

Schuyler Center Last Look: NYS Budget 2015-16

April 2, 2015

Comparison of the NYS Enacted 2015-16 Budget with Schuyler Center Policy Priorities

Schuyler Center's *Last Look* is an initial analysis of New York State's 2015-16 Enacted Budget and how it intersects with our [policy priorities](#). Schuyler Center staff will spend the coming days gaining a deeper understanding of the final budget and its impacts. Below is an assessment of how the final budget advances priorities that improve the health and well-being of all New Yorkers, especially those living in poverty.

Strengthening public health, health coverage, access and care

Public Health

The Healthy Teeth Amendment: The **final budget** includes community water fluoridation transparency language along with a \$10 million appropriation (over two years) for installation or upgrading of water fluoridation equipment. The final language requires localities seeking to discontinue a community water fluoridation program to issue public notice, including a justification, an identification of the fluoridation alternatives available, and a summary of the locality's consultations on the subject with health professionals and the New York State Department of Health. The locality must also provide the Department of Health at least 90 days advance notice, which must include the material in the public notice, the date of such discontinuance, and any material required by the State Sanitary Code. The grant funding will be made available to localities on a competitive basis. Both the transparency language and the authority for the grant funding are effective immediately.

Schuyler Center leads a statewide Oral Health Leadership Team which recommended this proposal. Dental disease is the most common chronic childhood disease and community water fluoridation is the single most cost-effective way to help prevent it, especially for children in poverty. We applaud the Governor and Legislature for including this provision in the final budget.

History: The **Executive Budget** and **Assembly** and **Senate** proposals all included the Healthy Teeth Amendment.

Public Health Pools: The **final budget** rejected the Governor's proposal to consolidate various public health appropriations into 'pools' (chronic disease, maternal and child health, infectious disease, workforce, health outcomes and advocacy) and restored the proposed 15% reduction for each pool.

History: The **Executive Budget** proposed to consolidate various public health appropriations into ‘pools’ with 15% reductions for each pool. However, the **Assembly** and **Senate** proposals both removed pooled funding mechanism and restored cuts.

Health System Transformation

Adult Homes: The **final budget** includes \$38 million to support the transition of adult home residents into community-based settings. This is an increase of \$8 million over the 2014-15 enacted budget. It also includes a proposal in the budget to add 400 beds for adult home transition into the community.

Despite funding, the pace of the State’s effort to transition adult home residents who want to live independently in the community is disappointingly slow.

The **final budget** also maintains the Enhancing the Quality of Adult Living (EQUAL) program (\$6.6 million). EQUAL funding goes to adult home operators, but new language added to the budget clarifies how the funds can be spent and strengthens requirements for meaningful input from residents’ councils before an operator can use the funds.

History: The **Executive Budget** included \$38 million for adult home transition, but eliminated the EQUAL program. **Assembly** and **Senate** proposals both included \$38 million for adult home transition and restored EQUAL funding to \$6.6 million.

Value-Based Payment: The **final budget** does not include the Governor’s proposal to give broad latitude to the Department of Health to engage in value-based payment arrangements with Performing Provider Systems or subsets of providers as designated under the Delivery System Reform Incentive Payment (DSRIP) program.

A component of Medicaid Redesign is to move toward value-based payments, designed to shift Medicaid away from paying for volume and toward paying for outcomes. It is unclear what impact rejecting the Governor’s proposal will have on the movement toward value-based payments by managed care plans and the federal government’s requirements that the State move in that direction as well.

History: The **Executive Budget** included language authorizing managed care plans to engage in value-based payment arrangements under the Delivery System Incentive Payment (DSRIP) program. The **Assembly** and **Senate** rejected the Governor’s proposal authorizing value-based payments.

Delivery System Incentive Payment (DSRIP) program: The **final budget** requires Provider Performing Systems (PPS) under DSRIP to establish project advisory committees to provide recommendations on PPS activities, progress, service delivery and elimination of disparities. Medicaid members must be represented on the project advisory committees.

History: The **Assembly** required PPS to create consumer advisory boards to advise the PPS. Neither the **Executive** nor **Senate** included similar proposals.

