



**Executive Budget Testimony February 6, 2017
Christy Parque, President & CEO**

Good afternoon and thank you for the opportunity to testify today. My name is Christy Parque and I am the President and CEO of the Coalition for Behavioral Health.

The Coalition for Behavioral Health (or The Coalition), is the umbrella advocacy and training organization of New York's behavioral health community, representing over 140 non-profit community-based organizations that serve more than 450,000 consumers and employ well over 35,000 workers.

Our members provide access to the full range of outpatient mental health and substance use services, supportive housing, crisis intervention, care management, peer support services, employment readiness, Personalized Recovery Oriented Services (PROS), Home and Community Based Services (HCBS), Club Houses, education and nutritional services in every neighborhood of New York City, and communities across Long Island, Westchester, Rockland, and Orange counties.

The behavioral health field in New York State is in the midst of a transformation that places a greater emphasis on meeting the needs of people in their communities, while at the same time seeks to improve efficiencies and outcomes in the delivery of Medicaid services. The Coalition thoroughly embraces these goals and is an active partner with the State in ensuring that this is accomplished in a manner that enhances community stability and protects the viability of clinics and other service providers. Our members comprise an intricate network of safety-net providers throughout the neighborhoods they serve, caring for the most vulnerable among us. It is critical that this network remain strong and intact if the State hopes to reach its goals.

The Coalition's budget priorities reflect this reality. We strongly support measures that preserve and strengthen community-based mental health and substance use programs through the reinvestment of resources in community-based services, the continuation of viable rates under Medicaid managed care, the preservation of a sustainable workforce and the promotion of policies that prioritize consumers.

I will now highlight some of our specific budget and policy asks for the 2017-18 State fiscal year, as they relate to the Executive Budget proposal and our shared goals with the State.

➤ **\$125 million for Clinics from the Health Care Facility Transformation Program**

The Coalition supports the Executive's recommendation of \$500 million in funding for the Health Care Facility Transformation Program. While we appreciate the set-aside of a \$30 million floor for community clinics, it is only 6% of the total funding. Further, it fails to recognize the critical role community-based organizations play in making and keeping people healthy.

In the past, hospital and larger health care systems have traditionally received the lion's share of investment funds under this and other state programs. **The Coalition supports a \$125 million set aside for community clinics, as part of the Health Care Facility Transformation Program, to ensure that vital community clinics receive their fair share.**

➤ **Extension of APG rates through 2020**

The Executive Budget recommends extending the APG rates through 2020, as the behavioral health field continues to transition toward Value Based Payments. The Coalition supports this proposal, as it is important to maintain a sustainable rate during the transition. We are also very appreciative of the Legislature's support of various extensions in past years.

➤ **Require PPS networks to release DSRIP funds to community-based providers**

Coalition members are active partners in DSRIP, participating in multiple PPS organizations and preparing for an increased role in serving individuals with multiple, complex needs. However, of the \$1 billion in DSRIP funds distributed to the PPS networks to date, only 1% of that funding has gone to community-based organizations. There is no arguing that these providers are at the forefront of

prevention and treatment. The State has clearly acknowledged that the expense of high-cost Medicaid recipients cannot be contained without on-the-ground housing and HCBS services that move people toward wellness and sustainable community living. The Coalition calls on the Executive and the NYS Department of Health to work with the PPS networks to release a larger percentage of funds to community based providers and ensure a mechanism remains in place to monitor DSRIP funds distribution to community behavioral health providers.

- **Immediately increase capacity of existing children’s behavioral health programs with a \$17.5 million investment**

Nearly 2 million children depend on Medicaid for their insurance in New York State, yet their needs are not adequately being met. It can take over a year for children to be seen by a provider in the mental health field due to a lack of resources.

The Coalition recommends an investment of \$17.5 million to increase the capacity of children’s behavioral health programs. This includes restoring the state share of the \$7.5 million unspent in FY 2016-17 and the \$10 million in proposed savings in FY 2017-18.

- **Behavioral Health providers and experts need to be well represented on the Health Care Regulation Modernization Team**

The Executive Budget sets up a stakeholder team to look for ways to modernize and streamline the State’s health care regulatory framework. We laud efforts to coalesce stakeholders that touch our communities with important programs and services to create healthy and strong individuals and communities. Should New York move forward with this initiative, it is critical that a strong representation of behavioral health providers be included in this stakeholder group. Our members are on the frontlines of providing treatment and services in communities. The industry is already in the middle of a transition and any additional changes that impact our field, must have the input of the organizations providing these services. Otherwise, the State will fail to reach its goals of reduced, avoidable hospitalizations, improved efficiencies and cost savings, and better outcomes under Medicaid.

