



**Testimony before the Joint Fiscal Committees
on the SFY 2020-21 Executive Budget
Health/Medicaid Budget Hearing
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Schuyler Center thanks the chairs and members of the respective committees for the opportunity to submit testimony on the 2020–2021 Executive Budget. The Schuyler Center is a 148-year-old statewide, nonprofit organization dedicated to policy analysis and advocacy in support of public systems that meet the needs of disenfranchised populations and people living in poverty. We often work in areas that fall between multiple systems, including physical health and mental health; child welfare; human services; and early childhood development.

Schuyler Center is the home and part of the leadership team for Medicaid Matters New York, a coalition that advocates on behalf of Medicaid members. We also serve on the Steering Committee for 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, has led several recent initiatives, including the First 1,000 Days on Medicaid Workgroup, the Value-Based Payment for Children and Adolescents Clinical Advisory Group, and the Value-Based Payment Social Determinants of Health and CBO Workgroup. Kate also serves on the Behavioral Health Services Advisory Council. For more about Schuyler Center and our work, please visit our website www.scaany.org.

Medicaid

New York State’s Medicaid program provides coverage and services for more than seven million low-income and disabled children, adults, and seniors.

The Executive plans to reconvene the Medicaid Redesign Team (MRT) to find \$2.5 billion in savings that has no impact on beneficiaries and does not rely on local government as funding sources (though the Governor proposes changes that would impact local government – see below). This MRT will be on a tight timeline to generate proposals in time for budget enactment and it will be important that the Legislature be engaged in this work. An MRT II must, unlike the first MRT, include a breadth of perspectives, including but not limited to, people with disabilities, parents, older adults, people in historically-underserved communities, and people of color.

The Executive proposes shifting costs to county government, which they are ill-equipped to bear. Medicaid provides health insurance coverage and services for low-income and disabled New Yorkers, and, for low-income seniors, fills in gaps in Medicare coverage. Most decisions relating to Medicaid eligibility, scope of services, and payments for services are made by federal and state governments and New York is among the only states that secure a significant local share of funding for the program. In recent years, the State has assumed responsibility for a growing share of Medicaid, improving equity statewide.

Under the Executive proposal, local government would be required to cover the nonfederal share of Medicaid cost growth above three percent. With little capacity to control eligibility, services, or payments, this puts lower-income counties with larger populations of seniors and/or disabled residents in an untenable position. The proposal would augment inequity and harm people in lower-income communities that have higher Medicaid enrollment and costs, but less capacity to raise revenue.

Ensure that All New Yorkers Have Health Insurance

One of the Schuyler Center's overarching priorities is ensuring comprehensive and strategic investment in young New Yorkers, with special attention to healthy development when their brains and bodies are most rapidly developing, with impacts that can last a lifetime.

Affordable, quality health insurance coverage for adults, as well as children, is critical since insurance is the gateway to accessing the services that keep people healthy and treat diseases and conditions early.

Moreover, children's healthy development depends to a large extent on the health and well-being of their parents and caregivers. Ensuring that all parents and caregivers have coverage helps children get the care and family financial stability they need to thrive. It is important to cover all adults because young people will become future parents and their good health will impact the health of their children.

Recent data show the nation's first increase in uninsured young children in nearly a decade, and young children in New York were not immune to this troubling trend. *New York was one of a handful of states that saw a statistical increase in the percentage of uninsured young children, from 1.9% to 2.9%.¹ This increase is happening despite the economic recovery.*

The Governor and the Legislature should find this data on erosion of children's health coverage as alarming as we do. A review of insurance data by the Georgetown University Center on Children and Families indicates that children living in or near poverty experienced the highest increases in uninsured rates.²

There is no time to wait. New York must fund **outreach, enrollment, and retention** activities to find children who do not have coverage and assure families that here in New York, they can enroll their children in health insurance. New York should also continue to lead the way to expand affordable and high-quality coverage to all who need it.

Increase Early Intervention Funding to Improve Access to Services for Young Children with Developmental Delays and Disabilities

Early Intervention (EI) provides evaluation and targeted therapy and support services for young children who have developmental delays or specific health conditions, and their families. Specialists work with children to provide the services they need to catch up and increase their chances for success in school and life overall.

New York's low payment rates for Early Intervention providers have driven providers out of the program, jeopardizing services for children across the state. These shortages have impacted children in urban, suburban, and rural communities.