Population Health Improvement Program: The **final budget** accepted the Governor’s proposal to fund regional health planning. Regional planning can improve efficiency and effectiveness in health care, bringing together stakeholders to transform regional health care systems to address prevention, access, cost, quality, and population health.

History: The **Executive Budget, Assembly and Senate** all included funding for health planning in their budget proposals at the same level as last year.

Medicaid Managed Care Transition

Foster Care Transition to Managed Care: The **final budget** allocates up to \$15 million, in addition to the \$5 million in last year’s budget, to support voluntary foster care agencies in their efforts to transition health coverage for foster care youth from Medicaid fee-for-service to managed care. The money will support training and consulting services for voluntary foster care agencies to prepare for the transition of foster care youth into Medicaid managed care, including the ability to use health information technology.

History: The **Executive Budget** allocated up to \$15 million to support foster care agencies as the foster care population transitions to managed care, and the **Assembly and Senate** accepted the Governor’s proposal.

School-Based Health Centers: The **final budget** includes flat funding of \$23.5 million for School-Based Health Centers.

History: The **Executive Budget** included flat funding of \$23.5 million for School-Based Health Centers. The **Assembly and Senate** accepted the Governor’s proposal and both added language that would delay the transition to managed care by requiring demonstration projects with a limited number of school-based health centers.

Community Reinvestment: The **final budget** accepts the Governor’s proposal which will result in \$15 million for community reinvestment in mental health services. This builds upon last year’s \$44 million of enhancements to community reinvestment.

History: The **Executive Budget** included \$15 million for community reinvestment in mental health services. The **Assembly** included language to limit the number of beds to be reduced, clarified that no facilities will close, and require 12 month notice on service reductions. The **Senate** included \$8.1 million and rejected 136 bed reductions in State operated facilities. Neither the **Assembly nor Senate’s** proposal were included in the final budget.

Behavioral Health Medicaid Managed Care Transition: The **final budget** includes a reauthorization of \$68 million for the behavioral health transition to Medicaid managed care, Health Homes expansion, 250 additional Children’s Home and Community Based Services (HCBS) waiver slots and support for PROS programs.

History: The **Executive Budget** included a reauthorization of \$68 million for the transition to Medicaid managed care. The **Assembly and Senate** accepted the Governor’s proposal.

Health Coverage

New York State of Health: The **final budget** rejected the Governor’s proposal to fund the New York State of Health from a surcharge on private health insurance premiums on coverage inside and outside the Exchange. Funding for the Exchange will come from Health Care Reform Act (HCRA) funds.

History: The **Executive Budget** included \$63 million in funding for the New York State of Health, proposed to come from a surcharge on private health insurance premiums. The **Assembly** accepted the Governor’s proposal, while the **Senate** rejected the proposal to fund the New York State of Health with a separate assessment.

Basic Health Program (BHP): The **final budget** accepted the Governor’s proposal, including the authority for the Department of Health (DOH) to set rates, and added several additional reports including: an actuarial report to the Legislature, a report from DOH detailing a contingency plan in the event eligibility rules are modified or repealed or if the enhanced federal match is reduced, and an annual report with an analysis of BHP and its impact. BHP is a health insurance coverage program for low-income adults with incomes too high for Medicaid but who are likely to find Exchange coverage unaffordable.

History: The **Executive Budget** included \$35.7 million for the implementation of a BHP and granted DOH rate-setting authority. The **Assembly** accepted the Governor’s proposal, while the **Senate** did not include BHP in its budget proposal.

Child Health Plus: The **final budget** includes proposals from the Executive Budget that align Child Health Plus (CHP) reimbursement rates for ambulatory behavioral health with current Medicaid reimbursement standards for the entire state through 12/31/17. This will result in increased rates for behavioral health providers caring for children covered by CHP. A behavioral health managed care transition study will now include the population enrolled in CHP.

History: The **Assembly** modified the Governor’s proposal and extended rates through 2017, while the **Senate** accepted and extended rates through 2018.