- **Support the \$10 Million to enhance support for existing Residential Programs and appropriate an additional \$28 Million for FY 2017-2018.**

Mental health housing programs have faced approximately \$114.9 million in cuts over the past 25 years and have fallen more than 43% behind inflation. The Coalition supports the \$10 million in the Executive Budget proposal, which would increase funding for OMH supported housing and single residence occupancy programs (CR-SROs and Support-SROs). This funding is necessary to remain sustainable in FY 2017-18. An additional \$35 million per year for fiscal years 2018-19 and 2019-20 is also necessary.

- **Sign the MOU to release the \$2 billion approved in last year's budget to build 6,000 supportive and affordable housing units over the next five years**

The Coalition strongly urges all parties to sign the supportive housing MOU by March 31, 2017. This long-term funding commitment must be finalized to actualize the 20,000 units over 20 years that Governor Cuomo and the Legislature agreed to in FY 2016-17.

We join our human services colleagues from across the state who are the heart and soul of New York's safety net to by supporting The Restore Opportunity Now Campaign (RON). It is a statewide effort to call for crucial investments and systemic changes in New York's nonprofit human services sector, which provides essential services to combat poverty and inequality across New York State.

- **We need immediate investments in the nonprofit sector by:**
 - Investing in our workforce by funding the minimum wage and restoring the COLA that the Executive Budget defers for one year.
 - Raising contracts rates by the indirect rate to 15%.
 - Fund the Nonprofit Infrastructure Capital Investment Program for another year. In the last round the funding only 40% of the eligible 580 applications were funded.
- **Provide \$50.5 million per year for five years to support the impact of the incremental increases to the minimum wage that were approved during the last legislative session.**

A well-qualified, strong workforce is critical to the work of our providers. We appreciate the Governor's and Legislature's support to date of ensuring that minimum wage increases are included in the Medicaid rate.

Overall, we estimate that an increase to the minimum wage to \$15 per hour for downstate and \$12.50 per hour for upstate counties will have an approximate *\$423 million* impact on the community mental health system when fully implemented. This assessment does not include costs related to growth in existing programs, new programs, or reinvestment. **We recommend an investment of \$50.5 million per year over five years to support the impact of the incremental increases to the minimum wage.**

Elimination of Prescriber Prevails

The Coalition opposes the elimination of prescriber prevails for any mental health or substance use medication, including long-acting injectables as proposed by the Executive. Although the Executive Budget proposal exempts mental health medications from these provisions, we are seeking clarification as to whether or not all drugs that are used in the treatment of mental health disorders are exempt. We are also seeking clarification on how this language impacts substance use medications, including Medication Assisted Treatment.

➤ Support of \$200 million in funding to fight the opioid epidemic

The Coalition supports the Executive's recommendation of \$200 million in funding to continue efforts to combat the State's Heroin and opioid epidemic. This crisis is far from over and our members are working at the community level on both prevention and treatment strategies. The additional resources are desperately needed.

Conclusion

The Coalition for Behavioral Health and its members stand ready to continue our partnership with the Governor and Legislature to expand access to treatment in the community. As we move forward, the State must take into consideration the needs of our community behavioral health providers and the people we serve in order to preserve the safety-net and guarantee high-quality services at the local level.

Thank you again for the opportunity to testify.

FY 2018 BUDGET PRIORITIES

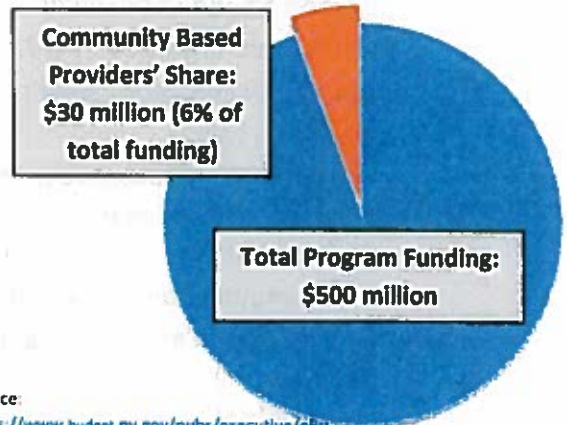
PRESERVE & STRENGTHEN COMMUNITY BASED MENTAL HEALTH & SUBSTANCE USE PROGRAMS

Infrastructure & Capacity

- **Allocate \$125 million as the set aside for community based organizations in the Statewide Health Care Facility Transformation Program:**
 - The Budget provides \$500 million for capital and non-capital projects that facilitate health care transformation and expand access to care. Of this amount, \$50 million will be awarded to Montefiore Medical Center and a minimum of \$30 million would be carved out for community clinics, including mental health and SUD clinics.
- **Support & Expand the Nonprofit Infrastructure Capital Investment Program** which received 580 eligible applications and with an allocation of \$100 million, funded only 40%.

