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Joint Legislative Hearing on the 2021 – 2022 New York State Mental Hygiene Executive Budget Proposal

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Testimony on the 2021 – 2022 New York State Mental Hygiene Executive Budget Proposal

Children’s Defense Fund – New York (CDF-NY) thanks the chairs of the Assembly Ways and Means Committee and the Senate Finance Committee for this opportunity to submit testimony on the 2021 – 2022 New York State Mental Hygiene Executive Budget Proposal.

CDF-NY is a non-profit child advocacy organization that works statewide to ensure that *every* child in New York State has a Healthy Start, a Head Start, a Fair Start, a Safe Start and a Moral Start in life and a successful passage to adulthood with the help of caring families and communities. As the New York office of the Children’s Defense Fund (CDF), a national organization which grew out of the Civil Rights Movement, we are committed to advancing racial equity and to leveling the playing field for vulnerable New York children, youth and families. CDF-NY provides a strong, effective and independent voice for children who cannot vote, lobby, or speak for themselves. We pay particular attention to the needs of poor children, children of color and those with disabilities. CDF-NY strives to improve conditions for children through research, public education, policy development, organizing and advocacy. Our policy priority areas are racial justice, health justice, education justice, child welfare, youth justice and economic justice. To learn more about CDF-NY, please visit www.cdfny.org.

The COVID-19 Pandemic Continues to Negatively Impact the Mental Health of New York’s Children, Youth and Families.

Over the past year, the COVID-19 pandemic has completely upended the lives of New York’s most vulnerable children, youth and families. The pandemic has brought with it destabilizing unemployment as well as harrowing food insecurity, onset of poverty and loss of health insurance throughout our State – not to mention its devastating loss of life. Between March and July of 2020, approximately 4,200 New York children, or 1 out of every 1,000 of our State’s children, experienced a parental or caregiver death due to COVID-19, with Black and Hispanic children experiencing these losses at twice the rate of Asian and white children. Up to an estimated 23 percent of these children (nearly 1,000 children) may have lost their sole parent or guardian, thereby risking entry into foster or kinship care.¹ It is disappointing that, amidst this horrific and unprecedented parental death, the Executive Budget Proposal cuts State support for kinship care programs that help family members care for children by 5 percent. It is imperative that the State reverse this cut and restore these critical funds for children and families.

¹ “COVID-19 Ripple Effect – The Impact of COVID-19 on Children in New York State. Part 1: Death of Parent or Caregiver,” United Hospital Fund, September 2020, https://uhfnyc.org/media/filer_public/22/4b/224bf5ba-6ab2-42f6-8744-929135f2f42b/covid_ripple_effect_part_1_final.pdf.

Children experiencing the loss of a parent or guardian as a result of the pandemic will likely suffer serious short and long-term mental health consequences, potentially leading to depression, anxiety and other mental health disorders. Adverse Childhood Experiences (ACEs) such as the death of a parent or caregiver are an underlying factor in not only mental health disorders but also in chronic disease, drug misuse and overdose, and suicide. Effects of ACEs are far-reaching, can negatively affect a person's life as an adult and could even have intergenerational effects.² Our State must invest in supportive services, including behavioral health supports, to help these children heal from this insurmountable loss.

Furthermore, nearly all New York children have seen their daily routines drastically change over the past year amidst repeated transitions to remote schooling, the shuttering of day-care facilities, and the subsequent sudden loss of in-person supportive services, scheduled physical activities and daily opportunities for socialization and enrichment. Young people who live in difficult home environments are being forced to spend more time in these environments, and are finding themselves increasingly in isolation. The pandemic is undoubtedly profoundly impacting the mental health and wellbeing of the youngest New Yorkers, and its effects on our youth will likely be far-reaching.

In Order to Respond to the Mental Health Toll of the Pandemic on Young New Yorkers, the State *Must*:

I. Ensure Adequate Access to Behavioral Health Services for Children, Youth and Families

A. Increase Access to In-Person Mental Health Services for Children and Adolescents for the Duration of the Pandemic – and Beyond

As our children continue to suffer the mental health effects of the pandemic, it is imperative that our State ensure that they can adequately access behavioral health services. First, the State must work to increase access to in-person mental health services for children and youth who are not able to adequately utilize telehealth services due to technological limitations, or whose home environments do not afford them the privacy to do so comfortably – or at all. Even before COVID-19, our State has suffered a longstanding scarcity of youth mental health services, with just five psychiatrists for every 10,000 children under the age of 18 and a particular shortage of intensive outpatient programs for children and youth.³ The many stressors of the pandemic have only compounded this statewide demand for behavioral health services.

² "Prevention Agenda – Toward the Healthiest State. Progress Report 2018: Health of Women, Infants and Children," New York State Department of Health, 2018, https://www.health.ny.gov/prevention/prevention_agenda/2019-2024/docs/sha/contributing_causes_of_health_challenges.pdf#page=78.

