



**New York City Council**  
**City Preliminary Budget Hearing - Joint Committees on Health and Mental Health,**  
**Disabilities, and Addiction**  
**Testimony Submitted by Michelle Avila, Director of Public Policy**  
**Thursday, March 19, 2026**

On behalf of Children's Aid, I would like to thank Committee Chairs Schulman, Cabán, and Hanif, as well as the members of the New York City Council's Committees on Health and Mental Health, Disabilities, and Addiction, for the opportunity to submit testimony on the Fiscal Year 2027 Preliminary City budget.

For over 170 years, Children's Aid has been committed to ensuring that there are no boundaries to the aspirations of young people and no limits to their potential. We lead a comprehensive counterattack to the obstacles that threaten New York City children and youth achievements in school and in life. Through our early childhood centers, community schools, community centers, health clinics, and School-Based Health Centers (SBHCs), Children's Aid creates trusted, neighborhood-based spaces where families can access the full range of support they need. Today, our more than 2,000 full and part-time staff members empower nearly 50,000 children, youth, and families across more than 40 sites.

As an agency with a strong city and state advocacy agenda, we are supportive members of the Citizens Committee for Children (CCC), the Healthy Minds, Healthy Kids Campaign, the Human Services Council, InUnity Alliance, the NYC Food Policy Alliance, and the downstate chapter of the New York School-Based Health Alliance (NYSBHA). Together, we are on a mission to connect children with the resources they need to learn, grow, and lead successful and independent lives.

Children's Aid works every day at the intersection of health, mental health, food security, and family stability. The priorities we present today reflect both what we see on the ground in our programs and what the evidence tells us works. Across all of these areas, the City has an opportunity to make targeted, cost-effective investments that will improve outcomes for thousands of children and families.

We urge the City to strengthen its investment in youth mental and physical wellness by supporting the following priorities:

- **School-Based Health Centers:** Increase City Tax Levy (CTL) funding for School-Based Health Centers to \$25 million to support all 139 of the City's SBHCs at \$100,000 per site, plus \$100 per enrolled student.
- **Mental Health Initiatives**
  - **Restore \$4.1 million** for community-based services that support the delivery of care to youth with high needs.

- **Allocate \$1.8 million** for early childhood screening, trauma-informed treatment, and child-parent psychotherapy.
- **Extend and baseline funding for the Mental Health Continuum at \$5 million** to ensure students with significant mental health needs continue to have access to expedited mental health care.
- **Double funding for the Court-Involved Youth Mental Health Initiative** from \$3.425 million to \$6.89 million to expand access to evidence-based mental health services for the 3,000 justice-involved youth served annually by 21 providers across the city.
- **Through the City's Discretionary Funding process, enable Children's Aid to:**
  - **Provide trauma-informed mental health services for high-needs and court-involved youth** through the Court-Involved Youth Mental Health Initiative.
  - **Sustain the Health Ambassadors program**, a peer-led initiative providing health education across school communities.
  - **Continue funding for the Mental Health for Vulnerable Populations Initiative**, which delivers mental health support within Youth Empowerment Programs.
- **Response to the Loss of SNAP-Ed:** Coordinate a Citywide response to the elimination of SNAP-Ed by providing bridge funding of \$5 to \$7 million and aligning Human Resources Administration (HRA), the Mayor's Office of Food Policy (MOFP), New York City Public Schools, (NYCPS) and the Department of Health and Human Services (DOHMH) to mitigate nutrition-education and food access gaps that increase reliance on the emergency food system.
- **Health Bucks Program:** Increase baseline funding for Health Bucks from \$500,000 to \$700,000 to expand access to fresh, healthy food for low-income New Yorkers while supporting local farmers.
- **Human Services Cost-of-Living Adjustment:** Support a 3 percent increase to the Citywide Human Services Cost-of-Living Adjustment to help providers address rising operational costs.
- **Access to Health Coverage:** Urge the City to advocate for the State to preserve access to Medicaid and the Essential Plan, preventing the loss of health coverage for millions of children and families across New York.
- **Sexual and Reproductive Health Services:** Commit to supporting high-quality, confidential reproductive health services and work with the State to ensure continued funding for comprehensive family planning and reproductive health care should Title X funding be rescinded.

### ***School-Based Health Centers (SBHCs)***

Children's Aid believes one of the most effective ways to keep children healthy is by making health care accessible where they already are—in their schools and communities. School-Based Health Centers (SBHCs) increase access to care, especially for uninsured and immigrant youth, by providing high-quality medical, dental, and behavioral health services within schools. Locating services on school campuses supports working families by allowing young people to receive the care they need with fewer disruptions to their school day and reducing the burden on parents to miss work. Moreover, by addressing medical problems before they become emergencies, SBHCs keep youth out of the emergency room for routine primary care, allowing our already-stressed emergency departments to focus on individuals who need that level of care. SBHCs are a key component of New York State's health equity strategy and serve as a cost-effective, high-impact model for healthcare delivery.