Consumer Assistance: The **final budget** includes \$2.5 million for consumer assistance programs funded through the operation of the Marketplace and an additional \$500,000 from State funds to support Consumer Health Advocates (CHA). CHA programs help New Yorkers get and use health insurance. These essential programs provide assistance to New Yorkers as they enroll in and begin to use health insurance, thereby ensuring that insurance coverage translates into use of medical care, including preventive services.

History: The **Executive Budget** included \$2.5 million for consumer assistance programs. The **Assembly** accepted the Governor’s proposal and added an additional \$500,000. In addition, the Assembly includes a new proposal to create a new Independent Consumer Advocacy Network within NYSDOH to assist Medicaid managed care. The **Senate** did not include any new funding for consumer assistance programs, but accepted the Governor’s “dry” appropriation and reappropriation.

Transition from correctional facilities: The **final budget** includes the authority for grants to support certified application counselors to facilitate the enrollment of certain populations being released from correctional facilities.

History: The **Assembly** proposal included a provision to allow for presumptive eligibility for people recently discharged from jails or prisons. Neither the **Executive** nor **Senate** had similar provisions.

Strengthening families and promoting family economic security

Property and Income Tax Focused on Low- or Moderate-Income New Yorkers: The **final budget** did not include a property tax relief plan for homeowners and renters.

History: The **Executive Budget** introduced the property tax relief plan for homeowners and renters earning \$250,000 or less and paying 6% or more of their income in property taxes. The **Assembly** accepted the Governor’s proposed property tax credit plan but did not link it to the property tax cap. The **Senate** modified the Governor’s property tax relief program to the property tax relief check program that would provide \$1.5 billion in property tax savings to 3.3 million homeowners.

Student Loan Forgiveness: The **final budget** includes \$66,021,000 for the “Get On Your Feet” student loan forgiveness program. This proposal allows New York residents who receive a high school diploma or equivalent in New York, then attend college and stay in New York State, to pay nothing on their student loans for two years, providing that they also participate in a federal income-driven repayment plan and earn less than \$50,000 annually.

History: The **Executive Budget** included the “Get On Your Feet” proposal. The **Assembly** modified the Governor’s proposal to allow students who enroll in graduate programs to apply for loan forgiveness after they complete their graduate program. The **Senate** modified the Governor’s proposal and reduced the appropriation to cover 50% of a student’s loan for two years.

Minimum Wage: The **final budget** does not include an increase in the minimum wage. Legislators have indicated an interest in reconsidering this issue later in the legislative session, outside of budget.

History: The **Executive Budget** proposed raising the minimum wage to \$10.50 and to \$11.50 in cities with populations over 1 million (NYC). The **Assembly** proposed an increase over the Governor’s proposal, bringing the minimum wage to \$15 for cities with populations over 1 million and to \$12.60 in the remainder of the state, and linked increases in the minimum wage to inflation. The **Senate** did not add any new funding for raising the minimum wage.

Earned Income Tax Credit: The **final budget** does not include an increased Earned Income Tax Credit (EITC).

Schuyler Center recommends that the State raise the EITC to 40% of the federal benefit. The EITC is one of the best ways to “make work pay” for low-income families, and research shows that children of EITC recipients are healthier and do better in school.

History: Neither the **Executive Budget** nor the **Legislative** budget bills proposed an increase in the EITC.

Maternal, Infant and Early Childhood Home Visiting: The **final budget** includes funding for the Nurse-Family Partnership home visitation program at \$4 million. This is an increase of \$1 million over last year's final budget. The budget also maintains flat funding for the Healthy Families New York home visiting program at \$23,288,200.

Schuyler Center commends the State for recognizing the importance of home visiting in improving children and parent outcomes and increasing funding for Nurse-Family Partnership. In order to best serve all families, however, it is important that communities across the state have access to appropriate home visiting programs that meet individual families' needs to ensure the best health and social outcomes for mothers, infants and families.

History: The **Executive Budget** included \$3 million for Nurse-Family Partnership, but flat funded Healthy Families NY. While neither the **Assembly** nor the **Senate** proposed to add funding for Healthy Families NY, the **Assembly** added an additional \$1 million for Nurse-Family Partnership.

Pre-K: The **final budget** includes an additional \$30 million to expand Pre-K for 3- and 4-year-olds in high need districts.