Last year's enacted budget included a five percent increase in reimbursement rates for EI services provided by three types of professionals – occupational therapists, physical therapists, and speech-language pathologists – to help address the provider shortages. However, rates remain too low; a rate increase of 10% should be extended to *all* EI providers, evaluators, and service coordinators to begin to restore rates to where they need to be to ensure that children with developmental delays or disabilities get timely access to the services they urgently need.

The “Pay and Pursue” proposal included in the Executive Budget, estimated to result in a savings of \$400,000, may help some providers receive payment more quickly in a limited number of cases, but is a modest step and the budget misses an opportunity by not dedicating savings to increased reimbursement rates. A more robust covered lives assessment requiring health insurance companies to contribute to EI claims could result in tens of millions of dollars to support EI services.

One aspect of the Early Intervention budget we are still examining is a reduction of \$8.2 million in the appropriation compared to last year's budget. We do not yet know how this loss of funding is explained by the proposed reforms to the payment mechanism.

Schuyler Center is a member of the *Kids Can't Wait* campaign that brings together individuals and organizations from throughout New York with the goal of bringing New York's early intervention and preschool special education systems into compliance with federal law and ensuring that young children receive the services and therapy they need in a timely manner. We are also a steering committee member of *Winning Beginning New York* (WBNY), which has carefully examined the EI landscape in New York.

The Schuyler Center, Kid's Can't Wait and WBNY urge the Legislature to:

- *Increase rates for EI providers, evaluators, and service coordinators by 10%.*
- *Adopt policies that ensure insurance companies pay their fair share of the cost of EI services and increase reimbursement from private health insurance companies by supporting a “covered lives” proposal, which would assess a fee to help cover the cost of EI services instead of asking private health insurance companies to review each claim for EI services.*

Maternal Health

The Executive Budget contains a number of measures and resources to improve maternal health from pregnancy through childbirth and into the postpartum period. We applaud the emphasis that the Governor has placed on maternal mortality and morbidity and the underlying inequities that contribute to the worsening statistics here in New York and the rest of the US.

Since 2018, New York has participated in a national learning collaborative, Moving on Maternal Depression (MOMD). This project advances structural changes to health systems to prioritize policies proven to strengthen maternal mental health, particularly interventions that prevent, detect and treat, maternal mental health disorders. By improving maternal mental health, the project also aims to improve and strengthen early childhood development and family economic security. The NYS Office of Mental Health is leading the project, with the Schuyler Center for Analysis and Advocacy serving as project coordinator, with strong involvement by NYS Department of Health and other State agencies.

The MOMD project presents an exciting opportunity to create effective policy and practice to improve maternal mental health in New York by drawing upon the experience and expertise of a broad range of stakeholders including women who have experienced maternal mental health issues, experts from government, health providers, and maternal and child advocates. Because we recognize the relationship of maternal mental health to maternal mortality, we support additions to the budget for initiatives in the Executive Budget for expansion of community health worker programs, a data warehouse to support quality initiatives, and developing a curriculum for implicit bias training. The budget earmarks \$4 million for these activities.

The Schuyler Center urges the Legislature to support the maternal health provisions included in the Executive Budget and ensure that there are sufficient funds to support those initiatives without stripping resources from other essential public health priorities.

Increase State Funding for Maternal, Infant and Early Childhood Home Visiting

Maternal, infant, and early childhood home visiting is recognized across the nation as a uniquely effective approach to family strengthening, with myriad benefits to children and families' health, well-being and economic security. Home visiting has been proven to improve birth outcomes;³ increase high school graduation rates for children who received home visiting services while young;⁴ increase workforce participation and lower rates of welfare dependency;⁵ and reduce instances of child maltreatment.^{6, 7} And, home visiting has been proven a cost-effective intervention that yields tremendous savings over the lifetime of children in the form of lower health care costs and improved earnings as adults.⁸

Yet, New York State has for years failed to make a substantial investment in these programs. As a result, fewer than five percent of New York children ages 0 to 5 in families with income below poverty live in communities with access to home visiting.