Children's Aid operates six SBHCs offering a range of medical, dental, and behavioral health services. All of our centers are located in low-income neighborhoods, where families face significant barriers to receiving healthcare. In the 2024-2025 school year, our SBHCs treated 3,817 patients and recorded 20,911 visits, including over 14,400 medical visits, 3,425 behavioral health visits, and 4,707 dental visits.

Our SBHCs overcome barriers to accessing primary care services, including immunizations, public health screenings, and care for common conditions, regardless of immigration status, insurance, or ability to pay. They also facilitate access to required physicals for school enrollment and connect families to subspecialists and local primary care providers. Additionally, SBHCs provide reproductive health services that have meaningfully reduced New York City's adolescent pregnancy rates: 14 percent of SBHC patients opt for Long-Acting Reversible Contraceptives (LARCs) compared to just 2 percent in schools without SBHCs. This shift helped prevent more than 5,000 pregnancies and generated an estimated \$30 million in public savings, contributing to as much as 28 percent of the overall decline in teen pregnancies in New York City.<sup>1</sup>

In summary, SBHCs are a vital part of the City and State's social safety net, connecting families, especially those with medically complex students, to essential resources they might otherwise lack access to. By providing high-quality care in school, SBHCs prevent emergency room visits, increase student learning time, and reduce parental missed work. They are, in short, an investment that pays for itself many times over.

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<sup>1</sup> *New York City School-Based Health Centers, Outcomes Report, 2008–2017* (New York: New York School-Based Health Alliance), showing increases in LARC utilization, associated reductions in teen pregnancies, and estimated public cost savings.

### ***Behavioral and Mental Health Services Delivered at School-Based Health Centers***

The mental health needs of New York City's young people have never been more acute. While the isolation, grief, and trauma of the COVID-19 pandemic continue to reverberate, they are now compounded by the profound instability many young people face due to the City's housing crisis, the trauma associated with immigration, and the growing prevalence of food insecurity. An estimated 1 in 7 New York City public school students has lived in shelters within the past year,<sup>2</sup> a level of displacement that disrupts every aspect of a child's development and sense of safety. Experiences of housing instability, forced migration, and chronic food scarcity are strongly associated with elevated anxiety, depression, and traumatic stress. Meanwhile, the influence of social media continues to shape youth identity, self-worth, and exposure to harm, contributing to rising rates of emotional distress.

The data reflects this crisis clearly. Anxiety screenings are now recommended for all children ages eight and older; depression screenings for all children ages 12 and older. Suicide rates continue to rise at alarming rates, particularly among Black boys and girls, and suicide is now the second leading cause of death for young people nationwide.

Children's Aid is on the frontline of this crisis. Four of our six SBHCs operate on-site Article 31 Mental Health satellite clinics, and all six can connect youth in need to behavioral health services. Our care model includes psychiatry and referrals to our home and community-based Child and Family Treatment Services (CFTSS). Students also have access to Eye Movement Desensitization and Reprocessing (EMDR), an evidence-based trauma treatment that is both highly effective and often difficult and expensive to obtain in community settings. Without holistic mental health services and accessible entry points for care, we are deeply concerned about long-term outcomes for the young people we serve.

### ***Recommendations for SBHC Funding***

Despite the critical importance of the services that SBHCs offer, they are chronically and severely underfunded. They are funded primarily through health insurance billing, which covers approximately 50 percent of operating costs, depending on the school. Commercial insurance often does not cover these services at all, or reimburses at rates so low that only a fraction of the cost is covered. This is particularly true for preventive, population-level interventions, like mental health education, wellness programming, and group-based screenings, which are rarely reimbursed by public or private insurance, even though these are precisely the interventions that improve long-term health outcomes. Carrying out this work comes at a loss to the program and requires standalone grant funding to sustain.

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<sup>2</sup> Citizens Committee for Children: Number of homeless New York City public school students reaches a new high, accessible at <https://cccnewyork.org/press-and-media/number-of-homeless-new-york-city-public-school-students-reaches-a-new-high/>.



The financial picture has worsened considerably in recent years. State grants for the 250 SBHCs serving more than 250,000 children have been reduced by more than 25 percent (\$5.8 million) since 2013. In 2017, a 20 percent State budget reduction triggered further cuts, and 27 sponsors saw reductions ranging from 25 to 70 percent due to changes in funding distribution and methodology. In 2019, the State permanently eliminated the Cost-of-Living Adjustment (COLA) for SBHCs. Post-pandemic, SBHCs have yet to recover from an estimated \$26 million in lost Medicaid revenue during school closures. Non-Medicaid state grants, which help cover the deficit created by SBHCs' commitment to serve all children regardless of insurance status, have not kept pace with these losses.

