

Kids Don't Win with SBHC Medicaid Managed Care Carve In

November 18, 2024

The Honorable Kathy Hochul
Governor
New York State Capitol
Albany, NY 12224

Dear Governor Hochul:

The below listed organizations representing hospitals, clinics, unions, health and education providers and others are united in their strong opposition to the NYS Department of Health (NYSDOH) announcement on September 20th to transition School-Based Health Centers (SBHCs) into Medicaid Managed Care (MMC) on April 1, 2025. Collectively, we urge you to reject the proposed MMC carve-in and **instead sign S7840, Rivera/A8862, Paulin into law, which passed the Senate and Assembly unanimously and would permanently allow SBHCs to remain in Fee-for-Service Medicaid.**

It is especially urgent and critical for New York to maintain the current funding, structure and stability of SBHCs, a primary provider of care for children of color in underserved communities, immigrants, adolescents in need of reproductive health and gender affirming care, given the significant federal changes to the healthcare system and Medicaid in particular that we anticipate as the country transitions to a new administration. Please reject the carve-in and sign S7840/A8862 into law for the following reasons:

SBHCs Provide Child-Centered Care for our Most Vulnerable Children

- New York's approximately 250 SBHCs provide a highly unique and child-centered model of care. SBHCs across the state care for approximately 350,000 at-risk youth in the most underserved rural and urban areas of the State, where they spend much of their days - *in school*.
- In many cases, SBHCs are the only source of access for these children to receive physical, mental, dental, and reproductive healthcare. This care is provided regardless of insurance status or ability to pay. **SBHCs are more critical than ever due to the state's escalating mental health crisis, shortage of pediatric dental care, and to serve as a safety net for migrant families.**
- SBHCs have been proven to reduce ethnic and racial disparities in the communities they serve and improve school attendance and performance. The state's own studies have demonstrated the reduction in hospitalizations and ED visits among children who receive care at SBHCs.

New York's SBHC Model Must be Preserved, Not Decimated

- SBHCs have always been "carved-out" of MMC in New York State. While SBHCs were initially scheduled to be transitioned into MMC in 2014, the carve-in date has been extended multiple times - most recently postponing it to no sooner than April 1, 2025. Over the last decade, no solutions have been identified to address the intractable issues that managed care would pose for SBHCs and no meetings have been held with stakeholders since before the COVID-19 pandemic to discuss implementation of a carve in. **Despite this, NYSDOH has just announced that it will make this major system change in less than 6 months in the middle of the school year.**
- SBHCs do not fit into a "managed care" model. The New York Health Plan Association recently acknowledged this saying, "*We recognize the unique relationship between (SBHCs) and their provider sponsors, and the services they provide. This current structure does not lend itself to the care coordination practices that health plans rely on and transitioning from the current fee-for-service system would create massive disruption for providers, schools, children and families, and is the reason we support the legislation to maintain the current process.*" (Politico 10/7/24)

- A managed care carve-in threatens the continued viability of this critical safety net provider due to significant administrative and financial burdens on clinics and their sponsoring organizations who are already struggling financially. **One SBHC clinic sponsor in NYC projected the transition would result in a 30-40% hit to their funding for school health services.**
- Moving SBHCs to managed care does not have any savings attached to it. In fact, this shift will increase costs to the state. NYSDOH will have to pay managed care plans to administer the coverage while also paying for many protections to try to compensate for this unworkable model for SBHCs. These funds should be going directly to services, not to health plans.
- SBHCs and their sponsoring organizations can ill afford the significant administrative costs of the transition, nor the ongoing delays and denials that have impacted care access in other sectors in MMC. A recent Guidepoint study looking at managed care for New Yorkers with developmental disabilities raised a number of concerns and advised against moving into managed care.

Keeping SBHCs in Fee-for-Service Aligns with Your Focus on Children, Families and Mental Health

- NYSDOH was recently quoted saying, *“The transition of SBHCs into the MMC benefit package will strengthen and improve the coordination of care, quality of care, and outcomes for children.”* (Politico 10/7/24). This is a false assertion. As the State Health Plan Association stated publicly in the same article, *“this current (SBHC) structure does not lend itself to the care coordination practices that health plans rely on and transitioning from the current fee-for-service system would create massive disruption for providers, schools, children and families.”*
- Contrary to NYSDOH’s comments, today’s SBHC model has strong care coordination with the state and community partners. SBHCs are certainly glad to work with the state and other stakeholders to further enhance it, but this is not a reason to dismantle the existing, highly successful program. **Notably, there is no external stakeholder who is in favor of a SBHC carve into managed care.** None see any value or benefit from such a significant shift, and all have pointed out that the harms it will cause to this highly unique and successful model of care built around children which New York should be very proud of.
- Our children who are already facing many other challenges deserve to know their SBHC will always be there for their health, dental, reproductive, and mental health needs.

Together, we urge you to reject the shift to managed care and instead, sign this critical bill into law to protect and bring stability to SBHCs and the children who depend on their essential services. **This legislation (S7840/A8862) ends the years of uncertainty and enables SBHCs and their partners to direct all resources to ensure the viability and growth of this vital, child-centered safety net.** Please contact Sarah Murphy, Executive Director for the New York School-Based Health Alliance at 518.694.3423/sarah.nysbha@gmail.com for more information. Thank you.

New York School-Based Health Alliance
1199SEIU
Greater New York Hospital Association
Healthcare Association of New York State
Community Health Care Association of New York State
NY Society of Adolescent Health & Medicine
The Foundling
New York State Academy of Family Physicians
New York City Department of Health and Mental Hygiene
Kaleida Health
Northwell Health
Montefiore Health

Community Health Network
New York School-Based Health Foundation
Long Island Jewish Medical Center/CMCC
Children's Aid NYC
NYU Langone Health
Morris Heights Health Center
Family Health Centers at NYU Langone
New York-Presbyterian Hospital
Harmony Healthcare Long Island
States Island University Hospital
Healthy Capital District
Open Door Family Medical Center
Community Health Academy of the Heights Essex Street Academy
Lower Manhattan Academy Arts Academy
Urban Assembly Academy of Government and Law
New Design High School for Dual Language and Asian Studies
Rochester Regional Health
Bassett Healthcare Network
Sun River Health
Community League of the Heights
Academy of Innovative Technology
Far Rockaway Educational Campus, Pathways to Graduation
New York State Community Schools Network
Network for Youth Success
Village Academy, Brian Piccolo MS53 Campus
North Country Family Health Center
Brooklyn Plaza Medical Center, Inc.
Urban Health Plan
University of Rochester
Institute for Family Health
Syracuse Community Health
East Harlem Council for Human Services Inc./ Boriken Neighborhood Health Center
NYU Langone Hospital - Long Island
Family Health Network of CNY, Inc.
NY Society of Adolescent Health & Medicine
Ariel Tassy Nunez, MD, Deborah Saunders, MD, Eric Weiselberg, MD, Rachel Bergeson,
MD, Khalida Itriyeva, MD, members, AAP Chapter 2 Committee on Youth and Adolescents
Finger Lakes Community Health
Smile New York Outreach
FHC at NYU Langone School Based Dental Program
BMS Family Health and Wellness Centers
Connex Care
Mount Sinai Hospital
Mount Vernon Neighborhood Health Center Network
Ryan Health