³ "In COVID-Era New York, Suicidal Kids Spend Days Waiting for Hospital Beds," Center for New York City Affairs, January 2021,

While telehealth has certainly increased access to critical health services for many New Yorkers during the pandemic, CDF-NY urges the Legislature to remember that the digital divide continues to plague communities across our State. In New York City, for example, nearly 60 percent of Black and Latinx households, compared to over 80 percent of white households, have a computer in the home, with broadband usage lower in Black and Latinx homes than white homes. Around a quarter of Black and Latinx New York City households can only access the Internet via their smartphones.⁴ During a time when we are all being urged to stay in our homes as much as possible to limit the spread of COVID-19, these families may find themselves at the mercy of apartment buildings and neighborhoods with limited connectivity.

The inequity of New York's technological divide is even more stark for Black and Latinx families living in poverty and deep poverty. Only 54 percent of all New York City households with incomes under \$20,000 have internet in the home⁵ and such disparities are echoed throughout our State, making telehealth services simply unattainable for the most vulnerable New Yorkers.

By mandating \$15 per month high-speed broadband service for low-income families qualifying for free or reduced-price school lunches or who are at 185 percent of the Federal Poverty Level, the Executive Budget Proposal takes a step towards achieving greater equity in telehealth access. However, as the internet will likely remain out of reach for families already struggling to pay rent or put food on the table, the most vulnerable New York families will still need access to in-person behavioral health services.

A lack of secure housing, or a lack of privacy in a difficult home environment, can also serve as strong barriers to seeking out behavioral health care services via telehealth, particularly for adolescents who share rooms with siblings or lack access to their own electronic devices, or whose home environments are the reason they are seeking out such services in the first place. And for youth who are being abused by their parents, caregivers or others living in the home, telehealth is simply an unthinkable option, leaving them without any emotional support and amplifying the mental trauma of this ACE. As the Governor's Executive Budget proposes to eliminate location requirements for telehealth visits, it is important that the State take note of the patient privacy concerns that can be posed by these visits. It is critical that our State work to increase access to in-person behavioral health services for these young people, or to designate community 'safe spaces' where they can privately and confidentially utilize telehealth services.

<https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/600f58e40b2c314a7c52541c/1611618532846/In+Covid-Era+New+York%2C+Suicidal+Kids+Spend+Days+Waiting+for+Hospital+Beds.pdf>.

⁴ "The State of Black New York," New York Urban League, November 2020, https://ad1a3eae-9408-4799-abe6-aa6ebc798f5b.usrfiles.com/ugd/ccf12e_06a44ca4995a40d7944b361219f9a6d8.pdf.

⁵ "The State of Black New York," New York Urban League, November 2020, https://ad1a3eae-9408-4799-abe6-aa6ebc798f5b.usrfiles.com/ugd/ccf12e_06a44ca4995a40d7944b361219f9a6d8.pdf.

B. Ensure Equity in the Provision of Behavioral Health Telehealth Services

The telehealth reforms proposed in the Governor's Executive Budget have the potential to continue to increase access to critical health services both during the pandemic and beyond, particularly for New Yorkers living in areas with provider shortages and those seeking behavioral health services.

As New Yorkers increasingly turn to telehealth to meet their health needs during the pandemic, it is incumbent upon the State to ensure equity in telehealth service provision. CDF-NY commends the emergency regulatory action taken by the Department of Financial Services (DFS) last March to require New York State insurance companies to waive cost-sharing for in-network telehealth visits, including all deductibles, copayments and coinsurance, removing some of the financial barriers patients face to accessing telehealth. We further applaud the Office of Mental Health (OMH) for waiving certain telehealth regulations last year, thereby allowing more behavioral healthcare providers to deliver services via telehealth and more children and adolescents to utilize such services. As New York continues to grapple with the pandemic in 2021, it is imperative that the State formally extend such regulatory provisions to provide patients with clarity and to encourage those who may view cost as a prohibitive factor to recurring therapy appointments to seek out behavioral health services via telehealth.

C. Assess the Quality of Telehealth Service Provision

As New Yorkers utilize telehealth at increasing rates, it is equally important to assess the quality of telehealth service provision. CDF-NY thereby urges the Legislature to provide funding for an independent evaluation of the quality of telehealth services being delivered, particularly for behavioral health services. The State must also ensure that a sufficient number of pediatric behavioral health providers participating with Medicaid offer telehealth services. This is as much a racial equity issue as it is one of access, as New York's children of color are disproportionately poor.