Despite a strong call to repair the distribution methodology established in last year's budget that requires already cash-strapped districts to spend funds up-front and be reimbursed later, the budget fails to redress the methodology.

Schuyler Center appreciates the commitment of the State to keep New York moving toward universal access to Pre-K but without a more significant commitment from the State, many preschoolers remain without a seat in September.

History: The **Executive Budget** included \$25 million for Pre-K for 3-year-olds in high need districts, but did not include new State funding for Pre-K for 4-year-olds. The **Assembly** added \$80 million—\$40 million for New York City and \$40 million for districts outside of New York City—and added language to correct the funding methodology to ensure that districts receive predictable funding. The **Senate** added \$40 million for districts outside New York City. *Last year's budget* included \$340 million to support the expansion of universal full-day pre-kindergarten. \$300 million of that was dedicated to New York City, while the rest of the state received \$40 million.

Child Care Subsidies: Preliminary analysis of the **final budget** indicates that \$5 million in additional funding was added for child care subsidies and additional \$1.9 million for facilitated enrollment.

We will be working closely with our partners in early care and learning in order to better understand the child care investments in the coming weeks. The cost of and need for child care continues to grow and subsidy dollars do not meet that demand. Investing in child care is essential to stabilize low-income families; it is critical that New York increase its investment.

History: The **Executive Budget** included flat funding for child care subsidies. However, the **Assembly** added an additional \$25 million, while the **Senate** added \$20 million for child care subsidies.

Quality Improvement in Child Care (QUALITYstarsNY): The **final budget** includes \$3 million for the implementation of New York’s child care quality rating and improvement system.

History: The **Executive Budget** included \$3 million for the implementation of QUALITYstarsNY. Neither the **Assembly** nor the **Senate** included funding for the program.

Afterschool Programs: The **final budget** includes a \$1.5 million increase over last year’s final budget for a total of \$19,225,300 in funding for Advantage After School.

History: The **Executive Budget** reduced Advantage After School funding by \$500,000 to \$17,255,300. The **Assembly** maintained the Governor’s funding and added an additional \$1 million in TANF funding for Advantage After School, while the **Senate** added no new funding.

Serving at-risk families, preventing entry into the child welfare system, and producing positive results for children and families

Child Welfare

Preventive, Protective, Independent Living, Adoption, and Aftercare Services: The **final budget** appropriates \$635 million for preventive, protective, independent living, adoption, and aftercare services, maintaining the State share at 62%. The budget also includes \$1.57 million in TANF funding for preventive services, with \$274,000 designated to provide post-adoption services.

Localities use this funding to prevent the need for foster care placements and to ensure permanency for children and youth in care. However, localities are experiencing increased pressures on their local budgets. Schuyler Center urges the State to re-assume the 65% State share, to amplify localities’ efforts to prevent child abuse and neglect, and strengthen families.

History: The **Executive Budget** maintained the State share of funding at 62%, and neither the **Assembly** nor the **Senate** proposed to restore the State share to 65%, as is written in statute. However, the **Assembly** included \$1.625 million in TANF funding for preventive services, with \$174,000 designated for post-adoption services.

Child Protective Services: Staff to Client Ratios: The **final budget** authorizes \$757,200 for reimbursement to social service districts for expenditures related to improving staff to client ratios of the child protective services workforce. The funds must be used to supplement rather than supplant existing funding.

While this funding will help to alleviate some of the burden on local DSS offices struggling to meet the need in their counties, it will not close the gap left by the State’s reduced reimbursement rate for preventive, protective, independent living, adoption and aftercare services.

Foster Care and Higher Education: The **final budget** includes \$1.5 million in funding for the Foster Youth College Success Initiative to support youth in foster care to pursue higher education. This initiative comes out of the work of the Fostering Success Youth Alliance, of which Schuyler Center is a steering committee member.

Schuyler Center applauds the Legislature and Governor for recognizing the importance of providing a realistic path to higher education for the State's youth in care.

History: Neither the **Executive Budget** nor the **Senate's** budget proposal included funding to support youth in foster care pursuing higher education. However, the **Assembly** included \$1.5 million for a comprehensive college initiative to support youth who are or had been in foster care.