Schuyler Center urges the Legislature to increase State investment in home visiting to maintain existing programs and expand services to more families. Specifically, to support home visiting programs and infrastructure, we request the following investments:

- *Healthy Families NY: Adopt Executive's \$26 million in funding and add \$1 million, to serve more families annually.*
- *Nurse-Family Partnership: Adopt the Executive's \$3 million and add \$1 million to enable growth in underserved communities.*
- *Parent Child Home Program: Invest \$2 million to bring the program to unserved areas.*

Restore Funding for the Center for Health Workforce Studies

The Executive Budget eliminates \$148,000 in funding for the Center for Health Workforce Studies (CHWS) at the University at Albany School of Public Health. That funding is used to support staff engaged in health workforce monitoring, data collection and analysis, and evaluation and assessment of the adequacy of the health workforce in New York. Specifically, these funds support the New York State Resident Exit Survey and related publications which annually assess and report on outcomes of graduate medical training in the state; Nursing Dean and Director Survey and related publications which annually assess and report on nurse education training outcomes in the state; and all health professions data collection activities, including the re-registration surveys of all licensed health professionals potentially beginning later this year.

The health workforce is a vital part of New York's health care delivery system. Efforts to improve the quality of health services and expand access to care depend on the availability of an adequate supply of appropriately trained health workers. Programs such as the *State Medicaid Waiver Delivery System Reform Incentive Payment (DSRIP)* program support the development of new models of service delivery that are team based and integrated. Data and information on the health workforce are critical to inform workforce development.

As New York continues to reform Medicaid, expand mental health and addiction services and prepare for new health services, robust information about the current workforce is necessary to evaluate existing programs and to plan for future needs. Cutting vital funds to an established, respected program that provides this information is short sighted and inconsistent with the needs of policymakers.

The Schuyler Center urges the Legislature to restore \$148,000 in funding to the Center for Health Workforce Studies to ensure they can meet the need for critical health care workforce data to policymakers and the health care industry.

Fully Fund Childhood Lead Prevention

There is no safe level of lead exposure and even at low levels lead can significantly impair learning, educational attainment, and neurodevelopment in children. As child health advocates we strongly supported provisions in last year's Executive Budget to lower the blood lead level that constitutes an elevated lead level from ten to five micrograms per deciliter and direct the Commissioner of Health to promulgate regulations to ensure residential properties are maintained in a condition to reduce exposure to lead-based hazards. However, like many others, we were disappointed that activities associated with surveillance, enforcement and abatement were not funded last year or in this year's proposed budget. It is essential that last year's law be accompanied with sufficient funding for local health departments.

The Schuyler Center urges the Legislature to ensure that the activities necessary to successfully implemented last year's lead provisions by localities across the state be fully funded.

Support Community Water Fluoridation Funding

The Executive Budget includes a re-appropriation of funds for communities to repair, upgrade, or purchase fluoridation equipment.

Tooth decay brings innumerable costs: pain, time away from school and work, and health care spending. This is why the NYS Department of Health has made the reduction of tooth decay among children a centerpiece of its 2019-2024 Prevention Agenda.⁹ Numerous preventive health strategies help address tooth decay and save costs, but community water fluoridation is the most effective and offers the largest return-on-investment of any public health effort. A 2010 study done by the NYS Department of Health revealed that low-income children covered by Medicaid in less fluoridated counties of New York needed 33% more fillings, root canals and tooth extractions than those in counties where optimally fluoridated water was available.¹⁰

Large areas of New York State that do not yet adjust fluoride to the optimal levels to prevent cavities; outside New York City, fewer than 50% of residents on community water systems are receiving fluoridated water. A study modeling practices in New York to prevent oral disease

found that raising the share of children outside of New York City who have access to fluoridated water from 49% to 87% has the potential to save the State Medicaid program \$27.7 million over ten years by reducing the need for fillings and other dental treatment. This strategy could save \$6.13 for every dollar spent.¹¹

The Schuyler Center urges the Legislature to support the Executive Budget policy to improve children's oral health in a cost-effective way, by approving the re-appropriation of the Drinking Water Fluoridation Fund so communities can repair, upgrade, or purchase fluoridation equipment.

Increase Funding for Consumer Assistance for Health Insurance

The Governor's proposed budget contains \$2.5 million for the Community Health Advocates (CHA) program. Health care and insurance are complicated. 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.

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.

Schuyler Center urges the Legislature to support the \$2.5 million appropriation in the Executive Budget and request an additional \$2.5 million to ensure that CHA's can adequately serve all New Yorkers regardless of insurance type.

Focus on Adult Home Residents with Psychiatric Disabilities

For many years, Schuyler Center has worked with the Coalition for Adult Home Reform in advocating for improved community and supported housing options for persons with psychiatric disabilities living in adult homes and for improved conditions in and more robust oversight of adult homes. This year's Executive Budget includes substantial changes to the Enhancing the Quality of Adult Living (EQUAL) program although total funding remains the same at \$6.5 million.

