

North Country Behavioral Healthcare Network

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Testimony to the New York State Joint Legislative Budget Hearings: Health/Medicaid, Human Services and Mental Hygiene Committees

Executive Summary:

North Country Behavioral Healthcare Network (NCBHN) is comprised of nineteen nonprofit member agencies providing mental health (MH) and substance use disorder (SUD) services in New York's seven northernmost counties as well as the Akwesasne Mohawk Reservation, together making up New York State's "North Country."

NCBHN appreciates the opportunity to provide testimony to the Joint Committee on Mental Hygiene with regard to issues salient to the behavioral healthcare (BHC) community at a time of continuing fiscal and professional challenge to the State and, specifically, to the BHC system.

New York State faces significant challenges this year posed by a widening budget gap driven, for the most part, by the impacts of the COVID-19 pandemic and the State budget is in constant flux as a result. Whatever the end product, **NCBHN stands in opposition to any and all reductions in BHC funding** at a time when 1) SUD and MH services have been historically underfunded in the State, with an annually increasing gap between necessary and available funding, 2) there is an ongoing opioid addiction epidemic that is out of control (if we kept track of cases and deaths in the same manner that is done with COVID, the devastating impact of this pandemic would come to light) and 3) there has been a tremendous increase in the need for MH and SUD services during and caused by the COVID crisis, especially with regard to the need for services for children, adolescents and young adults. An appropriate investment in BHC services at this time will pay off in the long term, not only fiscally, but in terms of human lives and quality of life. Children and adolescents present especially vulnerable populations, and the Governor has voiced a commitment to increasing access to behavioral health services for them. NCBHN applauds this approach and calls upon the Legislature to support it with appropriate levels of funding.

We strongly support NYS's request to renew the DSRIP program. In particular, we applaud the emphasis of the State's prior renewal request on behavioral health and social determinants of health. We strongly support integration of those services with physical healthcare however we caution that integration does not have to mean ownership. We believe that a true Value Based environment would recognize – and appropriately reimburse – the contribution these entities make to individual well-being, provider efficacy, and reducing avoidable high cost utilization. To date, MCO's have been reluctant to engage with BH and SDoH providers as was seen in the BHCC program. This situation seems unlikely to change without strong, coordinated, consistent State leadership bringing them to the table, ready to innovate.

NCBHN therefore calls upon the Legislature to initiate the process of prioritizing BHC in the State budget as follows:

- Restore the cuts to BHC programs and enhance funding in order to deal with the current opioid pandemic and BHC needs exacerbated by the COVID-19 pandemic;
- Enact the investment called for by the “3-for-5” campaign; a 3% cost of living adjustment (COLA) for all human service workers for the next five years, beginning with this budget;
- We recommend that the State offer a more robust Child Health Plus program that includes coverage for residential SUD and MH services;
- Considering that this is a very challenging budget year, NCBHN is appreciative of the Governor’s commitment of \$20M toward existing mental health housing. While much more is needed, this is a positive beginning, and we strongly urge the Legislature to retain this funding in the 2021-2022 budget. MH housing is increasingly being utilized by individuals who have a primary SUD diagnosis, causing shortages for MH individuals and placing SUD-diagnosed individuals in a setting that does not provide the most effective support. Therefore, we strongly urge the Legislature to include funding for additional SUD housing as well;
- The State must continue to reinvest the monies saved from the closure of intensive inpatient MH beds in the community-based supports and services, including housing, that provide for the success of transitioning individuals. This is especially notable in the reinvestment in Children’s Services through the closing of one of the children’s psychiatric center;
- We note that the **Rural Health Network Development and Rural Health Access Hospital** budgets have again been slashed. The Rural Health Network Development Program and the Rural Access Hospital program in 2019 were funded at \$12.68 million. The Governor’s 2021 budget proposes to fund these programs at \$6.24 million, a 49% cut in two years. There are 35 Rural Health Networks and over 20 rural hospitals that receive funding through these two programs. We are requesting that the legislature restore funding for these two programs to \$12.68 million;
- NCBHN calls upon the Legislature to ensure that the more flexible telehealth (including telephonic) regulations that have been adopted a result of operating during the COVID-19 pandemic be made permanent, and for the equitable payment for those services. To facilitate effective telehealth services, NYS needs to support the deployment of and access to, rural broadband internet;

