February 8, 2022

Testimony to the 2022 Joint Legislative Budget Hearing on Health

Dear Senate Finance Committee Chair Krueger, Assembly Ways and Means Committee Chair Weinstein, Senate Health Committee Chair Rivera and Assembly Health Committee Chair Gottfried and other esteemed committee members:

Thank you for the opportunity to submit this testimony to the 2022 Joint Legislative Budget Hearing on Health. My name is Karen Redlener and I am co-founder of Children’s Health Fund, an organization that has been increasing access to care for underserved children in NYS for almost 35 years. I am writing on behalf of a Coalition for Healthy Students - NYS. Our steering committee consists of the Children’s Defense Fund, Citizens’ Committee for Children of New York, United Federation of Teachers Community Schools, Children’s Health Fund and the Schuyler Center for Analysis and Advocacy.

We want to thank Governor Hochul for proposing an impressive budget that supports expansion of health and education resources for children. In particular, we applaud the recognition that more mental health services are needed in schools to address racial inequities and the growing impact of the pandemic on children across the state.

This was a good step, however, the governor did not go far enough. NYS is now able to expand school-based health funding through Medicaid as a result of a 2014 CMS ruling that permits states to expand the population of students who can access Medicaid billable health services in schools by modifying their state Medicaid Plan.

This program would increase school-based health funding by allowing billing for services provided to any student with Medicaid, not just those with special needs. With the appropriate Medicaid State Plan Amendment (SPA), New York would be able to bill for the federal Medicaid matching funds, thereby identifying millions of additional on-going federal
funds to support urgent health and mental health services for NY’s students. We urge the Legislature to include language directing the Department of Health to apply for a school health expansion SPA as quickly as possible.

These federal Medicaid funds would complement and sustain the health services implemented by the one-time American Rescue Plan funding. Sixteen other states, including California and Massachusetts have already taken advantage of this opportunity.

The Coalition has been meeting with NYS legislators over the last two years to increase awareness about this opportunity to expand health services for children in public schools by leveraging additional federal Medicaid funds. There is widespread support within the Assembly and Senate. Along with my testimony, I am including a copy of a letter sponsored by Assembly Members Karines Reyes and Richard Gottfried to their colleagues asking to support a Medicaid SPA to expand health services in schools. In addition, the Black, Puerto Rican, Hispanic, and Asian Legislative Caucus included this initiative in their recommendations within the “people’s budget” for the upcoming fiscal year.

With this legislative support, the coalition was able to help establish a multi-agency workgroup with the Departments of Health and Education, along with the Big 5 Conference and three major NYS school districts. Together this group reached a recommendation to state executive leadership to include the school Medicaid expansion in this year’s budget. We were disappointed that this critical opportunity to enact a Medicaid State Plan Amendment to expand access to health services for thousands of additional students was not included in the Governor’s budget.

Expanding school-based resources represents a step in the right direction in achieving health equity. For these and other compelling reasons, the coalition calls on NYS to submit a Medicaid SPA to CMS in this budget year, making the necessary legislative and budget considerations to do so. This would leverage every federal dollar available to expand the population of students who can benefit from Medicaid-reimbursable health services provided in schools.

We would be delighted to discuss this opportunity further. Please contact Karen Redlener at kredlener@chfund.org with any questions or comments. Thank you for your consideration.
September 24th, 2021

Howard Zucker, M.D., J.D.
Commissioner of Health
New York State Department of Health
Corning Tower
Empire State Plaza
Albany, NY 12237

Re: Improving School Health Access (Free Care Rule Reversal)

Dear Dr. Zucker:

As you well know, the COVID-19 pandemic has underscored the critical role that schools play in providing health and wellness services to students. The wide-reaching impacts of this crisis have highlighted disparities in our health and education systems nationwide, with disproportionate impacts on low-income students of color. The pandemic compounded existing inequities which amplified the need for New York to leverage every available resource for students in under-resourced communities. All students in New York State should have equitable access to physical, mental and behavioral health services for their wellness and success. **We must make those services convenient and accessible, reaching children where they are. This is especially true for children in communities affected most gravely by COVID-19.**

Now more than ever, it is critical to ensure strong student health programs are sustainable and that schools have access to all federal resources available to implement these programs. **New York State has a great opportunity to expand and sustain school-based physical, mental and behavioral health services for children in underserved communities by making a simple change to its Medicaid policy.**

