



Children's Health Home of Upstate New York
Family Driven Care Management Services

TESTIMONY OF:

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PRESENTED TO THE:

SENATE FINANCE COMMITTEE & ASSEMBLY WAYS AND MEANS

JOINT LEGISLATIVE BUDGET HEARING: MENTAL HEALTH

FEBRUARY 13, 2024

Summary of Recommendations:

- Exempt Health Homes Serving Children from the Health Home Restructuring proposed cost savings of \$125 million in the Executive Budget.
- Clarify the total appropriation amount for the Health Home program for FY' 2025.
- Support the proposed enhanced rates for Health Home Serving Children are approved for FY' 25 to mitigate the impact of the almost \$40 million revenue reduction due to DOH administrative actions.

Good afternoon, my name is Nicole Bryl, and I am the CEO of the Children's Health Home of Upstate New York (CHHUNY). I would like to thank all members of the committees for the opportunity to provide testimony regarding the Governor's Executive Budget for the State Fiscal Year 2025.

CHHUNY is the second largest health home designated to serve children and youth under the age of 21, serving over 12,000 members each month. CHHUNY provides health home care management services in fifty-five (55) counties in upstate New York through a network of over eighty (80) care management agencies. Our care management agencies consist of child-welfare providers, community-based organizations, behavioral health organizations, hospitals, OMH psychiatric centers, county-based mental hygiene providers, and previous care at home waiver agencies who serve our medically fragile population. Many of the agencies in our network provide an array of mental health, physical health, foster care, and community-based services for the children and families we serve. **Our population primarily consists of children and adolescents with mental health conditions** (80% with at least one mental health condition); in addition to children with developmental disabilities, medical complexities, and social care needs.

I want to start by commending Governor Hochul for her continued support in this year's budget to address children's mental health and the emphasis on children within the New York Health Equity Reform (NYHER) 1115 Waiver. During her budget presentation, Governor Hochul stated, "our children need so much help." And she's right, they do. As do the parents and caretakers who are trying tirelessly to navigate New York State's complex child-serving systems, some of whom are battling their own mental health conditions in addition to managing

their child's. Health Homes have been the answer for these children and families for the past seven (7) years and **should the proposed Health Home Restructuring cost savings of \$125 million be enacted, there would no longer be health homes** to provide this support and coordination. Make no mistake, a cost savings of this magnitude, in addition to the \$100 million enacted in last year's budget, would end the health home program for children in New York State. Where do almost 30,000 children and families go for help then? According to the Department of Health, there is no plan for this.

Since the end of 2016, Health Homes Serving Children have focused on prevention, remediation, maintenance, and improving long-term outcomes for our most vulnerable children and families. Over the last 7 years, care management services for children have been consolidated under the Health Home model to streamline and simplify the children's system of care. OMH Targeted Case Management transitioned in 2016 and then six (6) waiver programs previously under OMH, OCFS, and OPWDD state agencies transitioned in 2019. Now, health homes are the pathway to DOH waiver services for children with serious emotional disturbance, medical complexities, and developmental disabilities. We are the Early Intervention Ongoing Service Coordinator for children who require the Medicaid waiver and Early Intervention. We are the solution for OPWDD for children under the age of 5 as it has become increasingly difficult to qualify for their services. And finally, after years of outreach and engagement, we have become the default referral source for community providers and school systems who need assistance with complex cases. Without

a plan in place to implement a cost savings of this magnitude, how is this integration of health home services within the overall system of care undone?

Unfortunately, since 2016, the state has failed to financially support our program through multiple transitions and added responsibility. **Since the inception of this program seven (7) years ago, our rates have increased only 1%.** Through historic inflation, a pandemic, and a human services workforce crisis, Health Homes rates remained flat without additional funding opportunities such as COLAs or grants due to the bifurcation of our program under DOH. In 2023, DOH implemented a new algorithm in our assessment tool that will reduce overall Health Home Serving Children revenue by almost \$40 million annually, even though the enacted cost savings from last year's budget was not intended to impact Health Homes Serving Children. DOH has admitted this was an unintended consequence of the algorithm update but it still significantly impacts our agency's ability to sustain this program at flat, insufficient rates. We ask for your support in ensuring the proposed rate enhancement is approved by DOB to mitigate the impact of the algorithm update. With the unintended revenue loss and the looming \$125 million cost savings, we have agencies who have already terminated services and many more are considering closing.

Children's Health Home services are not Adult Health Home services. Our systems are multifaceted and the addition of family dynamics and legalities for minors adds a level of complexity that is not to be underestimated. Our Care Managers are expected to know how to navigate state plan services, OMH, OCFS, OPWDD, OTDA, State Education, Early Intervention, managed care, Children's Waiver, and so much more. And although it is a big lift to ask of one person, our Care

Managers are doing it successfully. ED visits have decreased, inpatient stays have decreased, primary care visits and annual dental visits have increased. We work closely with our managed care partners to close gaps in care (HEDIS) and have been so successful, we are now the first Health Home to engage in a risk-based arrangement for value-based payments with a Medicaid Managed Care Plan.

The unintended consequences of this would impact child welfare and mental health providers across the state, further limiting their ability to provide services such as HCBS and CFTSS. Our medically complex children would be left with no support in the community. The Children's Waiver would crumble. **Without the support of care management, our children and families will suffer.** More children will languish in hospitals with no safe discharge plan; more children will be left at emergency departments due to caretaker burnout, resulting in foster care placements; more children will successfully attempt suicide; and more preventable hospitalizations will occur for our medically complex children. The result will further tax our other systems like schools, counties, and hospitals to address the needs and would require escalation to the point of institutionalization before children receive the services they deserve.

CONCLUSION

We ask the legislature to ensure that Health Homes Serving Children are not impacted by this proposed \$125 million Health Home Restructuring cost savings. The result would not be a restructuring but rather a complete destruction of a program and infrastructure we have worked so hard to optimize over the past seven (7) years. With care management at the crux of most major health care initiatives moving forward, including the 1115 NYHER Waiver and value-based

payment models, it would be irrational and wasteful to reconstruct systems and services that are already working. We would like to work with our state partners and the Department of Health to continue to optimize the program and adjust as needed, but reducing the funding this significantly, with no plan, will only harm the children, youth, and families we are serving. Thank you.