



NEW YORK STATE COALITION FOR CHILDREN'S BEHAVIORAL HEALTH

Testimony Submitted to the Joint Legislative Budget Committee – February 3, 2016

“The current behavioral healthcare system for children and their families is underfunded. Per capita investment in behavioral health for adults far outweighs investment in children, which could be remedied through reinvestment of existing resources.” – Children’s Behavioral Health Subcommittee Report to the Medicaid Redesign Team, Oct 2011

Chairpersons Farrell and Young, Assemblymember Gunther and Senator Ortt, thank you for this opportunity to testify about the Executive Budget recommendation for 2016-17 as they related to children’s behavioral health care.

I am Andrea Smyth, the Executive Director of the NYS Coalition for Children’s Mental Health Services, a statewide association of 50 nonprofit children’s mental health providers. We offer quality outpatient, residential, community-based, trauma-informed treatment and services for children and their families in every county in New York.

REQUEST: Restore \$10 million proposed reduction in OMH Start-Up Funds

INVEST IN MODERN, TRANSFORMED CHILDREN’S BEHAVIORAL HEALTHCARE

The Coalition continues work on the Children’s Medicaid Redesign Team (MRT). The progress on designing enhanced services for children and youth has resulted in the Executive recommendation to include funding for six new State Plan services in the Medicaid benefit package. These services are anticipated to be approved and available by July 2016. This recommendation is crucial to modernizing children’s behavioral health services, to serve children where they live, learn and socialize and not only within the four walls of a clinic. Modernization requires sufficient start-up funding to expand, train and equip the necessary staff. Without the investment, the new services capacity services will not develop (see attached Children’s MRT Subcommittee information about how many children are anticipated to be eligible for the new services to understand the staffing needs to provide the services)

Therefore, we urge you to restore the proposed \$10 million reduction to behavioral health start-up funding. A proposal that is purportedly necessary to comply with the “Global Cap” mandate. A mandate, by the way that established at 2% prior to taking over local administration of Medicaid, and which includes transitional investments that are not permanent. Maybe this is the year to reconsider an appropriate Global Cap for the remainder of the transformation period.

This cut is especially harmful to the children’s behavioral health system, because there have not been start-up investments in children’s providers yet; all the start-up funds previously allocated were for adult start-up services. Because the exempt children’s services and children previously exempt from Medicaid Managed care will transition last, this cut appears to be the funds that were earmarked for children’s start up. The original commitment for children’s start-up funding was \$30 million state share. The Executive proposes \$5 million state share for children’s start-up, \$1 million of which will go in contracts to NYU for technical assistance. This leaves only \$4 million in transitional start-up funding to bring up the proposed SPA services.

REQUEST: RESTORE \$10 million in OMH start-up funding and earmark the funds for children’s behavioral health start-up supports in this fiscal year.

INVEST IN COMMUNITY HEALTHCARE PROVIDERS

The DSRIP materials developed by the Administration emphasize how community based healthcare is central to the State’s health care delivery system and payment reform efforts. However, the resources have not followed the rhetoric. Indeed, in the current State Fiscal year, as well as SFY16-17, the Coalition is deeply concerned that not only are there insufficient funds to assist community based providers to affirmatively participate in reform efforts, but there are “hidden” cuts that are undermining the ability of children’s behavioral health care providers to meet day to day operational expenses.

Children’s community behavioral health care providers are closing and downsizing. Steinway Child and Family Services will close their doors for good this month. They serve 3,500 children and families out of offices in Long Island City, Astoria, Howard Beach and 148th Street in the Bronx. Hillside Family of Agencies in Rochester is downsizing their Residential Treatment Facility – the closest alternative to hospitalization for children available, as is Northern Rivers here in the Capital District. Fiscal uncertainty in the face of non-materializing PPS payments, current FFS reimbursement funding deficits, liabilities being carried due to the closure of Health

Republic and additional costs without adequate investments (the transition to value based payment and the proposed minimum wage increase) have forced responsible nonprofit Boards of Directors to close and downsize critical children's behavioral health services. These actions leave fewer community based services available to support the reduction in hospitalizations

It is therefore critical that the State make funds available to community healthcare providers, to support their ongoing participation in transformation efforts and stop the downsizing in children's community mental health services necessary to support the goals or redesign.

