

**Testimony of  
Citizens' Committee for Children of New York  
Joint Legislative Budget Hearing on Health  
January 23<sup>rd</sup>, 2024**

Since 1944, Citizens' Committee for Children of New York has served as an independent, multi-issue child advocacy organization dedicated to ensuring 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; our priority is improving outcomes for children and families through civic engagement, research, and advocacy. We document the facts, engage, and mobilize New Yorkers, and advocate for solutions to ensure the wellbeing of New York's children, families, and communities.

We would like to thank Chairs Rivera and Paulin, as well as all the members of the Assembly Ways and Means, Senate Finance, Senate, and Assembly Health Committees for holding today's Joint Hearing and allowing us the opportunity to respond to Governor Hochul's Executive Budget.

**CCC commends Governor Hochul for continuing to invest in the health of New Yorkers, especially children and families.**

**With respect to proposed comprehensive Managed Care Organization (MCO) reforms:** We support the requirement that commercial insurance plans reimburse at least the Medicaid rate for OMH and OASAS licensed outpatient behavioral health services. We also support the moratorium on new Plans and the establishment of a competitive procurement process for MCOs and state DOH's authority to levy liquidated damages of up to \$25,000 against MCOs in violation of the model contract.

**We are also excited about the opportunities the recently approved Medicaid waiver offers New York State to improve child and adolescent health outcomes** through increased attention to social needs, workforce investments, and the prioritization of integrated primary and behavioral health care.

**We support the provision of continuous coverage under Medicaid or Child Health Plus for children up to the age of six.** This proposal will ensure there are no gaps in coverage due to unexpected circumstances, such as change of address or income. At such an important stage in children's development, it is critical they have access to health supports and resources that will positively impact their health and well-being.

**We are encouraged by the Governor's inclusion of a 5% rate increase for in-person Early Intervention services and along with our *Kids Can't Wait* campaign partners urge the Legislature to go farther.** This initial increase recognizes that low reimbursement rates are driving providers out of the program, leaving infants and toddlers waiting for and at times denied developmental services needed because no provider is available. Across the state, infants and toddlers with developmental delays or disabilities continue to wait weeks, and sometimes months, for the Early Intervention services they need. As a result, they are falling behind their peers in developmental growth. Although this 5% rate increase is a good first step, we urge the Legislature to improve upon the executive budget proposal by:

**Providing an 11% increase in reimbursement rates for all Early Intervention services delivered in-person.** The lack of in-person providers results longer wait times for children deemed

eligible for services, especially in rural and lower income communities and communities of color, where Black and Latinx children are disproportionately impacted by service delays.

**Funding a reform of the methodology used to determine Early Intervention reimbursement rates, as the current method is outdated and inadequate.** The State should conduct a comprehensive assessment of the methodology used to determine payment for all Early Intervention evaluations, services, and service coordination. A report should be released within 12 months recommending new rates that fully cover the costs of delivering services.

**We are deeply concerned that neither the Executive Budget nor the Medicaid waiver adequately address the needs of the community based behavioral health continuum** (*Article 31 and Article 32-822 services, Children's Home and Community Based Services (HCBS), and Child and Family Treatment and Support Services (CFTSS)*). The Executive Budget provides significant investment in children's mental health in primary care settings, crisis services and with start up resources for schools; yet, in order to ensure all children have access to the services they desperately need, the State must increase investments in outpatient clinics and home and community-based services. Aligned with the Medicaid waivers core orientation, CCC and our *Healthy Minds, Healthy Kids* campaign urges the legislature and the governor to prioritize an investment of \$195 million to address severe reimbursement rate challenges that have undermined the health care systems ability to meet the behavioral health needs of children across the state. Without targeted investment in outpatient behavioral health care for children and adolescents, the workforce will continue to disappear, service capacity will continue to shrink, and New Yorks children will sit on longer and longer wait lists or go without needed and lifesaving services. The *Healthy Minds, Healthy Kids* campaign proposal is based on a first of its kind study of statewide data on public health insurance rates for outpatient behavioral health services and developed with input from parents, youth, and providers across the state. There is an urgent need to adjust outpatient rates to keep pace with inflation to help sustain the children's behavioral health system, ensure children's clinics rates reflect the true complexity of serving children and families, and pay to providers for their coordination of services with a growing array of care managers. [https://s3.amazonaws.com/media.cccnewyork.org/2023/11/HMHK-Rate-Reform-one-pager\\_Final.pdf](https://s3.amazonaws.com/media.cccnewyork.org/2023/11/HMHK-Rate-Reform-one-pager_Final.pdf)

**Lastly, we caution that health home reductions will likely negatively impact health care access for children experiencing the most complex needs.** Over 30,000 children and adolescents, across all Health Homes, would be left without the necessary support they depend on if the restructuring of Health Homes cost savings is enacted. Health Homes, that primarily serve children with mental health conditions, developmental disabilities, medical complexities, and social care needs, continue to be excluded from funding opportunities, COLAs, and rate enhancements. Health Homes Serving Children are already experiencing revenue reduction due to administrative actions taken by DOH which has led to agency closures and underserved children.

**In closing, we appreciate the opportunity to submit testimony and stand ready to work with the legislature and governor's office to address the issues we raise as the budget negotiation process unfolds.**