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NYS Coalition
for Children's Behavioral Health

**CAMPAIGN FOR HEALTHY MINDS
HEALTHY KIDS** Ensuring New York
Children's Right to
Behavioral Health Care

New York State Assemblymember and Mental Health Committee Chair Jo Anne Simon, Behavioral Health Providers Urge State to Bolster Access to Youth Mental Health Services After Final Hearing in Historic Lawsuit Settlement

– State settled class action lawsuit alleging it violated federal laws by failing to provide community-based mental health services to Medicaid-eligible youth –

– Advocates and state leaders call for \$200 million investment in providers, reform to improve coordination of care –

East Islip, NY – On January 6, 2025, New York State Assemblymember and Mental Health Committee Chair Jo Anne Simon and coalition advocacy groups representing more than 50 youth mental health providers urged New York State to bolster access to youth mental health services pursuant to the final hearing in the historic settlement of *C.K. v. McDonald*, a class action lawsuit over the state's failure to provide community-based mental health services to Medicaid-eligible youth. The state agreed to a court settlement in August, obligating it to improve services through Medicaid by enhancing reimbursement rates to providers and by developing an implementation plan to redesign the delivery of services and expand access.

The elected officials, the New York State Coalition for Children's Behavioral Health and the Campaign for Healthy Minds, Healthy Kids called for swift policy changes to address the widespread lack of access, including by investing **\$200 million** to enhance **Medicaid reimbursement rates** for children's behavioral health **providers** and by passing legislation to **improve coordination of care** across state agencies.

"Every child deserves access to the mental health support they need to thrive in their community – but New York State has fallen short in delivering for them. This historic court settlement makes clear that the state must take swift action to right this wrong. I am deeply grateful to the advocates and providers who are dedicated to the well-being of young people and their families," said **Assemblymember Jo Anne Simon, Chair, Assembly Committee on Mental Health**.

"This class action lawsuit is a legal obligation for the state to bolster access to children's behavioral health services, and that obligation can only be met through meaningful investment and comprehensive, systemic reform," said **Kayleigh Zaloga, President and CEO of the Coalition for Children's Behavioral Health**. "Though this court victory brings a measure of justice for children and families, it must be coupled with long-overdue and sustained investments in providers and improved coordination of care. Without strong policy action, our state cannot claim that it is meeting the needs of its children."

The lawsuit was initiated in 2022 on behalf of four parents and guardians of children who were hospitalized or placed in residential facilities because of a lack of readily-accessible behavioral healthcare in their

communities. The fairness hearing in the U.S. District Court for the Eastern District of New York is the final public action before the settlement implementation begins and a court-appointed arbitrator oversees the state's remediation efforts.

Advocates and elected officials noted that stagnant reimbursement rates have stretched nonprofit providers thin, leaving them without the revenue to pay staff competitive salaries and leading to workforce shortages, burnout, and reduced care capacity. Some providers have been forced to discontinue Medicaid-backed programs. Additionally, gaps in service coordination have created barriers for children who need services from multiple state agencies. A [2023 report](#) from the Healthy Minds, Healthy Kids Campaign found that just one in four children in New York State who were eligible for outpatient Medicaid behavioral health services were actually receiving them.

"Without adequate state support, families and children are struggling to find care and navigate our siloed system of state agencies," said **Raysa S. Rodriguez on behalf of the Healthy Minds, Healthy Kids Campaign and Executive Director of Citizens' Committee for Children of New York**. "This lawsuit is a confirmation of what families and providers have been saying for years, and offers a real opportunity to reform and transform the children's system. This budget season, we can begin by paying providers the rates necessary to increase capacity and eliminate the waitlist crisis facing too many children and families."

The outpatient services covered by the lawsuit encompass the continuum of community-based mental healthcare, including:

- **Intensive care coordination**, where a case manager meets with a child at home or in their community to develop an individualized care plan, connect the family to appropriate services, and strategize responses to future challenges,
- **Home-based behavioral health services**, where a qualified provider such as a therapist meets the family in their home, school, or other community setting to deliver intensive services aligned with their care plan, and
- **Mobile crisis services**, where a trained professional meets a child at home or in their community during an acute crisis in order to de-escalate and stabilize them without relying on hospitalization or institutionalization.