REQUEST: DIRECT a Minimum of 25% of \$195 M Health Care Facility Transformation Funding for Community Health Care Providers

The Coalition supports the Executive Budget's proposed \$195 million Health Care Facility Transformation Program funding. This capital funding is recommended to be available to a wide array of health care providers for facility transformation. It is critical that this funding be available to the community health care providers in addition to those that have had access to capital funds through previous programs and funds. Therefore, we ask that a minimum amount be allocated to community healthcare providers, including FQHCs, behavioral health, family planning and home health providers, to support their ongoing participation in redesign efforts.

Transformation of New York's healthcare delivery and payment system through DSRIP, and related initiatives including SHIP and the transition to Value Based Payment, is a massive undertaking which requires children's behavioral health care providers to accept risk and participate in a variety of intensive projects. However, to-date community partners have yet to receive any meaningful funding under DSRIP compared to total percentage of dollars available to PPS Leads or have access to any funding streams designed to solely support their capital and working capital needs. In fact, in last year's budget, only 4% of the nearly \$1.7 billion in new funding allocated for healthcare providers was available to non-hospital community-based healthcare providers, including FQHCs, behavioral health, family planning and home health providers. New York State is relying on the work of the community-based healthcare provider sector to transform the State's healthcare delivery system, yet has not made any equitable investment in the sector to support this work.

The recommendation that community healthcare providers can be eligible for the \$195M Health Care Facility Transformation Program is a heartening first step. A guarantee that the funding must be made available to all types of providers participating in the transformation effort is needed to fulfill the stated goals of the transformation. To ensure the State begins to resize their investments and make the necessary investment needed, a minimum of twenty-five percent of the \$195M, or \$48.9M, must be allocated solely to community healthcare providers, including FQHCs, behavioral health, family planning and home health providers, to support their ongoing participation in transformation efforts. This amount mirrors the DSRIP goal of reducing unnecessary hospitalizations by 25%.

**REQUEST: INVEST 25% of the Value of Hospital Investments in Non-Hospital Providers
Create and Fund Essential Community Health Care Provider Pool**

As mentioned above, community healthcare providers are integral to the success of New York State's healthcare transformation initiatives. Community healthcare providers, including FQHCs, behavioral health, family planning and home health providers, tend to be much smaller than hospital systems and with leaner budgets and less access to working capital to support the many non-capital projects that facilitate health care transformation, including workforce and restructuring initiatives. As reported last year, 60% of children's behavioral health clinics are considered to be either in either "Concerned" or "Crisis" stages of fiscal viability. Two children's RTFs in the Hudson River region have closed since 2011, and 5 have reduced the number of beds they operate (Long Island, Albany, Utica, Rochester and Buffalo).

Last year's budget included a \$355M "Essential Health Care Provider Fund" to "support debt retirement and capital projects or non-capital projects that facilitate health care transformation, including mergers, consolidation, acquisition or other significant corporate restructuring activities intended to create a financially sustainable system of care that promotes a patient-centered model of health care delivery." No community healthcare providers had access to this money, despite their participation in State transformation initiatives to promote a patient-centered model of health care delivery.

The Coalition joins other community health care providers in requesting that the legislature

establish a new \$88.5M funding pool, the Essential Community Health Care Provider Fund, to be only available to community healthcare providers, including FQHCs, behavioral health, family planning and home health providers. This pool would have the same purpose as the pool in last year's budget to support capital and working capital needs at community healthcare providers in furtherance of healthcare transformation.

Earmarking \$88.5M in capital and working capital funding for community healthcare providers, an amount equal to twenty-five percent of the \$355M Essential Health Provider Fund appropriated in last year's budget, would ensure that community healthcare providers, including children's behavioral health providers, have access to funding to cover the projects necessary for successful transformation.

