaid Redesign Plan.

The stated promise of children's Medicaid redesign was to increase access to services through Medicaid and provide more service coverage under Medicaid Managed Care. In order to achieve this promise, the State estimated the cost of implementation would be \$63.7 million, yet ultimately funded only \$15 million for the transition. **New York must provide the remaining \$48.7 million the State committed to support the Medicaid transition.** New York is in fact at risk of serving *fewer* children than were served prior to Medicaid transition if it does not commit the resources promised to expand access.

2. Place a moratorium on cuts to any services or programs redesigned by the children's behavioral health Medicaid Redesign Team subcommittee, and restore cuts that have already occurred.

The work of the children's Medicaid redesign committee is still underway, and the full array of planned services have not yet reached their intended targets. New York cannot afford to cut any of these services and programs before they have been fully implemented. Already, the State has moved forward with cuts to new Children and Family Treatment and Support Services (CFTSS), even though these services have reached less than 4% of the 200,000 children who were intended to receive care. Restoring cuts to CFTSS for 12 months would require an estimated \$2 million in state funding.

Additionally, all children's services planned through Medicaid redesign – including CFTSS, Home and Community Based Services, Children's Health Homes, and Article 29-I Medical Services for Foster Children – must be fully funded and given the opportunity to reach the children who need them.

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