



**Testimony Submitted by Christine Allen, PhD
President, New York State Psychological Association**

Joint Legislative Budget Hearing: Health/ Medicaid

February 25, 2021

My name is Dr. Christine Allen, President of the New York State Psychological Association (NYSPA). I would like to thank the Chairs Weinstein and Krueger and all the members of the Legislature here for allowing me to submit testimony for this hearing, specifically as it relates to the expansion of telehealth, the proposal of interstate licensure, and the across-the-board Medicaid cut included in the FY 2022 Executive Budget Proposal.

NYSPA represents approximately 3,000 licensed psychologists in New York State. The mission of the Association is to advance the science and practice of psychology as a means of promoting human welfare. Affiliated with the American Psychological Association (APA), NYSPA is composed of 16 divisions, representing various practice areas such as addiction, clinical psychology, adult development and aging, and school psychology and 12 regional affiliates representing most of the geographic areas through New York State.

Telehealth:

Part F (S.2507/A.3007) would expand the opportunity to provide more comprehensive access to health and mental health care by utilizing telehealth services and includes regulatory reforms. In general, we support the proposed regulatory reforms, in particular the coverage by commercial insurance plans of telephonic telehealth that was proposed in the Governor's budget address.

The COVID-19 pandemic and subsequent public health emergency has dramatically changed how health care services are delivered, including mental health services, shifting from a heavy reliance on in-person, in-office visits to virtual visits. Prior to the pandemic, the New York Public health law, insurance law, and federal rules had required each telehealth encounter to be both audio and video. Relatively early in the pandemic, regulations were loosened at the national and state level to allow telephone-only

encounters for the duration of the public health emergency, and ultimately in New York a new law was signed to permanently allow reimbursement for telephone-only telehealth services for *public health programs*. These changes allow psychologists and other health care providers to reach and provide services to vulnerable populations who had limited or no access to broadband.

The Governor's State-of-the-State book and budget outline spoke to expanding coverage of telephone-only telehealth to include commercial insurance plans. While the budget bill itself did not include statutory language, it is our understanding that this can and may be implemented administratively by regulation. NYSPA fully supports the expansion of telephone-only telehealth to commercial insurance coverage. The pandemic has taught and emphasized the value of telehealth, and it is our hope that the proposal will be included in the enacted budget or enacted via regulation prior to enactment of the FY 2022 budget.

Interstate Licensure:

While NYSPA supports telephonic-only coverage and other elements of the proposal to ensure access to telehealth services, including network adequacy provisions, we do have concerns with moving to enact provisions through the budget process that would allow interstate licensure. This is a complex issue that has implications on reimbursement, the quality of education and training requirements across state lines, and on how the profession is regulated. We believe this is an issue that bears a comprehensive and thoughtful discussion outside of the strict timeline of the budget process. We would appreciate and value the opportunity to be involved in that discussion.

Medicaid cuts:

Regarding other components of the budget, NYSPA is concerned about the impact that the proposed across the board one percent Medicaid cut may have on individuals who receive psychology services under the program. These patients are among the state's most vulnerable populations and suffer from a wide range of mental health conditions. Access to quality outpatient care is essential to these patients, and serves to limit a potential cycle of hospitalizations, which they may default to in the absence of accessible care. We are concerned that in some instances, providers whose margins are already slim will be forced to limit services or close. For those providers that may be able to absorb the cost of a



reimbursement cut, they will likely be forced to evaluate and make changes to their business model, which will also result in limiting access to services.

Decreased reimbursements may lead to reduced access to quality care, and could in turn lead to increased hospitalizations, emergency room visits, and inadvertently raise the overall cost of health care for this population.

Finally, it seems counter-intuitive to enact cuts to crucial reimbursement for services in the current environment as our members and other health care providers struggle to provide services during the COVID Pandemic. Frankly, the health care industry needs these reimbursements to guarantee these essential services remain available to this vulnerable population. We are hopeful that fiscal circumstances and/or efforts on the part of the legislature will obviate the necessity of Medicaid reductions in the enacted FY 2022 budget.

Thank you.