



**Testimony before the Joint Fiscal Committees
on the SFY 2016–17 Executive Budget
Mental Hygiene Budget Hearing
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Schuyler Center would like to thank the chairs and members of the respective committees for the opportunity to submit our testimony on the 2016-2017 New York State Executive Budget. The Schuyler Center is a 144-year-old statewide, nonprofit organization dedicated to providing policy analysis and advocacy in support of public systems that meet the needs of disenfranchised populations and people living in poverty. Schuyler Center often works in areas that fall between multiple systems, including physical health and mental health; child welfare; human services; and early childhood development.

Schuyler Center is part of the leadership team for Medicaid Matters New York, a coalition that advocates on behalf of Medicaid members *and* Health Care for All New York, a coalition dedicated to affordable high-quality insurance for all New Yorkers.

Kate Breslin, Schuyler Center President and CEO, is an appointee to the Behavioral Health Services Advisory Council. She also participates in several of the State's Medicaid and health-oriented advisory bodies, including the Value-Based Payment Workgroup, Delivery System Reform Incentive Payment (DSRIP) Project Approval and Oversight Panel, and the Medicaid Evidence-Based Benefit Review Workgroup. For more about Schuyler Center and our work, please visit our website www.scaany.org

Children's Behavioral Health Services

As a result of a long planning process to better meet the needs of children with significant behavioral health issues, the budget includes funding for six new Medicaid services for children: crisis intervention, community psychiatric supports and treatment, psychosocial rehabilitation services, family peer support services, youth peer training and support services, and services from other licensed practitioners. The State will be submitting a State Plan Amendment to the Centers for Medicare and Medicaid Services seeking approval for this change.

While the funding above is welcome, the children's behavioral health care system suffers from a history of underinvestment and a lack of integration with primary care. Children's behavioral health care providers are preparing for a transition to managed care and developing the infrastructure necessary for Children's Health Homes. These endeavors require attention and pre-investment that is at least commensurate with the State's investment in the adult-serving system.

Investment in the child-serving behavioral health care workforce is critical, yet not forthcoming. Recent reports from the United Hospital Fund and Greater Rochester Health Foundation, looking at New York State and the Finger Lakes, respectively, shared similar findings. There are too few mental health care providers with a child/adolescent specialty, a dearth who are trained in the latest

therapeutic models/evidence-based practices, and a shortage of specially trained providers who can prescribe medication. Both reports identify funding issues, the Finger Lakes report specifically citing “low salaries” for behavioral health professionals, significant and costly educational expectations for professionals, and child-serving providers experiencing problems with reimbursement.

The Schuyler Center urges the Legislature to:

- *Support the inclusion of additional behavioral health services for children in the Medicaid program (\$7.5 million);*
- *Invest additional funds at least commensurate with investment in the adult-serving system to support transitions to managed care and Children’s Health Homes; and*
- *Increase investment in and planning for the children’s mental health care workforce.*

Transition of Adult Home Residents with Psychiatric Disabilities into Community Settings

The Executive Budget continues funding for supported housing services for adult home residents. For many years, Schuyler Center has worked with other advocates for increased housing options for persons with psychiatric disabilities living in adult homes. Adult homes were originally intended for elderly individuals, but today nearly 40% of adult home residents have a psychiatric diagnosis.

People with mental illness may be referred to adult homes because other housing alternatives, especially those licensed and funded by the Office of Mental Health, are unavailable when they require housing or are not appropriate for their circumstances. Even when an adult home does not provide the right type of supported environment, it is often difficult for an individual to find a more appropriate housing situation. Some residents have waited years for the opportunity to live in settings more appropriate to their needs.

The Executive Budget proposal provides an additional \$38 million for the development of supported housing for adult home residents. This is part of a settlement between New York State and the federal government, which requires that New York reduce the census of persons with psychiatric disabilities in adult homes. We are encouraged that the rate of residents moving to new housing options has accelerated in 2015 and that the State has been responsive to the concerns of residents and advocates and we will continue to press for improvements to the process.

The Executive Budget also continues \$6.5 million in funding for the Enhancing the Quality of Adult Living (EQUAL) program. The EQUAL funding helps support the needs of residents living in adult homes and improves their quality of life. This funding has been utilized to pay for air conditioners in rooms for residents, resident clothing, non-Medicaid transportation, facility repairs, staff training and other expenses. The funding has also been utilized to help develop the life skills necessary for adult home residents when they do ultimately transition into community housing.