The legal complaint garnered class action status in 2023, meaning mandated policy changes apply not just to the four original plaintiffs, but to all Medicaid-eligible youth in New York State. Zaloga filed a declaration in *C.K.* in support of the successful motion for class status. Healthy Minds, Healthy Kids submitted written testimony for the fairness hearing in support of the settlement's implementation.

The settlement is expected to formally take effect in the coming weeks. Within eighteen months, the state is obliged to develop and issue its Implementation Plan and Quality Improvement Plan, policy directives outlining how the state agencies will provide, monitor, and improve the covered community-based, Medicaid-backed services.

The suit was filed on October 31, 2022 by Children's Rights, Disability Rights New York, and Proskauer Rose LLP in U.S. District Court, and assigned to Judge Nusrat J. Choudhury. The defendants are the New York State Department of Health and the Office of Mental Health.

Providers and advocates from across the state echoed the call to bolster youth mental health services:

“The C.K. settlement will only matter if state agencies and government officials work in lockstep to deliver real change for children. Those at the grassroots of providing behavioral health services must be part of the decision making. Fragmented implementation, an under-resourced workforce, or siloed accountability will leave families no better off—and that is a failure New York cannot afford,” said **Yvette Bairan, CEO of Astor Services and Board Chair of CCBH.**

“Care coordination is a lifeline for families caring for children with critical needs. Throughout the Capital Region and beyond, Northern Rivers has seen the life-changing impact of having skilled behavioral health providers available to answer the call and trained care management professionals guiding families through a complex system of services for their children. We’re serving 1,000 families in these programs currently, and could easily serve 1,000 more if we had the resources. This system is in crisis, and it’s vital that New York State acts now to save children and families,” said **William Gettman, CEO, Northern Rivers Family of Services.**

“The systemic disinvestment in youth mental health providers has left families in rural areas without ready access to vital services,” said **Elizabeth McPartland, CEO of Child and Family Services.** “In parts of Western New York and in many regions across the state, it can take an hour or longer to get to an appointment or receive mobile crisis services — if they’re available at all. We must strengthen investments in providers so we can expand our reach to children in every corner of our state.”

"Across New York City and Long Island, the demand for children's behavioral health care continues to grow, placing significant strain on already overextended providers. We owe it to our children to ensure timely, effective care is within reach for every family," said **Suzette Gordon, President and CEO of SCO Family of Services.** "Enhanced Medicaid reimbursement and comprehensive care coordination across state agencies are the two levers that will enable providers to stabilize services, recruit and retain staff, and expand capacity to reach families faster."

“For years, New York’s children have not received needed mental health services because inadequate Medicaid reimbursement fuels workforce shortages, high turnover rates, and fragmented care for JCCA and other providers,” said **Ann Marie Scalia, CEO of JCCA.** “This settlement is a promising step forward. If fully implemented, it can ensure children get timely access to care that allows them to heal and thrive in their homes and communities by strengthening provider capacity, raising rates, and fixing the complicated approval process to address children's real needs.”

“This settlement is a long-due affirmation of what families and young people in need of mental health services have been experiencing for years: limited access, severe waitlists, and escalation of needs due to unmet needs in their homes and community,” said **Paige Pierce, CEO of Families Together in New York State.** “The state must show they are finally listening to impacted people through serious investments paired with systemic reforms that eliminate unnecessary barriers. Our network of Family and Youth Peer Advocates stand ready to help.”

[Read](#) the original complaint.

About the Coalition for Children’s Behavioral Health

The New York State Coalition for Children’s Behavioral Health (CCBH) is the voice for children, families, and service providers in New York’s children’s behavioral healthcare continuum. The Coalition represents 50

nonprofit provider agencies that collectively provide residential and community-based services to nearly 200,000 youth per year and employ over 21,000 staff. The Coalition works collaboratively with families, state government, and advocates to secure funding and implement policies that best serve the needs of children and families who need all levels of behavioral health support.

About the Healthy Minds, Healthy Kids Campaign

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

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