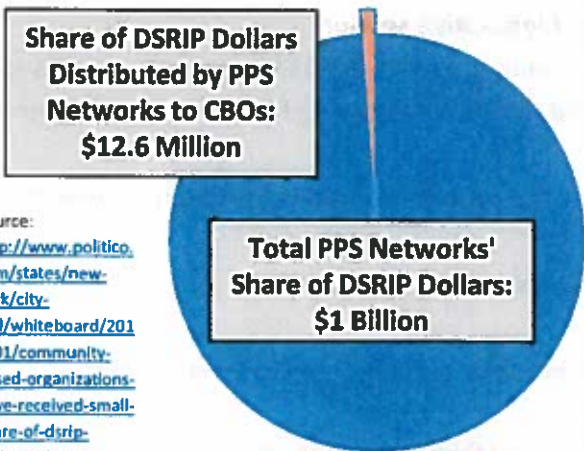
Health Care Facility Transformation Program 2/6/17

FY 2017-18 Executive Budget Proposal (A3007/S2007) Part K



Source: https://www.budget.ny.gov/pubs/executive/cbu_dget1718/fy18artVIIbills/HMH_ArticleVII.pdf

Delivery System Reform Incentive Payment (DSRIP) 2/6/17



Source: <http://www.politico.com/states/new-york/city-hall/whiteboard/2017/01/community-based-organizations-have-received-small-share-of-dsrip-dollars-8610574>

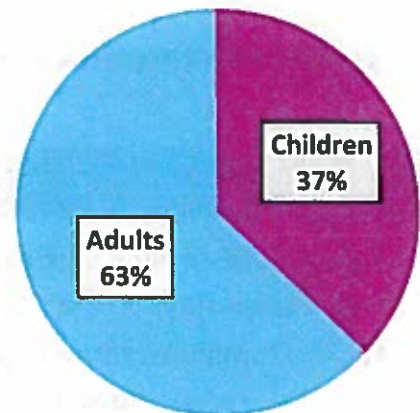
- **Require PPSs to release DSRIP funds to community based providers**
 - Only 1% of funds have gone to CBOs, despite DSRIP's goal of reducing avoidable hospital use by moving high cost individuals to services that promote wellness and sustain them in the community. NYS Medicaid has clearly stated that the expense of high cost individuals cannot be contained without housing & community based services.
- **Ensure Behavioral Health providers are represented on the Health Care Regulation Modernization Team** included in the Executive Budget.

Ensure access to services and housing that promotes healthy individuals and communities

- **Immediately increase capacity of existing children's behavioral health programs to \$17.5 million**
 - Restore the state share of the \$7.5 million unspent in FY2017 State Budget and the \$10 million in proposed savings for FY2018 so kids with mental health needs can get care. Kids are waiting more than a year to get an initial appointment. NY Medicaid insures almost 2 million children.
- **Housing**
 - Support the \$10 Million to enhance support for existing Residential Programs and appropriate an additional \$28 Million for 2017-2018
 - Sign the Supportive Housing MOU to release the \$2 billion agreed to by Governor Cuomo & the legislature proposed in SFY 2016-17 to build 6,000 supportive and affordable housing units over the next five years.
- **Support & Modify Executive Budget Article VII Language that Eliminates Prescriber Prevalence for Non Mental Health Medications (Article VII-Part D)**
 - Expand exemptions for mental health medications to include long-acting injectables (atypical antipsychotics and antidepressants) for both mental health and substance use disorders.
- **OASAS & the Opioid and Heroin Epidemic**
 - Support the Executive Budget proposal of \$200 million to continue addressing the statewide epidemic of heroin and opioid addiction.

NYS Medicaid Users

6.4 million New Yorkers enrolled in Medicaid as of June 2016



Source:

<https://www.healthinsurance.org/new-york-medicaid/>
https://www.uhfnyc.org/initiatives/initiatives_medicaid_institute

Workforce

- **Provide \$50.5 million per year for five years to support the impact of the incremental increases to the minimum wage that were approved during the last legislative session.**
 - Overall, we estimate that an increase to the minimum wage to \$15/hour for downstate and \$12.50 for upstate counties will have an approximate \$423 million impact on the community mental health system when fully implemented.
 - This assessment does not include costs related to growth in existing programs, new programs, or reinvestment.
- **Restore human services COLA that the Executive Budget defers for a year.**
- **Raise the indirect rate on contracts to 15% to invest and sustain human services programs.**

For more information, please contact Christy Parque cparque@coalitionny.org or Doug Berman dberman@coalitionny.org at The Coalition.