The purpose of the EQUAL program is to give adult home residents a say in developing quality initiatives inside adult homes. The money allows resident councils to approve projects that improved conditions in the entire home and for the health and independence of individuals. For example, funding is currently allowed to be spent to upgrade the quality of the food and create clothing allowances based on the desires of the residents of the home.

The Executive Budget proposes to overhaul the purpose of EQUAL by removing language expressly stating that the program "shall be targeted at improving the quality of life for adult care facility residents" as well as language directing the program to "develop an allocation methodology that takes into account the financial status and size of the facility as well as resident needs." Under the proposed changes half the allocation can only be used for grants to support independent skills training and mental hygiene staff trainings and the other half will only be used for capital improvements.

The Executive is repurposing this program that has served all SSI recipients, whether they were elderly or diagnosed with mental illness, whether they have chosen to move into the community or choose to stay in the adult home. These changes seriously undercut a program that one of our partners, the Coalition for Institutionalized and Aged Disabled (CIAD), has slowly transformed into a program that empowers *residents* to choose what will improve the quality of their life. As we read these changes, they will result in giving money to the very operators who have long resisted and obstructed residents' efforts. It is regretful that the State is prepared to hijack this successful program and put it into the hands of operators.

We are still working with partners to fully assess the implications of these changes but we are concerned that changes to the statutory intent of the program will further marginalize adult home residents.

The Schuyler Center urges the Legislature oppose changes to the EQUAL program but fully support the funding that improves the quality of life for resident of adult homes.

Thank you. We appreciate the opportunity to present this testimony 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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¹ Georgetown University Health Policy Institute Center on Children and Families. The Number of Uninsured Children is on the Rise (2019) <https://ccf.georgetown.edu/wp-content/uploads/2019/10/Uninsured-Kids-Report.pdf>

² Georgetown University Health Policy Institute Center on Children and Families. The Number of Uninsured Children is on the Rise (2019). <https://ccf.georgetown.edu/wp-content/uploads/2019/10/Uninsured-Kids-Report.pdf>

³ Percentage refers to Healthy Families NY. See: Lee et al. (2009). Reducing low birth weight through home visitation: a randomized controlled trial; *American Journal of Preventive Medicine*.

⁴ Multiple programs impact child development and school readiness, see: *Home Visiting Evidence of Effectiveness: Child Development and School Readiness*. <http://homvee.acf.hhs.gov/Outcome/2/Child-Development-and-School-Readiness/3/1>

⁵ Refers to multiple programs. See: Administration for Children & Families. *Home Visiting Evidence of Effectiveness*. <http://homvee.acf.hhs.gov/Outcome/2/Family-Economic-Self-Sufficiency/7/1>

⁶ Reanalysis of Kitzman et al; *Journal of the American Medical Association*.

⁷ Dumont, et al. (2010). *Final Report: A Randomized Trial of Healthy Families New York: Does Home Visiting Prevent Child Maltreatment*.

⁸ Burwick, Andrew, Heather Zaveri, Lisa Shang, Kimberly Boller, Deborah Daro, Debra A. Strong. (2014). *Costs of Early Childhood Home Visiting: An Analysis of Programs Implemented in the Supporting Evidence-Based Home Visiting to Prevent Child Maltreatment Initiative. Final Report. Mathematica Policy Research*. Retrieved from: http://www.mathematica-mpr.com/~media/publications/PDFs/earlychildhood/EBHV_costs.pdf

⁹ New York State Department of Health, "New York State Prevention Agenda: Promoting Healthy Women, Infants and Children Action Plan", 2013, Accessed January 29, 2014 from https://health.ny.gov/prevention/prevention_agenda/2013-2017/docs/healthy_women_children_infants.pdf

¹⁰ Kumar J.V., Adekugbe O., Melnik T.A., "Geographic Variation in Medicaid Claims for Dental Procedures in New York State: Role of Fluoridation Under Contemporary Conditions," Public Health Reports, (September-October 2010) Vol. 125, No.5, 647-54.

¹¹ Presson S, Kumar J, Williams K. Public-Private Partnership to Plan ECC Interventions. Applications of Systems Dynamic Modeling for Prevention of Early Childhood Caries in New York State. Presented at the National Oral Health conference, Fort Worth, TX 2014.