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Serving the North Country since 1997

Testimony to the New York State Joint Legislative Budget Hearing: Health/Medicaid

North Country Behavioral Healthcare Network (NCBHN) is comprised of twenty-three nonprofit member agencies providing mental health (MH) and substance use disorder (SUD) services in New York's seven northernmost counties, the "North Country."

NCBHN appreciates the opportunity to provide testimony to the Joint Committee on Health and Medicaid with regard to issues salient to the behavioral healthcare (BHC) community at a time that offers great challenge but concomitant opportunity in healthcare and, more specifically, the crucial system component of behavioral healthcare. We offer our recommendations in the following areas:

Healthcare System Redesign
A continued significant investment in the transformation and integration of the behavioral healthcare system is imperative for the success of the State's ambitious healthcare system overhaul, and the satisfaction of the Triple Aim.

- **Value Based Payments:** Broad authority for the development of the value based payment system has been placed with the Department of Health (DOH), and it is imperative that BHC is fully represented at the table as those metrics are established. We expect the "Roadmap" to value based payments to be released for public comment on February 16th, at which time we will prepare a detailed response.

- **Medicaid Managed Care Implementation:** We applaud NYS DOH for delaying implementation of Medicaid managed care twice to 1/1/16 (Upstate). Such delay is indicative of the complexity of moving New York's over four million Medicaid recipients to managed care. We believe that it will be important for the Legislators to keep a careful ear to their communities to ensure that the plans provide access to a comprehensive range of preventive, primary, specialty, ancillary and inpatient services through their provider networks, to include parity in access to ***a full range of behavioral healthcare services.***

- **Delivery System Reform Incentive Payment (DSRIP) Program:** If DSRIP planning to date is any indication, there is a danger that some smaller agencies that provide important therapeutic and support services could be left out of emerging provider networks. Nowhere is this risk greater than in rural communities. The "Walmarting" of behavioral healthcare – where all services are concentrated among just a few mega-agencies is bad public policy and bad healthcare. Important healthcare system restructuring will play out over the next 24 months and it is critical that the legislature closely monitor both the intended and unintended consequences.

Recommendation: Ensure that value based payments are developed such that they provide adequate reimbursement for all contributing providers and specifically BHC providers, that Medicaid managed care plans provide parity with regard to access to a full range of behavioral healthcare services, and that the DSRIP rollout meets the needs of all New Yorkers, including those in the most rural areas of the State.

Cost of Living Allowance (COLA) for Human Services Workers

The COLA for Human Services Workers in the not-for-profit workforce was initially budgeted seven years ago, and was deferred for the first five years. This was a particularly difficult pill for not-for-profit providers and their staffs to swallow at a time when those workers are being expected to perform at a higher level to operationalize billions of dollars in programs and innovations associated with healthcare integration and systems transformation. Last year, the Legislature was instrumental in at last operationalizing the COLA investment by including a limited 2% COLA for (CFR 100 and 200 series title) direct care staff. This year, the budgeted COLA takes a step forward by including (CFR 300 series title) clinical staff as well. It is our position that this language does not go far enough. Nonprofit human services organizations do not have the resources to comparably increase the salaries of the non-direct care (support and administrative) and supervisory personnel who work alongside the direct care and clinical staff to assure that the mission is successfully carried out. It makes sense that the entire workforce, and not select components, is provided with this long overdue COLA.

With the State currently fiscally solvent, and with the additional funds from the bank settlement available, this is the perfect time to begin the process of bringing the personnel who are essential to the success of the transformation of the State healthcare system toward appropriate remuneration.

Recommendation: Expand the COLA to include all members of the not-for-profit human services workforce.

Health Information Technology (HIT) for BHC

One area where we are seeing the impact of health resource disparity between the primary care (PC) system and BHC as a result of fragmented health planning is in the investment in electronic health records and connectivity to the health information exchange. The draft plan of NY's State Health Innovation Plan (SHIP) continues to map a route to move ahead aggressively with health information technology, building on the system that has been developed largely with the support of HEAL funds. However, those funds have essentially not been available to behavioral healthcare agencies as they have been to primary care, creating a widening gap in information technology capability. It is stated in the SHIP, under the heading of "Health Information Technology" that: *"The near- and long-term success of the Plan rests squarely on the extent to which we can effectively evolve and leverage health Information Technology (HIT)... The State plans to continue its commitment to providing best-in-class HIT functionality to support patient care coordination and to advance population level improvements in the quality of care delivery, systemic cost-control, and health outcomes. We will reach best-practice systems by ultimately*

making available data actionable and easily accessible to payers, providers, and patients." That plan falls short of recognizing the importance of integrating behavioral health data through the availability of certified EHR and connectivity to the health information exchange, and that failure could well be the Achilles heel of systems integration. While DSRIP capital monies may be available to support HIT, there needs to be DOH oversight that assures that those funds are distributed to the agencies that need them, including small community-based providers and, specifically, behavioral healthcare providers.

Recommendation: Include in the budget designated funding for BHC HIT proportionate to the funding that is supporting the development of a comprehensive and fully integrated primary care HIT system. It is widely acknowledged that a very high percentage of the State's high-end users of Medicaid have a behavioral healthcare condition driving that cost. Without the *full* integration of BHC, including health information connectivity, those costs will remain high.