The Executive Budget includes funding for lay advocacy for adult home residents with psychiatric disabilities, with a particular focus on residents living in New York City and environs. Schuyler Center has been a strong advocate for the needs of adult home residents with psychiatric disabilities. This population was ignored for years by public policy and the agencies charged with protecting them. Through the efforts of organizations like the New York State Coalition for Adult Home Reform (NYSCAHR) and the efforts of legal and lay advocates, the voices of adult home residents are being heard here in Albany. Lay advocates inform residents of their rights and empower them to use those rights; strengthen resident councils and brings residents together to learn from each other; mediate

between adult home residents and adult home management; and work with adult home residents on individual concerns/complaints. We urge the State to invest in expanding lay advocacy for adult home residents statewide.

The Schuyler Center urges the Legislature to:

- *Support the Executive Budget funding for supportive housing services for adult home residents and for the EQUAL program; and*
- *Support lay advocacy for adult home residents and increase the funding to support advocacy for residents of adult homes throughout the state.*

Consumer Assistance for Health Insurance

An individual is more likely to get the health care they need if they have coverage and know how to use it. The Governor's proposed budget maintains \$2.5 million for the Community Health Advocates (CHA) program. Though this is in the Health part of the budget, we are including it here, as coverage is critical for people who need access to mental health, substance use and other services. Let's face it—the health care and insurance industries are not easy to understand. They often use terms that people are not familiar with (premiums, co-pays) and rules (out-of-network, denial of care) that seem daunting. Using a central, toll-free helpline as well as community and small-business serving agencies, the CHA program helps New Yorkers understand, use and keep their health insurance. The CHA program also helps consumers resolve problems with insurance billing regardless of the type of insurance coverage. Since 2010, CHA has helped nearly 200,000 New Yorkers and saved over \$14 million for consumers around the state.

Helping New Yorkers understand their rights and how to use the health care delivery system will decrease reliance on emergency care services and increase use of preventive care so they can get the care they need at the right time and from the right place. An appropriation of \$4 million will maintain the CHA program at its current capacity, allowing it to serve thousands of individuals, small businesses and employees.

Schuyler Center urges the Legislature to support the \$2.5 million appropriation in the Executive Budget and add an additional \$1.5 million to ensure that the final budget includes a total of \$4 million to keep the Community Health Advocates program robust.

Minimum Wage

The Executive Budget includes provisions to increase the minimum wage to \$10.50 in New York City and \$9.75 in the remainder of the state, effective July 1, 2016, gradually increasing the minimum wage to \$15.00 in New York City on December 31, 2018 and across the rest of the state on July 1, 2021.

There is a significant discrepancy between the amount a full-time, year-round minimum wage worker earns and the amount necessary to provide for a family. At the State's current minimum wage of \$9.00 per hour, a person working full-time and year-round (40 hours per week, 52 weeks) earns \$18,720.

We mention the minimum wage in this testimony on the Executive Budget because, among those who would be granted a much-deserved raise under these provisions, are the dedicated staff who care for some of our state's most vulnerable residents, including children, seniors, and people with special needs. These caretakers—the workers who provide personal care, home care, child care, care for seniors and disabled people—are a large and important part of our statewide workforce that

desperately need a wage increase. The special challenge here is that, in many cases, employers in this sector are non-profit organizations funded to care for people through State programs or public contracts. For these non-profit employers to be able to cover the wage increase without cutting hours or services, New York State will need to increase rates, fees and contracts associated with the provision of these services.

The Schuyler Center urges the Legislature to ensure that an increase in the minimum wage includes commensurate increases for health and human services entities to stabilize the workforce and ensure that services reach the State's most vulnerable individuals and families.

Health Facility Transformation Funding for Community Healthcare Providers

The Executive Budget proposal includes \$195 million for health facility transformation. While this is a part of the Health budget, we are addressing it here because it is essential that a significant portion of this funding go to community-based health care providers that serve underserved populations, including those with behavioral health needs—community clinics/Federally Qualified Health Centers (FQHC); mental health care providers and substance use disorder providers; and home health care providers. As the State undertakes major health system transformation, aiming to reduce unnecessary hospitalizations in part through more and better primary care and community-based behavioral health care, investment in those historically under-resourced providers is essential. While the Delivery System Reform Incentive Payment (DSRIP) program envisions integrated regional networks inclusive of community-based providers, the flow of funds to date in many communities has not reached community-based providers.

The Schuyler Center recommends that at least 25% of the \$195 million be allocated specifically to safety net community health care providers, including FQHCs, behavioral health, family planning and home health providers, to support their ongoing participation in transformation efforts.

Thank you. We appreciate the opportunity to testify and look forward to continuing to work with you to build a strong and healthy New York that cares for its most vulnerable residents.

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