In 2014, the Centers for Medicare and Medicaid Services (CMS) issued a letter to state Medicaid directors reversing its existing guidance on services that can be reimbursed by Medicaid in school-based settings. With a change in NY’s Medicaid policy schools would be able to bill Medicaid for federal matching funds for eligible services provided to all Medicaid-enrolled students. Currently in New York State, only services delivered to students with Individualized Education Plans (IEP) can be reimbursed by Medicaid. **CMS’s policy change presents an important opportunity for New York to draw additional federal funds for school health services and expand health services for Medicaid-enrolled children.**

In order to leverage these additional funds, New York State must submit a Medicaid State Plan Amendment (SPA) to CMS to adjust restrictive language in its Medicaid plan based on guidelines before the 2014 change. **Fifteen states**, including Massachusetts, Florida and California have successfully expanded...
their school-based Medicaid programs after CMS made this change. Many other states are expected to do the same.

The approval of a New York Medicaid SPA would enable more federal Medicaid resources to flow into New York State and schools would have the ability to opt in. This Medicaid SPA would lead to additional federal resources for schools with the flexibility to expand sustainable health services to reach students in need, right where they are. Many more students could gain access to a number of vital services if schools are permitted to bill Medicaid.

On behalf of the undersigned New York State Assembly and Senate members, we are writing in support of the submission of a Medicaid SPA to CMS, allowing for additional reimbursement to schools for the essential mental, behavioral and physical health services that New York students need.

We ask that the Department of Health move quickly to develop and submit the Medicaid SPA in a timely manner, so that CMS can begin the process of review and approval as soon as possible. The State will be eligible to bill for matching federal Medicaid funds retroactively after SPA approval is obtained, thus benefiting from enhanced federal revenue to support urgently needed services for students. If the state moves forward with this opportunity in the near future, it also has the unique opportunity to leverage Federal funds designated to help build back from the COVID-19 Pandemic, maximizing those resources by helping build a sustainable infrastructure that directly benefits the children most impacted by the pandemic.

In addition, this policy change will build on the existing school health service delivery system in New York and support increased access to healthcare for hundreds of thousands of children in the state. We stand ready to support and assist in the successful implementation of this important opportunity.

Please do not hesitate to reach out to our office if you have any questions, comments or concerns regarding this request.

Best Regards,

Karines Reyes
Karines Reyes, R.N.
Member of Assembly - District 87

Richard N. Gottfried
Member of Assembly – District 75
Chair, Assembly Committee on Health

Khaleel Anderson
Khaleel Anderson
Member of Assembly – District 31

Donna Lupardo
Donna Lupardo
Member of Assembly – District 123

Jennifer Lunsford
Jennifer Lunsford
Member of Assembly – District 135

Anna R. Kelles
Anna R. Kelles
Member of Assembly – District 125
Charles Barron  
Member of Assembly – District 60

Jonathan Jacobson  
Member of Assembly – District 104

Carmen De La Rosa  
Member of Assembly – District 72

Harvey Epstein  
Member of Assembly – District 74

Catalina Cruz  
Member of Assembly – District 39

Jeffrey Dinowitz  
Member of Assembly – District 81

William Magnerelli  
Member of Assembly – District 129

Inez E. Dickens  
Member of Assembly – District 70

Nathalia Fernandez  
Member of Assembly – District 80

Chris Burdick  
Member of Assembly – District 93

John T. McDonald  
Member of Assembly – District 108

Kenny Burgos  
Member of Assembly – District 85
Jessica Gonzalez-Rojas  
Member of Assembly – District 34

Peter J. Abbate, Jr.  
Member of Assembly – District 49

Jo Anne Simon  
Member of Assembly – District 52

Phil G. Steck  
Member of Assembly – District 110

Stefani Zinerman  
Member of Assembly – District 56

Michael J. Cusick  
Member of Assembly – District 63

Thomas J. Abinanti  
Member of Assembly – District 92  
Chair, Assembly People with Disabilities Committee

Jonathan D. Rivera  
Member of Assembly – District 149

Linda Rosenthal  
Member of Assembly – District 67  
Chair, Assembly Social Services Committee

Jose Rivera  
Member of Assembly – District 78

Steven Otis  
Member of Assembly – District 91

Phara Souffrant Forrest  
Member of Assembly – District 57
Alessandra Biaggi  
State Senator – District 34  

John C. Liu  
State Senator – District 11  
Chair, Senate New York City Education Committee  

Robert Jackson  
State Senator – District 31  

Julia Salazar  
State Senator – District 18  

Rachel May  
State Senator – District 53