Kinship Guardianship Assistance Program (KinGAP): The **final budget** continues funding KinGAP within the Foster Care Block Grant, as was done in previous budgets.

KinGAP provides relatives in approved or certified foster care settings a permanency option when both adoption and family reunification are ruled out. Many of these families require financial assistance to continue caring for a foster child in their household; with KinGAP kinship families can exit the foster care system and continue to receive financial support. Schuyler Center advocates for separate, uncapped funding for KinGAP outside of the Foster Care Block Grant, with no reduction to the Foster Care Block Grant.

History: The **Executive Budget** maintained funding for KinGAP within the Foster Care Block Grant. The **Assembly** and **Senate** accepted the Governor's proposal.

Kinship Caregiver Services: The **final budget** maintains flat funding for kinship caregiver services at \$338,750, but also includes \$1 million for organizations providing support services to caretaker relatives of a minor child.

Kinship caregiver programs offer important support and services to people who care for relatives' children in their household outside of the formal foster care program. Programs provide information about family members' rights, support to meet children's education and health care needs, and assistance with obtaining benefits.

History: The **Executive Budget** included flat funding for kinship caregiver services at \$338,750. The **Assembly** and **Senate** accepted the Governor's funding and the **Assembly** added an additional \$1 million in TANF funds for kinship caregiver programs.

Safe Harbor: The **final budget** includes \$3 million in funding for Safe Harbor, a program to support vulnerable, sexually exploited youth.

History: The **Executive Budget** did not include funding for Safe Harbor. However, the **Senate** added \$3 million, while the **Assembly** included \$5 million for the program.

Juvenile Justice: The **final budget** includes an allocation of \$25 million to support "services and expenses" related to raising the age of juvenile jurisdiction, as well as \$10 million for capital expenditures related to raising the age. However, the budget does not include policy

recommendations from the Commission on Youth, Public Safety and Justice, which are expected to be addressed outside of the budget process.

Schuyler Center is a member of a statewide coalition recommending that New York create a juvenile justice system that provides opportunities for youth and advances public safety, in part by raising the jurisdictional age. We look forward to addressing the concerns legislators have raised in hope that those concerns can be resolved before the end of this legislative session.

History: The **Executive Budget** included recommendations from the Commission on Youth, Public Safety and Justice to raise the age of criminal responsibility. The **Assembly** modified the Governor's proposal, moving up the timeline for implementation and slightly expanding the list of crimes for which youth can be tried as adults. The **Senate** did not include the initiative in its budget proposal, citing concerns about implementation and impact on local courts and offices.

Youth

Summer Youth Employment: The **final budget** includes \$30 million in TANF funding for Summer Youth Employment programs, up from \$27.5 million in last year's final budget.

History: The **Executive Budget** increased TANF funding for Summer Youth Employment programs to \$30 million. The **Assembly** maintained this funding, while the **Senate** reduced it to \$27.5 million.

History: The **Executive Budget** decreased the Youth Development Program by \$1.28 million, compared to last year's final budget. The **Assembly** and **Senate** both restored \$1.28 million to the Youth Development Program for 2015.

Other

Rochester Anti-Poverty Task Force: The **final budget** includes \$500,000 for an interagency workgroup to bring together the Rochester community, including public, private and nonprofit leaders, to combat poverty and fight inequality in the city. The task force will coordinate and integrate resources, utilize data and information technology, develop more flexible funding arrangements, and evaluate services based on outcomes.

At Schuyler Center's 2015 policy forum focused on poverty and inequality, three upstate Mayors, including Rochester Mayor Lovely Warren, spoke about the need for local solutions bolstered with State support.

Of note: The **final budget** also includes \$100,000 for a Broome County Anti-Poverty task force and \$125,000 for a Syracuse Anti-Poverty task force.

History: The Governor's Opportunity Agenda included a proposal for interagency workgroup to bring together the Rochester community to combat poverty and fight inequality in the city, but the **Executive Budget** did not include funding for the task force. In its proposal, the **Assembly** added \$250,000 for the United Way of Rochester to support the work of the Anti-Poverty task force. The **Senate**, however, did not include the task force in its proposal.