- The executive budget proposes the legalization of recreational marijuana for adult use. Given the real experience of other states who have engaged in the legalization of marijuana for recreational purposes, as well as the potential for greater access for NYS's youth, NCBHN urges the State to move forward with great caution and significant restrictions toward legalization, and we describe below some guidelines below. Additionally, we strongly recommend that at least 25% of cannabis trust fund monies go directly to OASAS as additional funding.
- To summarize, NCBHN recognizes the current fiscal strain that NYS is experiencing, but further recognizes that *any reductions in funding to support BHC services at this time will have significant deleterious impacts.*

Testimony:

Workforce; “3for5” Campaign:

NCBHN, in concert with our statewide colleagues in behavioral health, seeks the return to the budget of the long-promised cost of living adjustment (COLA) which has been removed by the Governor each year since it became a permanent budget line over a decade ago, and has rarely been restored by the Legislature. This year we are again calling for recognition of the broad alliance of advocates involved in the “3for5” campaign, and the enactment of a 3% *across the board* increase for nonprofit human service sector workers for the first in a series of five consecutive years in lieu of the much more modest increases proposed for select workers in the sector. Since the COLA was enacted and removed each year, the sector has lost over \$1B that could have supported services to high-needs New Yorkers who otherwise employ extensive use of emergency medical services.

NCBHN sees a 3% COLA as a first step toward addressing a crisis in funding that has created unmanageable turnover rates and professional vacancies across New York's behavioral health provider community. Results of a workforce survey of 126 NYS BHC provider agencies released in January, 2019 revealed an annual turnover rate of 34% and a vacancy rate of 14%. A recent survey by The Center for Human Services Research found that addiction prevention and treatment professionals annually receive \$5,000 to \$7,500 less than comparable professionals in other settings. An investment in the BHC workforce that is critical to attaining the goals of DSRIP and, potentially, DSRIP 2.0 is of the utmost importance.

Recommendation: Enact the COLA of 3% across the nonprofit human services sector for the first of five consecutive years as called for by the “3for5” campaign.

Child Health Plus:

The State's Child Health Plus program does not support residential placement, and lacks in the reimbursement of other medical and behavioral health services as well. We recommend that the State offer a more robust Child Health Plus program that includes coverage for residential SUD and MH services

Housing:

Supportive housing is an essential ingredient for the successful transition of multi-diagnosed "high-end users" from inpatient care to the community. Safe and secure housing is, in fact, acknowledged to be an indispensable component of comprehensive healthcare, and needs to be available statewide. NCBHN, therefore, supports the Governor's commitment of \$20M for mental health housing in this, a year of significant budgetary challenges. While much more is needed, this is a positive beginning, and we strongly urge the Legislature to retain this funding in the 2021-2022 budget.

A stable environment is vital and fundamental to the recovery from psychiatric and addiction disorders. Safe and affordable housing programs which incorporate recovery oriented support services are the cornerstone of successful recovery from serious mental illness (SMI) within the community setting, yet accessing these essential programs remains a tremendous challenge.

Further, safe and affordable housing is essential for successful recovery from addiction disorders. MH housing is increasingly being utilized by individuals who have a primary SUD diagnosis, which has ramifications beyond the fiscal. It results in housing shortages for MH individuals and places SUD-diagnosed individuals in a setting that does not provide the most effective support. The result is a higher rate of landlord dissatisfaction, which has a negative impact on the ability to place individuals in the future. Therefore, we strongly urge the Legislature to include funding for additional SUD housing as well.