Invest in Children's Data Metric Development to Support Alternative Payment Methodologies

In preparation for alternative payment methodologies and to meet the value based payment targets established by the Department of Health and committed to CMS, child-serving providers need funding to begin identifying outcome measures. This data collection has to allow analysis of existing services (baseline analysis) as well as the impact the newly established state plan services have on treatment outcomes. We ask that an initial investment of \$350,000.00 be made to support the design of a data collection plan and data analysis effort.

Submitted by: Andrea Smyth

Date: February 2, 2016

For further information contact: NYS Coalition for Children's Mental Health Services, PO Box 7124, Albany, NY 12224

(518) 795-5270



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Investments in Non-Hospital Community Health Care Providers

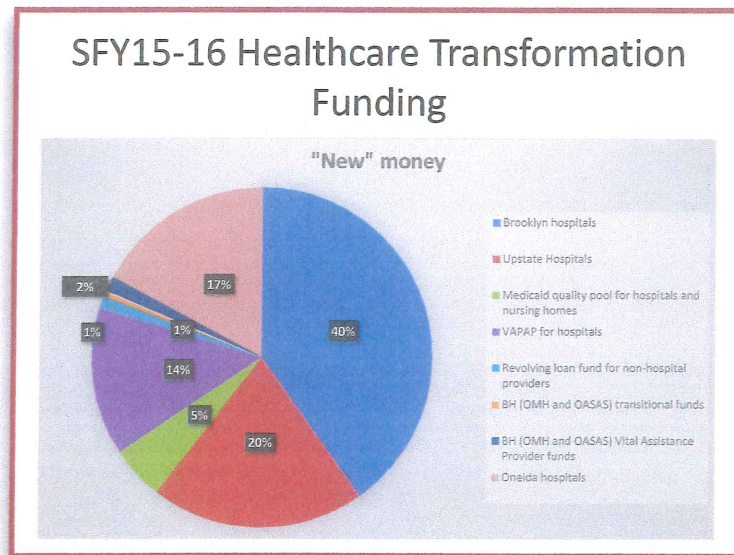
The Coalition has joined a group of community healthcare providers*, including the FQHCs and Home Care agencies and other Behavioral Health organizations, to urge the Legislature to invest in capital and working capital for non-hospital health care providers.

ISSUE:

Last year's budget agreement included \$2 billion in new investments for hospital systems and institutions. Those funds are in addition to the \$7 billion available through DSRIP, which is not being distributed to community health care partners yet and it is unclear how much will be shared (see pie chart).

RECOMMENDATION:

There are two key recommendations, both reflect 25% of funds made available to hospitals, assuming that a 25% target of reduced hospitalizations requires a 25% increase in community services to achieve that target.



1. Set aside a minimum of \$48.75 million of the proposed \$195 million Health Care Facility Transformation Fund for community healthcare providers and make slight amendments to include a wider variety of community health care provider eligibility;
2. Authorize access to a minimum of \$88.5 million to certain Essential Community Healthcare Providers for operational expenses, debt retirement and restructuring, capital and non-capital needs to create financially sustainable community health care providers. Amend the re-appropriation authority for last year's \$355 million Essential Community Provider Pool to allow 75% for hospital providers and 25% for non-hospital providers.

* The following community health provider and advocacy associations have been involved in the development of this recommendation:

- The Alcoholism and Substance Abuse Providers of New York State (ASAP)
- Community Health Care Association of New York (CHCANYS)
- Family Planning Advocates of New York State, Inc. (FPA)
- Home Care Association of New York State, Inc. (HCA of NYS)
- Medicaid Matters New York
- Mental Health Association in New York State, Inc. (MHANYS)
- NYS Coalition for Children's Behavioral Health (CBHNY)
- New York State Council for Community Behavioral Healthcare
- The Coalition of Behavioral Health Agencies, Inc.
- Schuyler Center for Analysis and Advocacy (SCAA)
- New York Association of Psychiatric Rehabilitation Services, Inc. (NYAPRS)
- Primary Care Development Corporation (PCDC)



