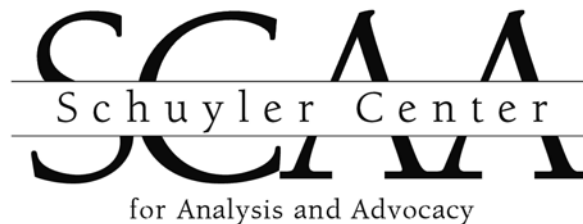


**Testimony Submitted to the Joint Fiscal Committees
on the SFY 2010-11 *Executive Budget*
Health/Medicaid Hearing
February 9, 2010**

**Karen Schimke, President/CEO
Schuyler Center for Analysis and Advocacy**



*Shaping New York State public policy
for people in need since 1872*

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The Schuyler Center for Analysis and Advocacy (SCAA) is a statewide, human services advocacy organization. Since our founding in 1872, SCAA has advocated to improve health and human services for New Yorkers with an emphasis on the most vulnerable populations. We are also the convener of the New York Children's Action Network (New York CAN).

In a difficult budget year, difficult choices have to be made. We believe that Governor Paterson and Commissioner Daines stuck to their commitments to improve the health status of New Yorkers by continuing to promote primary care and making investments in public health. In addition, the Center on Budget and Policy Priorities indicates that twenty-nine states have reduced services in public insurance programs during this recession and others are expected to do so this year. Despite this trend, the *Executive Budget* continues New York's commitment to vulnerable populations who rely on programs such as Medicaid and Child Health Plus.

We have some specific comments on portions of the *Executive Budget* as it pertains to health:

Sugar Sweetened Beverage Tax

Of all the proposals in the *Executive Budget* this year, the one that seems to have generated the most press is the tax on sugary soft drinks and juices. ***Both SCAA and New York CAN support this tax because we believe that it will have the desired effect of reducing the consumption of these beverages which have been linked repeatedly to obesity and dental disease.***

Obesity is linked to higher rates of any preventable illnesses such as diabetes, heart disease, cancer, asthma and hypertension. High sugary soft drink consumption increases the risk of diabetes by 83% in women according to a study in the Journal of the American Medical Association. And a study from Harvard Medical School determined that each additional 12 ounce sugary soft drink consumed per day increases the odds of a child becoming obese by 60%. Not only do these illnesses increase health care costs – including the costs of Medicaid, Child Health Plus and Family Health Plus – they take a terrible personal toll on individuals and families as well as decrease productivity and the ability to work.

If the sugary soft drink tax helps to achieve an overall 5% reduction in consumption, that would result in an average of 4,100 calories saved per year per person, or about 1.2 pounds. According to public health professionals, this reduction, along with other measures to educate the public and encourage physical activity, would go a long way in helping slow down the obesity epidemic.

In addition to obesity, sugary soft drinks are also one of the leading contributors to dental disease. Dental caries (tooth decay) is the single most common chronic childhood disease—5 times more common than asthma and 7 times more common than hay fever.¹ There is a known positive association between carbonated soft drinks and dental diseases.² In fact, carbonated soft drinks have a ten-fold higher erosive potential as compared to juices. Children who frequently drink acidic, sugar-rich soft drinks, are at a higher risk of developing cavities (caries).³

In New York State, as of 2006, 54% of children have had dental disease and one-third of 6-8 year olds have untreated dental caries. More children in low socioeconomic groups and racial minorities have dental disease. New York State spent approximately thirty million in Medicaid funding in 2006 on caries-related services (restoration, endodontics and extractions) for children less than 20 years old.

A significant portion of the revenue generated from this tax must be used for public health efforts – combating obesity and improving oral health.

For public health reasons the Legislature should pass the tax on sugary soft drinks. ***A significant portion of the revenue generated from this tax must be used for public health efforts – combating obesity and improving oral health. If not, New York will once again lose an opportunity for funding a significant increase in public health.***

Tobacco Tax

SCAA and New York CAN also support the increase in the tobacco tax. This tax has the benefit of improving the long-term health of today's children while raising additional revenue for health programs.

Repeated studies and decades of information tell us that raising the price of cigarettes keeps children from picking up the smoking habit. The Campaign for Tobacco-Free Kids estimates that the proposed increase of \$1.00 would be expected to prevent more than 100,000 children from becoming smokers and cause more than 50,000 adult smokers to quit. This is a win-win for New York.

Program Consolidation

The *Executive Budget* proposes to consolidate a number of programs and funding streams in the Department of Health. While consolidating funding streams can promote efficiency and provide additional flexibility in program areas, care must be taken that necessary functions and services continue to be provided.