In recent years, the Office of Mental Health (OMH) has focused on reducing the number of people in the most expensive housing environments, *i.e.* inpatient beds at state psychiatric hospitals, state operated supervised community residences, and other state funded residential settings. To achieve this, OMH has given priority status in access to housing to individuals residing in these settings. While we acknowledge the necessity to reduce costs, we must ensure that housing opportunities are made equally available to individuals who do not come from these priority populations but are still in need of housing supports and services.

The savings realized by closing inpatient mental health beds and transitioning individuals to supportive services in the community has, in the past, been reinvested in the community based services for those individuals. This year's executive budget does not call for a reinvestment of those monies, and it appears that the savings are channeled to the

general fund. NCBHN calls on the Legislature to advocate for the reinvestment of those funds to community based services including housing. We need to ensure that individuals who are being transitioned from these highly supervised settings are being moved to residential settings that adequately meet their high level of need for supports and services in order to maximize their recovery, **avoid future hospitalizations**, and ensure the best possible quality of life.

Recommendation: NCBHN strongly encourages the Legislature to retain the executive budget commitment to an additional \$20M for mental health housing, to include similar funding for OASAS housing, and to reinvest the savings from the closure of inpatient mental health beds in community-based services including but not limited to housing.

Rural Health Network Development and Rural Health Access Hospitals

We note that the **Rural Health Network Development and Rural Health Access Hospitals** budget have again been slashed. The Rural Health Network Development Program and the Rural Access Hospital program in 2019 were funded at \$12.68 million. The Governor's 2021 budget proposes to fund these programs at \$6.24 million, a 49% cut in less than two years. There are 35 Rural Health Networks and over 20 rural hospitals that receive funding through these two programs. The viability of rural communities is also threatened as health care is a much more significant economic driver in rural than it is in urban areas. In the case of this rural health network, NCBHN, we have been able to match dollar for dollar the state's investment with federal dollars that flowed into our North Country communities to improve the efficiency of our health care system. NCBHN itself has attracted well over \$2 million federal dollars since 2015 to reduce homelessness, position behavioral healthcare providers to compete in a value based payment health care market, and provide work force development trainings.

Collectively rural health networks have attracted tens of millions of dollars from Federal agencies and private foundation to support projects in rural communities that improve public health, quality of life and rural community sustainability. Despite that fact, rural health networks have experienced budget cuts in every year since 2017. Rural communities experience disparities in healthcare access and life expectancy is two years shorter than it is for urban dwellers. The proposed funding cuts would exacerbate these problems by removing important project development resources needed in New York's rural communities.

Recommendation: Reverse the proposed cuts that would have devastating effects on rural New Yorkers, and return funding for Rural Health Network Development and Rural Health Access Hospitals to the full 2019-20 level. We are requesting that the legislature restore funding for these two programs to \$12.68 million.

Telehealth (including Telephonic) Regulations and Reimbursement

The COVID crisis has resulted in the State significantly increasing flexibility and reimbursement for telehealth services, including in behavioral health. NCBHN applauds this shift in approach and, recognizing that many positive enhancements to the service delivery system have resulted, advocates for the reimbursement of telehealth services (to include telephonic) equitably with in-person services. Further, we recommend that telehealth flexibility to be made permanent with an emphasis on including telephonic services, which are crucial in rural areas.

While it is important to maintain reasonable standards of care in telehealth, regulations that require both sides of a telehealth connection to be in a healthcare setting and/or observed by a healthcare provider significantly undermine the practicality of telehealth in rural areas. It is precisely the lack of providers and accessible facilities that make telehealth such a promising alternative. Therefore we also advocate for the eligibility of all professional staff including Case Managers and Certified Peers to perform telehealth services. Similarly, excessive discounts in reimbursement of telehealth services relative to comparable in-person services fail to account for the required investments in infrastructure and provider availability.