NEW YORK STATE COALITION FOR CHILDREN'S BEHAVIORAL HEALTH



Invest in Children's Behavioral Health HIT and New Services Start-up

The Children's Behavioral Health Medicaid Redesign Team Subcommittee has carefully crafted a service array that will not only help children access care earlier, but also access the most appropriate services the first time they present with complex needs. The system will rely on a uniform assessment instrument to determine level of need. The design has taken time, and implementation gets underway this fiscal year. Successful implementation requires investment of resources and the time for that investment is NOW!!! The proposed \$10 million reduction to OMH Start-up funds is extremely troubling and poorly timed. The Children's Behavioral Health Redesign Start-up has not yet begun, but the Start-up and Health Information Technology investments provided the adult system redesign are not being proposed for the children's system.

ISSUE:

The 2014-15 State Budget agreement included \$120 million to be transferred to OMH for behavioral health transition and start-up. That fund is proposed to be cut by \$10 million in this year's recommendation. Other than funding for children's clinic APG transitional rates, none of that funding has been dedicated to children's start-up or transition. Although, \$10 million was specifically targeted for an adult provider Behavioral Health HIT effort, there is NO specific HIT program proposed for children's providers. While, \$30 million to train and credential newly designated adult Home and Community Based Services (HCBS) providers was afforded the adult system, about \$4 million is proposed for children new services start up and reform of our existing HCBS Waiver program. We ask that similar levels of support be dedicated for children's HIT and start-up.

The proposed budget only funds the 6 new State Plan services, not the readiness of the provider system to deliver the services. The budget proposes to cut \$10 million from the OMH Start-Up funds.

RECOMMENDATION:

Restore the \$10 million proposed reduction in OMH Start-up Funds. Dedicate the \$10 million for Children's Behavioral Health start-up and transformation, including a children's behavioral HIT and new service capacity building (including training and credentialing staff).

This \$10 million restoration should be earmarked to:

- Fund a \$5 million Children's Behavioral Health Information Technology (CBHHIT) grant program, similar to the \$10 million program established for adult providers. The precedent is that grants for the purchase of licenses, system upgrades, technical assistance and modifications to EHRs and/or Electronic Billing Systems for new services and the costs related to inter-connectivity systems and fees be covered. This would be slightly modified for children's providers to ensure the inter-connectivity is not just for PPS' and RHIOs, but also for MAPP, Child and Family SPOAs, primary care integration, and tele-psychiatry.
- Fund \$5 million for Children's Behavioral Health Capacity Building and Start-Up (CBHCB) grant program, similar to the \$30 million program established for adult providers, to restructure agencies as the old 1915-c Home and Community Based Waiver program is retired and to bring up new services under the State Plan amendment by investing in workforce development and training; credentialing fees related to Evidence Based Practices/Supervision and expansion of the provider network for Family Peer Support services, Youth Peer Support Services, Crisis Intervention, Other Licensed Professionals, Complex Rehabilitation services and Community Psychiatric Support and Treatment.

SPA Update: *Initial* Provider Capacity, Build and Service Utilization Projections

CPST/PSR/OLP

- Ramp up at 50%, 75% within six months and 100% within one year
- Maximum projected utilization at mature development 38,560 children/youth

Youth Peer Support

- Ramp up to start at 25%, 25% at six months and 50% within one year
- Maximum penetration use 14,500 children/youth

Family Peer Support

- Follow youth peer support capacity building
- Maximum anticipated utilization at 72,500 children/families

Crisis Intervention

- Begin at 75% capacity and grow to 100% within six months
- Anticipated annual usage 4,350 children

Department
of HealthOffice of
Mental HealthOffice of Alcoholism and
Substance Abuse ServicesOffice of Children
and Family Services



NEW YORK STATE COALITION FOR CHILDREN'S BEHAVIORAL HEALTH



Invest in Data to Support Alternative Payment Methodologies for Children's Services

In preparation for alternative payment methodologies, including value-based payment (VBP) or other metrics-based arrangements, child-serving providers need funding for data metric development that will also test the validity of child specific outcomes measures. In the adult system this task has been contracted to KPMG at the state level and assigned to the PPS' at the community level. Data collection and outcomes information about existing services are not available, but with the addition of new children's services the need for comparative analytics demands that a baseline of outcomes be established immediately.

