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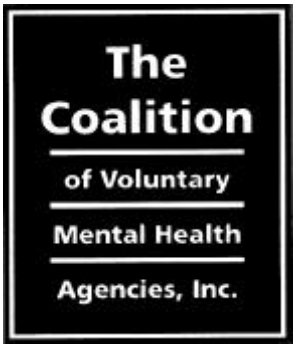

Before the New York City Council

Subcommittee on Mental Health, Mental Retardation,

Alcoholism and Substance Abuse Services

Delivered by

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Children and Mental Health: The Problem of KIDLOCK in Foster Care

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Chairwoman Clarke, distinguished members of the City Council, good morning. My name is Phillip A. Saperia. I am the Executive Director of The Coalition of Voluntary Mental Health Agencies, Inc. The Coalition is New York City's advocacy organization representing a network of over 100 nonprofit community-based mental health agencies. Taken together, The Coalition's member agencies serve more than half a million clients and deliver the entire continuum of mental health care in practically every community and neighborhood of our very diverse New York City.

We thank you for holding this important hearing today on this crucial topic. I would like to engage the City Council in a Statewide advocacy and education effort that will contribute to better care for New York's youth in foster care who have a mental illness and all young people who require intensive mental health care.

New York State's mental health system for children is dramatically more underfunded than the adult system. Both sectors are woefully underfunded and lacking in capacity as we have testified on many occasions. There are far too few services available, and those that exist suffer from insufficient and stagnant reimbursement rates. Children trying to access care are often forced to remain on waiting lists until an all-too-rare space becomes available. The Citizens Committee for Children of New York has eloquently described this problem as kidlock.

Each of us in this room has been stuck in rush hour traffic, frustrated that the street is so full that there is no room for us to move ahead. We all know that feeling of anger and helplessness. Nevertheless, we all made it home that night. Imagine spending an entire lifetime in rush hour traffic. That anger and frustration would never go away. That helplessness and hopelessness would become all pervasive. You would never make it home. That is what life is like for the thousands of our children who are on the outside of the mental health system looking in. There is

never any room for them to move ahead.

Simply put, New York's mental health treatment system for children is full. Waiting lists are so common as to no longer be noteworthy. Many kids spend so long waiting that they are no longer children by the time a service is available to them.

When children with serious emotional disturbances are forced to go without the treatment they need, they suffer and we all pay a very high cost. The human costs in suicides, school failure, drug and alcohol use, family break-up and lost potential are immense and immeasurable.

The fiscal costs of delinquency are similarly high. Juvenile detention facilities are much more expensive than mental health treatment. Untreated childhood emotional disturbances grow into much more costly and difficult to treat adult mental illnesses. Adults who spent their childhood in the juvenile justice system instead of treatment are more likely to be a burden on the vocational and social safety-net systems.

In the name of fiscal prudence, we are tolerating vast human waste, loss, and family disruption. In the name of fiscal prudence we are squandering precious human potential. In fact, we are short-changing our children in the short term and spending much more in the long-run. While the scarcity of mental health services for foster care children has many causes, I would like to take my remaining time to highlight an issue we perceive to be particularly egregious, the cap imposed on Medicaid mental health spending by the State of New York.

This cap–a limit on the amount of spending for mental health services, applied to mental health services alone among the health disciplines, arose out of a tacit early 1990s agreement between OMH Commissioner Surles and the State Department

of the Budget. While the State was shifting funding streams to maximize the federal contribution to mental health services by transferring programs to Medicaid funding, there was a concern that DOB would lose control of the Medicaid budget. If operating certificates and program capacity increases were granted based solely on a demonstration of necessity, the State would be unable to restrict program growth, it was feared, and the Medicaid budget would increase to meet the need.

As a solution to the fear of loss of control over Medicaid budgets, an agreement was made to limit the State share of Medicaid spending on mental health services. This cap is not explicitly stated in law or regulation. It is implemented in circuitous ways. For example, the mental hygiene regulations in 14 NYCRR §551.13, state that "In reviewing outpatient projects, the Office of Mental Health shall consider...for projects in which the proposed operating budget includes reimbursement from Medicaid or local assistance, the impact, source, and availability of the State share of such funds."

The Department of Health, Office of Alcoholism and Substance Abuse Services and Office of Mental Retardation and Developmental Disabilities services are not forced to contend with such a cap. The limit is applied only to mental health services. This is blatant discrimination.

The cap, in effect, eliminates the potential for the mental health system in New York to grow to meet the needs of New Yorkers with mental illness. Between 1998 and 1999 the population of New York State grew by over 37,000.[1] Nearly 24,000 of

[1]Population Estimates Program, Population Division, U.S. Census Bureau, Washington, DC 20233

those people are here in the City.[2] It is outside of the boundaries of common sense to believe that none of these new residents will require mental health treatment. We tolerate a system that lacks capacity to serve the existing populations. We have no room for new clients–no room for new needs.

Furthermore, a no-growth system, by its very nature, eliminates the possibility for children and adults with mental illness to receive the continuity of care that they need. Without coordinated treatment and supports; without available, accessible program slots for people to move to, the flow of care becomes disjointed and interrupted. While continuity of care is crucial for adults with mental illness, it is even more critical for children and adolescents. For children in foster care whose relationships tend to lack stability in the first place, continuity of care is that much more important.

We believe that this cap may be a violation of both State and Federal law. We are certain that it is a significant reason for the terrible overcrowding of the children's mental health system. Until the mental health Medicaid neutrality cap is lifted, we will continue to see children on long waiting lists, unable to access the care and treatment that will enable them to reach their full potential.

I urge the City Council to join us in our effort to eliminate this hurtful cap.

The Coalition of Voluntary Mental Health Agencies is grateful for the support of the City Council and this Subcommittee in particular. We look forward to working together to craft the outstanding mental health care system that the greatest city on the planet deserves. Thank you for your time this afternoon.

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[2] Ibid.