



**Testimony submitted to the Joint Fiscal Committees  
on the SFY 2023-24 Executive Budget  
Mental Hygiene Budget Hearing  
February 16, 2023**

Thank you for the opportunity to submit testimony on the 2023-24 New York State Executive Budget. The Schuyler Center is a 150-year-old statewide, nonprofit organization dedicated to policy analysis and advocacy in support of public systems that meet the needs of disenfranchised populations and people living in poverty.

Schuyler Center is the home and part of the leadership of Medicaid Matters New York, a coalition that advocates in the interest of Medicaid enrollees. We also serve on Steering Committees for Health Care for All New York, dedicated to affordable high-quality insurance for all New Yorkers, and Kids Can't Wait, focused on reform and improvement of New York's Early Intervention and Preschool Special Education systems. Kate Breslin, Schuyler Center President, and CEO, has led several recent initiatives, including the First 1,000 Days on Medicaid, Value-Based Payment for Children and Adolescents, and Value-Based Payment Social Determinants of Health and CBOs. We are also a member of the Steering Committee for Coalition for Healthy Students, New York which is focused on expanding mental health services to children in school settings through changes in Medicaid policy.

Mental health challenges are the leading cause of disability and poor life outcomes in young people. Unfortunately, in recent years, we have seen significant increases in certain mental health disorders in youth, including depression, anxiety, and suicidal ideation.<sup>1</sup> The pandemic has taken a tremendous toll on the mental health of children and caregivers and mental health needs often go unmet. More than 100,000 New York youth with major depression did not get treatment and an estimated 78,000 New York children have private insurance that does not cover mental or emotional problems.<sup>2</sup>

The COVID-19 pandemic has underscored the critical role schools play in providing health and wellness services to students. The wide-reaching impacts of this crisis have highlighted disparities in our health and education systems nationwide, with disproportionate impacts on students of color living in low-income communities. The pandemic compounded existing inequities which amplified the need for New York to leverage every available resource for students in under-resourced communities. All students in New York State should have equitable access to health, mental, and behavioral health services for their wellness and success. We must make those services convenient and accessible, reaching children where they are. This is especially true for children in communities affected most gravely by COVID-19.

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<sup>1</sup> [Protecting Youth Mental Health](#), US Surgeon General's Advisory. Office of the Surgeon General, US Department of Health and Human Services, 2021.

<sup>2</sup> [2023 State of New York's Children](#), Schuyler Center for Analysis and Advocacy.

*We support the following provisions in the Executive Budget:*

- Enhance children’s mental health programs by investing \$12 million in the HealthySteps program and Home-Based Crisis Intervention Teams, \$5 million for High Fidelity wrap around supports, and \$10 million to develop school-based clinics.
- The Executive Budget includes a provision that would require commercial plans to reimburse for school-based mental health clinic services at negotiated rates or, if there is no negotiated rate, at no less than the Medicaid rate, regardless of network participation status. Insured individuals would be held harmless to their in-network cost-sharing.
- Creation of a new Qualified Mental Health Associate credential. This will help expand the State’s mental health workforce by developing credentials for paraprofessionals, creating a career trajectory for non-clinicians working in the mental health field.

*We request the following be added to the Final Budget:*

**Expand Medicaid Reimbursement for School Health Services**

**The Schuyler Center requests the Final Enact Budget include a provision requiring the State to submit a waiver to the federal government for additional funding for school health services. The waiver would allow schools to bill for Medicaid services if a child is enrolled in Medicaid but does not have an individualized education plan (IEP).**

For over two years, the Coalition for Healthy Students – New York State has been raising awareness and support for the enactment of this Medicaid policy change.

Now more than ever, it is critical to ensure that student health programs are effective and sustainable and that schools have access to all federal resources available to implement these programs. New York State has an opportunity to expand comprehensive school-based health, mental, and behavioral health services for children in underserved communities by making a simple change to its Medicaid policy.

In 2014, the Centers for Medicare and Medicaid Services (CMS) issued a [letter](#) to state Medicaid directors reversing its existing guidance on services that can be reimbursed by Medicaid in school-based settings. Schools are now eligible for reimbursement for eligible services provided to all Medicaid-enrolled students. Currently in New York State, only services delivered to students with Individualized Education Plans (IEPs) can be reimbursed by Medicaid. CMS’s policy change presents an important opportunity for New York to draw additional federal funds for school health services and expand health services for Medicaid-enrolled children.

To leverage these additional funds, New York State must submit a Medicaid State Plan Amendment (SPA) to CMS to adjust restrictive language in its Medicaid plan based on guidelines before the 2014 change. [Seventeen states](#), including Massachusetts, Florida, and California have successfully expanded their school-based Medicaid programs after CMS made this change. Many other states are expected to do the same.

**The Schuyler Center requests the Final Enacted Budget include language directing the Department of Health to submit a SPA to the federal government which will expand access to care for children in New York.**

**Invest in the Human Services Workforce**

**The Schuyler Center urges the Legislature to support the human services workforce with a more effective 8.5% COLA, ensuring New York State provides and expands the crucial services that support New York children and families.**

The Executive Budget proposes funding a 2.5% cost-of-living-adjustment (COLA) for certain State-funded human services programs. We support the 2.5% but this does not come close to meeting the need. Investments in capital and programs will only be successful if there is a well-trained, dedicated workforce. Mental health programs cannot retain or recruit staff when services have never been needed more.

We appreciate the opportunity to provide testimony on these important budget issues and are ready to answer questions.

*Respectfully submitted by  
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