OMH and OASAS Consolidation

The beginning of the discussion regarding the consolidation of the Office of Mental Health (OMH) and the Office of Alcoholism and Substance Abuse Services (OASAS) presents an opportunity for BHC providers to participate in the process of creating a more effective and efficient structure to administer BHC services in New York State. The potential complexities dictate that the transition will only be successfully accomplished with a plan that allows for providers, OASAS and OMH to first focus on the implementation of DSRIP and Medicaid Managed Care for BHC, and then only with substantive input from those who are charged with delivering BHC services Statewide. The State's provider community looks forward to providing the input required to insure success, and NCBHN looks forward to an opportunity to represent the voice of the North Country's providers in that process.

Recommendation: Proceed with the consolidation of OASAS and OMH on a timeline that first allows for the initial implementation of DSRIP Projects and Medicaid Managed Care for BHC, and then with the full and enthusiastic participation of the State's BHC service providers.

Housing

Supportive housing is an essential ingredient for the successful transition of multi-diagnosed "high-end users" from inpatient care to the community. Safe and secure housing is, in fact, acknowledged to be an indispensable component of comprehensive healthcare, and needs to be available statewide.

- **Supported Housing Rent Stipend Hike**: The budget extends stipend adjustments to some additional upstate counties.
  In contrast, we are requesting $43 million to increase the supported housing rate ***statewide*** to make up for losses from inflation and to establish sustainable rates going forward based on a reasonable formula;

- **Additional Housing and Community Supports: $20 Million for:**
  1,200-1,300 new OMH and OASAS NY/NY III and other priority beds
  New OMH supportive housing units for 400 current adult home residents and 100 nursing home residents with psychiatric conditions;
  250 new OMH Home and Community Based Waiver slots;
  300 new OMH community opportunities, including intensive case management services.

Recommendation: Invest $43M to extend supported housing rent stipends ***statewide***, and invest $20M in additional housing and community supports as outlined.

Medication Access

Once again this budget season, it is up to the Legislature to ensure that "provider prevails" language is retained in the budget. For the most effective psychiatric treatment, it is essential that medications that are physician prescribed and patient preferred, that provide the greatest opportunity for effective treatment, are available without obstacle.

Recommendation: Retain "provider prevails" language in the budget.

Juvenile Justice Reform

NCBHN applauds the Governor's initiative to reform the juvenile justice system to provide opportunities for habilitation and rehabilitation in lieu of prison. Essential in any such effort is a robust behavioral healthcare system to address the substance use and mental health issues that contribute to a significant majority of juvenile criminal activity. The Final Report of the Governor's Commission on Youth, Public Safety and Justice reveals that 57.3% of youths admitted to OCFS facilities in 2013 had mental health issues, and 86.1% had substance use issues.

Recommendation: Factor enhanced adolescent/youth BHC services into the fiscal equation to reform the juvenile justice system.

Rural Health Network Development and Rural Health Care Access

The NYS 2015-16 Executive Budget will harm rural health as it proposes to cut two important programs. The Rural Health Network Development and Rural Health Care Access programs provide essential tools to rural communities to participate in important health reform initiatives including DSRIP, the State Health Innovation Plan (SHIP), the Population Health Improvement Plan (PHIP) and the Department of Health's Prevention Agenda. This year's budget proposal inappropriately bundles these two uniquely rural health programs with seven otherwise unrelated Health Workforce Development initiatives. **Collectively the new bundle is cut just over 15%.**

Recommendation: The Northern New York Rural Behavioral Health Institute vigorously opposes the bundling of rural health programs with health workforce development and we urge the legislature to return these two rural health programs to their own budget lines and restore them to their 2014-15 budget and appropriation amounts of $6.4 million for Rural Health Network Development and $9.8 million for Rural Health Care Access. It is our position that the two rural health programs totaling $16.2 million are not related to the health workforce development programs and the **rural programs should be maintained on their own budget lines** as is the current practice. The budget briefing discussing this bundle does not even mention the rural programs and concentrates only on the workforce initiatives. It is our position that **funding should be maintained at the current levels as indicated in the rural health program's current contracts.**

To summarize, NCBHN, representing twenty-three nonprofit BHC agencies across New York's North Country, makes the following recommendations:

- Ensure that value based payments are developed such that they provide adequate reimbursement for BHC providers, that Medicaid managed care plans provide parity with regard to access to a full range of behavioral healthcare services, and that the DSRIP rollout meets the needs of all New Yorkers, including those in the most rural areas of the State;
- Expand the COLA to include all members of the not-for-profit human services workforce;
- A designated investment in HIT for behavioral healthcare proportionate to the investment being made in HIT for primary care;
- Proceed with timely consolidation of OMH and OASAS functions with the full engagement of the BHC service provider community;
- Expand the investment in housing by $43M to extend supported housing rent stipends ***statewide,*** and invest $20M in additional housing and community supports;
- Retain "provider prevails" language for the prescription of psychotropic medications;
- Factor enhanced adolescent/youth BHC services into the fiscal equation to reform the juvenile justice system, and;
- Finally, we have grave concerns regarding the bundling of rural health and a reduction in funding in the proposed budget. NCBHN strongly recommends that the Legislature return the Rural Health Network Development and Rural Health Access programs to their own budget lines and restore them to their 2014-2015 budget and appropriation amounts of $6.4M for Rural Health Network Development and $9.8M for Rural Health Care Access.

Thank you very much for your consideration of these issues as they pertain to the development of a State budget.

Barry Brogan, Executive Director
North Country Behavioral Healthcare Network