



To:

Senator Catharine Young  
Room 428  
State Capitol  
Albany, NY 12247

From:

Citizens' Committee for Children of New York  
14 Wall Street, Suite 4E  
New York, NY 10005

Dear Senator Young,

Enclosed, please find copies of testimony from Citizens' Committee for Children of New York regarding the State Executive Budget proposals for Mental Hygiene.

Thank you,

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Citizens' Committee for Children of New York  
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**Testimony of**

**Ariel Savransky**  
**Policy and Advocacy Associate for Child and Adolescent**  
**Health and Mental Health**

**Submitted to the**  
**New York State Senate Finance Committee**  
**And**  
**New York State Assembly Committee on Ways and Means**

**Regarding the**  
**New York State Executive Budget Proposals for**  
**Mental Hygiene**  
**State Fiscal Year 2017-2018**

**February 6, 2017**

Turning to the Executive Budget proposals related specifically to Mental Hygiene, please consider the following as you negotiate the budget:

New York State is currently undergoing a transformation of the children's mental health system aimed at reducing unnecessary costs, improving quality of care, and ultimately, stabilizing and improving New York's healthcare system for children. These reforms will dramatically impact children's behavioral health care, and in particular special populations of children.

CCC has long-believed that the success of Medicaid Redesign efforts, particularly related to children's behavioral health, children in foster care and children with high levels of need, depends on a thoughtful examination of frontline practices, administrative processes and business operations, and that reform efforts offer an opportunity to address existing system weaknesses. **Furthermore, to achieve the State's vision of higher quality and more affordable care, we believe that the state must ensure that reforms result in a behavioral health system that dramatically expands access to timely, high quality care that fully meets the needs of children and families.**

We urge the Legislature and the Governor to negotiate a budget that will strengthen New York's behavioral health system for children. We respectfully submit the following recommendations:

**1) Adopt Executive Budget proposals that will strengthen and/or preserve the behavioral health system for children and their families.**

The Executive Budget includes several proposals that may begin to address some of the challenges facing children's behavioral health providers and children with behavioral health needs. We urge the legislature to support these proposals including:

- **Extending APGs** (government rates) for licensed OMH and OASAS clinics, Child Health Plus behavioral health clinic visits and all OMH licensed providers through March 30, 2020, tied to benchmarks for the development of Value Based Payments. Years of underfunding for community-based behavioral health services have left many clinics, including Article 31 school based mental health clinics, and Article 28 school based health centers, on the verge of closure. This proposal will address some of the barriers to clinic solvency and increase access to critical support services for children.
- **Adding \$5 million for Residential Treatment Facilities (RTF) pilot projects**
- **Adding \$225 million to support the FY18 minimum wage increase** for health care workers providing services reimbursed by Medicaid
- **Creating the Regulatory Modernization Team** to promote a more efficient health care system by assembling a multi-stakeholder work group and stakeholder engagement process to modernize the State's health regulatory framework.

**2) Reject Executive Budget Proposals that Will Have a Negative Impact on Children's Behavioral Health**

Despite the need to invest in the unmet need for children's behavioral health services and to strengthen the system's ability to transition into Medicaid Managed Care, the Executive Budget proposes state savings from children's behavioral health due to delays in the transition.

and/or staff capacity to implement key requirements of the transition. Similarly, the emphasis on cross-system integration and information sharing will require providers to invest resources in health information technology.

Additionally, regulatory and financial challenges have driven most school-based health and mental health clinics to operate at a financial deficit, resulting in insufficient capacity to meet the mental health needs of school-aged children and underscores the ongoing operational instability and financial struggles. To address this, we urge you to take the following steps in the upcoming budget:

- a) **Restore \$17.5 million in children's behavioral health services to address the capacity crisis.** This includes restoring the \$7.5 million budgeted, but unspent in 2016-17 State Fiscal Year for new capacity and the \$10 million budget but unspent funds for readiness efforts. The children's behavioral health system is facing significant challenges that must be addressed now and cannot wait until children's behavioral health transitions into managed care. This money should be restored and spent immediately for capacity expansion of existing children's behavioral health services as an immediate practical effort to meet existing needs.
- b) **Support the creation of a \$500 million Statewide Health Facilities Transformation Fund, but increase the floor from \$30 million to \$125 million for a set-aside to community-based providers.**

Given the array of negative and costly life outcomes that can be the result of unaddressed mental health needs it is imperative that the State prioritize strengthening the behavioral health care system's ability to provide timely access to appropriate levels of care. We urge the Legislature to negotiate a budget with the Governor that ensures the State remains committed to behavioral health programs and services that produce positive outcomes for children.

Thank you for this opportunity to testify.