



## MEMORANDUM IN SUPPORT S.7663 Ortt

*A bill that would remove the requirement, unique to Article 31 mental health clinics, that federal participation must be provided for such clinics to be paid state funding owed to them for uncompensated care rendered.*

The New York State Council, representing nearly 100 behavioral health (mental health and substance use) prevention, treatment, and recovery organizations across New York, **supports this legislation, S.7663 Ortt** to amend the public health law to remove the requirement, unique to Article 31 mental health clinics, that federal participation must be provided for such clinics to be paid state funding owed to them for uncompensated care rendered.

Under a formula developed in 2010, the State's Outpatient Article 31 Mental Health Clinics, including those that are run by community organizations and counties, were promised approximately \$10 million annually (approximately 40 cents on the dollar depending on utilization from year to year) to offset the cost of indigent mental health services. In 2010, the NYS Office of Mental Health (OMH) transferred state funding to the Department of Health (DOH) for purposes of making reimbursement through the Pool available to qualifying Article 31 Outpatient Clinics. Unfortunately the federal and state waiver agreement that permits NYS to draw down a federal match on a portion of the costs for this care expired at the end of 2014. The state has been negotiating with the Centers for Medicare and Medicaid Services (CMS) to reach an agreement on the lapsed waiver for over a year. Article 31 mental health clinics have not received any reimbursement for services rendered in 2013 (paid in 2015 due to two year payment lapse) and continued access to care for indigent New Yorkers is at risk.

Collectively, over 100 clinics serving indigent populations throughout New York State, which are already struggling financially, are negatively impacted by this situation. Specifically, OMH Article 31 Outpatient Mental Health Clinics continue to experience involuntary consolidation due to fiscal stress. Waiting lists for services are often extensive at a moment in time when New Yorkers can ill afford to ignore our neighbors with no ability to pay for services. Recently, OMH conducted a survey that showed 40% or more of all OMH Outpatient Clinics are experiencing significant fiscal distress. With the lapse of the federal/state waiver agreement, and the non-payment for services rendered going back two years and going forward, our ability to continue to provide essential services to indigent New Yorkers is in jeopardy and access to care is threatened.

Currently there is language in state statute that prohibits reimbursement of OMH Article 31 Outpatient Mental Health Clinics unless there is a federal match agreement in place. **We need an amendment to section 2807-p of the public health law (subdivision 10) to remove the requirement on Article 31 payments for federal participation so state funding is provided to these mental health clinic providers.**

The NYS Council believes this bill is essential to ensure adequate access to and continuity of care. **Therefore, we urge the enactment of this legislation, S.7663 Ortt during the 2016 Legislative session.**