ISSUE:

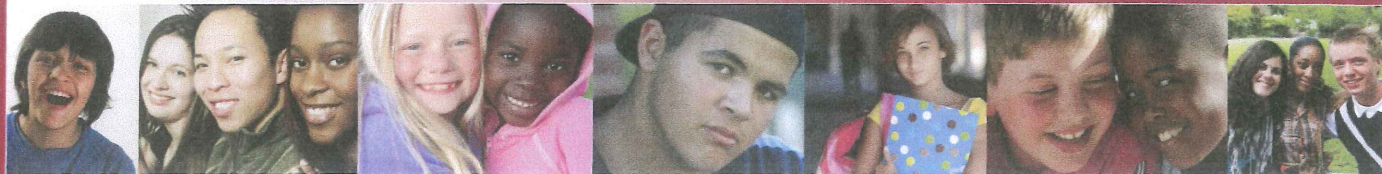
The expansion of an existing behavioral health portal supported by the Conference of Local Mental Hygiene Directors (CLMHDs) could allow for data ware house development, identification of the best value-added services and access to benchmarking of various providers' performance. The NYS Coalition for Children's Behavioral Health will partner with the CLMHDs to facilitate children's provider and family representative involvement in designing the plan around data collection and the development of the most appropriate service benchmarking and analysis.

RECOMMENDATION:

Add \$350,000 for design of a data collection plan and data analysis effort, to ensure the children's behavioral health system identifies the highest value services. This must include the social determinants of health that are highly valued by youth and families to support positive outcomes and efficiencies. The need for outcome measurements and quality benchmarking, which is being undertaken for adult services by the PPS, is just as necessary for children's services.

Our Mission

To promote quality mental health services for New York's children with serious emotional disturbance and their families by leading the service provider community in identifying effective practices and participating in planning and implementing a continuum of services that are family-focused, comprehensive, cost-effective, culturally responsive, coordinated and appropriately funded.



NEW YORK STATE COALITION FOR CHILDREN'S BEHAVIORAL HEALTH



1 Invest in Children's Behavioral Health HIT and New Services Start-up

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2 Invest in the Cost of Raising the Minimum Wage for Low-Income Community Healthcare Workforce

Neither past nor the gradual increases proposed to the minimum wage are funded in the proposed budget for health or human services workers. Without an increase in the amount paid for health care services or through contracts with non-profits organizations, providers will have to reduce the workforce, the hours of operation and the amount of services in order to comply with the minimum wage increase.

RECOMMENDATION:

Support an appropriate raise in the minimum wage and include the human services and community healthcare providers sector by amending state contracts and Medicaid reimbursement to reflect the full cost of any increases.

3 Invest in Family Support Resource Centers

RECOMMENDATION:

Add \$3 million for Family Support Resource Centers. Fund the Executive Proposal to provide Family Resource Center services to families and youth at-risk of Persons In Need of Supervision (PINS) placements. This important prevention initiative requires training in family engagement and capacity building this fiscal year.

4 Invest in Data Analytics to Support Children's Behavioral Health Transition to Value-Based Payment

RECOMMENDATION:

Add \$350,000 for design of a data collection plan and data analysis effort to ensure the children's behavioral health system identifies the highest value services. This must include the social determinants of health that are highly valued by youth and families to support positive outcomes and cost efficiencies. The need for outcome measurements and quality benchmarking, which is being undertaken for adult services by the PPS, is just as necessary for children's and family services.