¹ U.S. Department of Health and Human Services, *Oral Health in America: A Report of the Surgeon General*, Department of Health and Human Services, National Institutes of Health, Editor. 2000: MD.

² Lim, S, Sohn W, et.al, Cariogenicity of Soft Drinks, Milk and Fruit Children: A Longitudinal Study Juice in Low-Income African-American *J Am Dent Assoc* 2008;139:959-967

³ Jensdottir T, et al Immediate erosive potential of Cola drinks and orange juices. *J Dent Res* 2006 85(3):226-230.

Consolidated funding streams in the budget do reflect some reductions in overall spending in these areas, such as cancer programs. ***But, if these consolidations reduced the need for more extensive cuts and the Department can still provide necessary services to New Yorkers, such efforts should be allowed to move forward.*** There must be careful oversight of these areas to ensure that programs goals continue to be met.

Adult Homes

SCAA has been a strong advocate for the needs of adult home residents with psychiatric disabilities. This population was ignored for years by public policy and the agencies charged with protecting them. Through the efforts of organizations like the New York State Coalition for Adult Home Reform (NYSCAHR) and the efforts of legal and lay advocates, the voices of adult home residents are starting to be heard here in Albany.

Fully Fund Lay Advocacy

The most important advocate for adult home residents is the Coalition for Institutionalized and Aged Disabled (CIAD). This small organization works day to day with residents directly in adult homes. Every day, CIAD:

- Informs residents of their rights and empowers them to use those rights.
- Strengthens resident councils and brings residents together to learn from each other.
- Mediates between adult home residents and adult home management.
- Works with adult home residents on individual concerns/complaints.

For many years the Legislature has recognized the accomplishments of CIAD by funding them with a small amount of money. ***We ask that this funding be restored so that residents can continue to have an advocate in their corner.***

The State Response to Adult Home Lawsuit is Inadequate

As the result of a long-standing lawsuit against New York State, the District Court ruled in September that about 4,300 people with mental illness living in New York City adult homes were not getting adequate care. The judge said that current conditions are a violation of the Americans with Disabilities Act and the Rehabilitation Act, which mandates that residents live in the least restrictive setting possible.

The state issued a plan in November indicating how they would remedy the situation although it has not yet been approved by the court. Under the plan, the state would provide community housing and supports for only 1,000 adult home residents over a 6 year period rather than 4,300 residents over a 4 year period as recommended by the judge. The housing and other elements of the plan (educating residents about housing options, performing evaluations of eligibility) are contingent on state budgets that include funding.

The *Executive Budget* includes \$1 million to begin assessments of impacted Adult Home residents and funding to start the process of developing 200 community beds in 2011-2012.

Advocates and adult home residents believe very strongly that the state's response is "woefully inadequate." We believe that New York currently spends enough to support the residents in the

adult homes in the community. Millions has been poured into facilities that were never designed to house and appropriately serve this population. We must stop paying for inappropriate settings that even the court agrees also violate residents' rights. The current system does not spend the taxpayer's money wisely. ***New York must immediately fund the necessary services to move adult home residents out of these homes and into the community.***

QUIP and EnAble Funding

The *Executive Budget* proposed consolidation of the QUIP and EnAble programs. Together, these two programs fund initiatives to improve the quality of life in adult homes. The proposal alters the way funding is directed and the purposes for which funds can be spent.

In this difficult budget year advocates understand the needs to consolidate programs and seek efficiencies. We are still studying the impact of these proposed changes. It is critical that the rights of residents be protected and that residents continue to have a voice in how these funds are spent. After all, these are their homes.

If we believe that the proposal warrants additional protections for residents we will let you know and provide you with appropriate language changes.

Medicaid Simplification

We are always in favor of simplifying the application and enrollment for public insurance programs. The *Executive Budget* contains several initiatives that will cut the red tape for applicants and for program administrators. New York should move forward with:

- Attestation of interest with verification.
- Attestation of residency and income for long-term care.
- Transitional Medicaid under ARRA.

The Department of Health should also be given the authority to move forward with *Express Lane* eligibility as authorized in the federal Child Health Insurance Program Reauthorization Act (CHIPRA). *Express Lane* authorizes Medicaid and SCHIP agencies to borrow specific eligibility findings from other public need-based programs (i.e. food stamps) rather than having to re-gather and re-analyze data according to their own rules. There will be a lot of specifics to work out with federal authorities over the next months so it makes sense to give the Department of Health the authority to start that process as quickly as possible.

As always, SCAA is available to speak to you about any of these proposals. Thank you for your time and consideration.