The delivery of most telehealth services requires access to affordable high-speed internet which, as the Governor notes, is available to 98% of New Yorkers. While that is a seemingly high number, it also indicates that 2% of (or roughly 200,000) New Yorkers are without access to high-speed internet, whether affordable or not. This is not a luxury. It is widely accepted that high-speed internet is now a utility very much like telephone and electric service. Until those 200,000 rural New Yorkers have access to high-speed internet, telephone is their only method of access to telemedicine services.

Recommendation: NCBHN strongly supports making permanent the more flexible telehealth (including telephonic) regulations that have been adopted as a result of the COVID-19 pandemic and calls upon the Legislature to ensure reimbursement that is equitable with in-person services for services delivered by all, and not just licensed, professional staff.

Legalization of the Recreational Use of Marijuana for Adults:

The legalization of marijuana for recreational use by adults represents a seismic policy shift that requires proper deliberation. All relevant information must be used to determine guiding principles. This includes recently released studies and data from other states, and health and safety issues that arise from behavioral healthcare research. The watchdog group Smart Approaches to Marijuana (SAM) has a wealth of this data available. While NCBHN SUD providers, and especially those providers who service adolescent and young

adult populations, recognize the potential negative impacts of legalization and cannot support this initiative, some of our MH providers recognize that discriminatory practices toward MH clients, minorities and the Native American community have not been eliminated by the decriminalization of marijuana possession. Therefore, we urge NYS to proceed cautiously, to deliberate appropriately, and only then to consider implementation with significant restrictions.

We note that the proposal creates a “marijuana cannabis trust fund” and that 5% of the monies collected would be ear-marked for transfer to OASAS. That figure is very small, based on the projected impact on the OASAS-regulated prevention, treatment and recovery systems, and NCBHN recommends that 25% be ear-marked for OASAS with the caveat that it constitutes funding *in addition to* the existing OASAS budget, and cannot be used to supplant general fund dollars if, in fact, the legalization of marijuana for recreational use is enacted.

Recommendation: NCBHN strongly urges the legislature to move forward with great caution and consideration. If enacted, 25% of cannabis trust fund monies go directly to OASAS as additional funding to provide the additional services that will be required as a result of legalization.

To summarize, NCBHN, representing nineteen nonprofit BHC agencies across New York’s North Country, makes the following recommendations in order to address the BHC needs of the citizens and communities of New York:

- Restore the cuts to BHC programs and enhance funding in order to deal with the current opioid pandemic and BHC needs exacerbated by the COVID-19 pandemic;
- Enact a 3% cost of living adjustment (COLA), applicable to all nonprofit human service workers in accordance with the recommendations outlined in the “3for5” campaign;
- We recommend that the State offer a more robust Child Health Plus program that includes coverage for residential SUD and MH services;
- Support the executive budget commitment of an additional \$20M for mental health housing and include additional funding for SUD housing;
- We strongly encourage the Legislature to restore Rural Health Network and Rural Health Access Development funds to current year levels, reversing the devastating 49% cuts in the executive budget over the past two years;
- NCBHN encourages the Legislature to deliberate fully, considering all relevant information, before moving forward with this initiative including the appropriation of adequate trust fund monies *(a minimum of 25%) as additional funding to OASAS;

- We strongly support making permanent the flexible telehealth regulations that have been necessitated by the COVID pandemic, to include telephonic service, flexibility of location, lifting the need to have a professional provider at both ends of each session, and fair and adequate reimbursement for sessions provided by all professional staff including Certified Peers and Case Managers.
- Finally, ***NCBHN stands in opposition to any and all reductions in BHC funding*** at a time when 1) SUD and MH services have been historically underfunded in the State, with an annually increasing gap between necessary and available funding, 2) there is an ongoing opioid addiction pandemic that is out of control (if we kept track of cases and deaths in the same manner that is done with COVID, the devastating impact of this pandemic would come to light) and 3) there has been a tremendous increase in the need for MH and SUD services during and caused by the COVID crisis, especially in the need for services for children, adolescents and young adults.

Thank you very much for your consideration of these issues as they pertain to the development of the New York State budget,

Barry B Brogan

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