D. Expand the Population of Students Receiving Medicaid-Covered School Health Services

During this time of especially great need, we must seize upon every opportunity to reach our children where they are and to provide them with access to critical behavioral health services. Bolstering the capacity of New York schools to meet the increased mental health needs of students is imperative. New York can expand access to mental health services for thousands of additional students by submitting a Medicaid State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS) to permit public schools to bill Medicaid for health services delivered to *all* Medicaid-covered students, not just those with Individualized Education Programs (IEPs). Doing so would enable New York to not only expand its population of students accessing Medicaid-reimbursable school health services, but also to join California, Massachusetts,

Connecticut and the ten other states currently leveraging federal Medicaid dollars to provide needed health services to students.⁶

E. Restore Funding for School-Based Health Centers

\$5M in permanent funding is needed to restore FY 2018 – 2019 cuts to New York’s school-based health centers (SBHCs). SBHCs provide critical health services to students in medically underserved communities across the State, thereby improving both health and educational outcomes for students who would otherwise miss school or forego care.

F. Expand Health Coverage for Children and Families

Despite coverage gains made in recent years, too many New York families still lack affordable and comprehensive health coverage, harming both their physical and mental well-being. CDF-NY applauds the Governor’s proposal to eliminate monthly premiums for Essential Plan enrollees with incomes between 150 and 200 percent of the Federal Poverty Level. Doing so will promote coverage for 100,000 currently uninsured New Yorkers and will make care more affordable for over 400,000 Essential Plan enrollees. However, there is more work to be done to expand health coverage for our State’s most vulnerable. While passing the New York Health Act would provide universal coverage for *a//* New Yorkers, health coverage for children and families can also be improved by:

- **Extending Postpartum Medicaid Coverage** | Granting new mothers access to adequate health care is essential for promoting their physical and emotional well-being, decreasing maternal mortality and improving their ability to care for their children. New York should expand health coverage for postpartum women accessing Medicaid at higher income levels from the current 60-day period following pregnancy to one year postpartum.
- **Expanding Immigrant Health Coverage** | By allocating \$13 million to create a temporary state-funded Essential Plan for New Yorkers up to 200 percent of the Federal Poverty Level who have had COVID-19 and are excluded from coverage due to immigration status, our State can cover over 5,000 uninsured New Yorkers who have suffered directly from the pandemic and may require ongoing care to fully recover and provide for their families.
- **Adequately Funding Enrollment Assistance** | Fragmented and confusing coverage options often create barriers for consumers. Our State should increase the health insurance navigator budget from \$27.2M to \$32M to guarantee high-quality enrollment services and provide an additional \$5M for community-based organizations to educate consumers about coverage options, particularly amidst a rise in insurance churn as unemployed New Yorkers seek out health coverage.

⁶ “Schools Are Key to Improving Children’s Health: How States Can Leverage Medicaid Funds to Expand School-Based Health Services,” Healthy Schools Campaign, January 2020, <https://healthyschoolscampaign.org/dev/wp-content/uploads/2020/02/Policy-Brief-1-28-20.pdf>.

II. Hold Medicaid Beneficiaries Harmless in the Budget

The Governor's Executive Budget Proposal calls for the extension of New York's Medicaid Global Cap through Fiscal Year 2023. CDF-NY has long warned that our State's Medicaid Global Cap creates an arbitrary and artificial shortfall for vital services that enable vulnerable New Yorkers to remain healthy and independent members of society and to provide for their families, including behavioral health services. The Cap fails to properly account for the growth in health care costs, demographic changes due to an aging population and increased needs during natural disasters or pandemics, such as the one we are currently in.

If the Medicaid Global Cap remains in place, future Medicaid budget 'gaps' will become a regular occurrence and could result in additional drastic cuts to our State's Medicaid program, such as those enacted in the FY 2021 Budget. Furthermore, as Governor Cuomo continues to call on the federal government to provide New York with its 'fair share' of federal funding, it is important to note that the Medicaid Global Cap limits the amount of federal funding that New York can receive for its Medicaid program.

CDF-NY thereby calls on the Legislature to protect our State's Medicaid beneficiaries – including more than 2 million children – by:

1. Eliminating the Medicaid Global Cap and replacing it with a global budgeting system that is based on demand for services;
2. Raising revenue to balance our State budget;
3. Making smart, long-term investments that are more likely to substantially bend the Medicaid cost curve; and
4. Ensuring that Medicaid consumers and independent consumer advocates comprise a substantial portion (more than one-third) of any body making recommendations regarding Medicaid policy and budget goals.

III. Embrace Community Reinvestment of Savings from Youth Justice Facility Closures

The Governor's FY 2022 Executive Budget proposes to close four State-operated juvenile placement facilities and to reduce New York's investment in youth incarceration. Institutional settings can pose significant risk to young people's mental health and well-being, and have been shown to neither reduce future contact with the system nor promote community safety. Moreover, juvenile placement facilities are the site for extreme racial disproportionality. During 2019, almost 75 percent of children admitted to Office of Children and Family Services (OCFS) custody were Black or Latinx, while they represent only 40 percent of New York's children. Closing facilities is a crucial step for both youth justice reform and racial equity in New York.

The savings associated with closing these four youth facilities – estimated at over \$21 million in operational and \$14 million in capital costs – should be reinvested in communities, including those that are driving use of state placements for children.

Models for community reimbursement developed by advocates in our State's mental health system provide a valuable template for how we can systematically redirect funds from expensive residential settings to community-based services and local resources for children and families whenever there is a facility closure. New York's spending on residential placements in juvenile justice exceeds \$800,000 annually per child. Imagine how those dollars could be better spent on youth who have contact with the criminal legal system. Community stakeholders including impacted youth and families, service providers, child welfare and mental health system administrators, attorneys, judges and probation, should drive local solutions supported with these funds. Community reinvestment is not only a more effective response for youth but also an important tool for promoting racial equity in the youth justice system.

IV. Support Mental Health by Investing in Family Well-Being

The Governor's Executive Budget proposes millions of dollars in cuts to a variety of programs that promote family stability and well-being, in addition to child safety. These proposed cuts are compounded by the months of financial withholding that local Departments of Social Services have already endured from the State, which has greatly impacted their abilities to support children and families across New York during this difficult time. In addition to the cuts to kinship care programs referenced above, the Governor's budget also cuts State support for child welfare preventive services that promote family stability in every county by 5 percent (a reduction of \$30.5 million), adoption subsidies that enable more children to leave foster care by 5 percent (a reduction of \$9.4 million) and community-based programs to prevent children from entering the child welfare and juvenile justice systems by 20 percent (a reduction of \$12 million). The State must reverse these cuts and restore these funds for children and families.

V. Incorporate Youth Suicide Prevention Into New York's Pandemic Response Efforts

Even prior to the COVID-19 pandemic, our State has seen recent increases in mental health emergencies among its young people. For several years, suicide has been the second leading cause of death among youth ages 15 to 19 across our State, and the third leading cause of death among children ages 5 to 14.⁷ Suicide is also the second leading cause of death among Latina adolescents in New York, accounting for approximately 23.5 percent of all deaths of Latinas ages 15 to 19 between 2006 and 2015. The risk of completed suicides among Latina adolescents has nearly doubled since 1999. Latina adolescents attempt suicide, seriously consider attempting suicide, or report feeling sad or hopeless at higher rates than any other youth group in our State, leading

⁷ "New York State Leading Causes of Death," New York State Department of Health, Accessed February 2, 2021, https://apps.health.ny.gov/public/tabvis/PHIG_Public/lcd/reports/#state.

them to be classified as a higher risk cohort by the New York State Suicide Prevention Task Force.⁸

Mirroring the national increase in emergency room visits by young people for mental health reasons between June and October of last year, the pandemic has led to an influx of children and youth in psychiatric crisis across New York State, with increases in suicide attempts, psychiatric emergencies and demand for inpatient mental health services.⁹ In order to adequately respond to the pandemic-induced spike in children in mental distress, our State must make additional investments to incorporate youth suicide prevention outreach into its pandemic response efforts, including highlighting the elevated suicide risk among New York's adolescent Latina community and the national rise in Black youth suicide rates. Doing so would also enable New York to make additional progress towards meeting its Prevention Agenda Objectives of decreasing the percentage of adolescents in Grades 9 to 12 who felt sad or hopeless for two or more weeks in a row in the past year by 25 percent to 21.5 percent and decreasing the suicide mortality rate for youth ages 15 to 19 years by 6 percent to 4.7 per 100,000.¹⁰

Conclusion

Thank you for your time and consideration. The Children's Defense Fund – New York looks forward to working with you on a State budget that improves the health and well-being of children and families in New York.



⁸ New York State Suicide Prevention Task Force Report, New York State Suicide Prevention Task Force, April 2019, <https://omh.ny.gov/omhweb/resources/publications/suicide-prevention-task-force-report.pdf>.

⁹ "In COVID-Era New York, Suicidal Kids Spend Days Waiting for Hospital Beds," Center for New York City Affairs, January 2021, <https://static1.squarespace.com/static/53ee4f0be4b015b9c3690d84/t/600f58e40b2c314a7c52541c/1611618532846/In+COVID-Era+New+York%2C+Suicidal+Kids+Spend+Days+Waiting+for+Hospital+Beds.pdf>.

¹⁰ "Prevention Agenda 2019-2024: Promote Healthy Women, Infants, and Children Action Plan," New York State Department of Health, July 2019, https://www.health.ny.gov/prevention/prevention_agenda/2019-2024/hwic.htm#FA3.