City funding is similarly inadequate. City dollars account for just 6 percent of the annual budget for New York City's 139 SBHCs, approximately \$7.8 million for just 34 centers. The remaining 105 SBHCs receive no direct City funding at all. At the same time, New York City Public Schools (NYCPS) relies on SBHCs to satisfy the State mandate requiring a school nurse at qualifying schools, without providing any additional funding to support that role. And when SBHCs work with students with chronic health conditions—a core part of their mission—that work is not reimbursable by insurance, adding further to the financial burden.

Looking ahead, the pressure on SBHCs is poised to intensify. The State plans to carve SBHCs into Medicaid Managed Care beginning April 1, 2026, a change that is likely to reduce this already insufficient funding stream and further jeopardize sustainability. Simultaneously, ongoing cuts and uncertainty at the federal level threaten the grant funding that sponsoring organizations rely on to subsidize these centers. Together, these pressures risk forcing clinic closures, with serious consequences for children and families who have nowhere else to turn.

This systemic disinvestment has left SBHCs in financial crisis even as the demand for school-based health services continues to grow. Without SBHCs, many children and youth in New York City would remain entirely outside the health care system or rely on overstretched emergency departments for routine care. **We urge the City Council to increase this year's City Tax Levy (CTL) funding for SBHCs to \$25 million, ensuring that all 139 centers are funded at \$100,000 per site, plus \$100 per enrolled student.** SBHCs are uniquely positioned to meet the growing health needs of students across the city, and this investment is essential to preventing further service reductions and closures.

### ***Mental Health Initiatives***

As the aforementioned data makes clear, the youth mental health crisis demands a response that reaches beyond the walls of our SBHCs. As a member of both the InUnity Alliance and the Coalition for Equitable Education Funding (CEEF), Children's Aid supports a broader set of investments to ensure that every young person in New York City, regardless of where they live or what challenges they face, can access the mental health support they need. We ask that the City commit to the following in the final FY27 City budget:



- **Restore \$4.1 million toward community-based services to support the delivery of care for high-needs youth.**
- **Allocate \$1.8 million for early childhood screening, trauma-informed treatment, and child-parent psychotherapy.**
- **Extend and baseline funding at \$5 million to ensure students with significant mental health needs continue to have access to expedited mental healthcare.**

### ***Court-Involved Youth Mental Health Initiative***

The Council’s Court-Involved Youth Mental Health Initiative funds critical mental health services for some of New York City’s most vulnerable young people. After years of stagnant funding at \$3.425 million, Children’s Aid urges the Council to double this investment to \$6.89 million in FY27, an expansion that is both urgent and overdue.

The need is clear and growing. Over 65 percent of young people in the juvenile justice system have a mental health challenge, and the number of young people in juvenile detention in New York City increased by an alarming 26 percent from 2024 to 2025. Incarcerating young people with unmet mental health needs does not make our communities safer; it deepens the very instability that drives justice involvement in the first place. The Court-Involved Youth Mental Health Initiative represents a smarter approach: funding programs that allow young people to remain at home while receiving treatment and services tailored to their unique needs.

The initiative currently supports 21 providers across New York City, collectively serving 3,000 young people annually. By funding training and technical assistance alongside direct services, the initiative ensures that youth receive evidence-based, high-quality screenings, assessments, and care—not just a referral, but a real connection to treatment. Many programs currently face waitlists and are unable to meet the needs in their communities. Doubling the investment to \$6.89 million would allow the initiative to reach more young people at more programs throughout the five boroughs, reducing those waitlists and ensuring that no young person in crisis is turned away for lack of capacity.

Children’s Aid’s Court-Involved Youth Mental Health Initiative, launched in 2015, is a direct beneficiary of this funding. Our program provides supportive counseling services alongside preparation for high school equivalency, job readiness, and other skill-building activities. We screen and assess a minimum of 100 youth, aged 14–26 annually, in the Bronx and Harlem who are currently at risk of becoming justice-involved or who have previously been involved with the juvenile justice system. Increased funding in FY27 would allow us to expand the number of youths we screen and serve, reduce our waitlist, and deepen the clinical quality of the services



we provide. Investing in this initiative is investing in true public safety: giving young people the tools they need to thrive, rather than cycling them through a system that too often makes matters worse.

**We urge the Council to double funding for the Court-Involved Youth Mental Health Initiative from \$3.435 million to \$6.89 million in FY27, and to continue supporting Children's Aid's program through the City's Discretionary Funding process, ensuring that justice-involved youth in the Bronx and Harlem have access to the trauma-informed care and wraparound services they need to heal and thrive.**

***Additional Health Supports Funded by City Discretionary Grants***

Children's Aid operates several programs that rely on City support to deliver critical services. Our mental health initiative for vulnerable youth ensures that high-needs young people are served by licensed professionals who conduct clinical assessments and evaluations to connect youth ages 14–26 to our Youth Empowerment Programs. Based on these assessments, youth are offered individual and/or group therapy, along with case management services, to address risky behaviors, trauma, and other mental health needs.

We also thank the Council for its continued support of the Health Ambassador programs through discretionary funding. The Health Ambassadors in our SBHCs are peer-led groups that provide health education to their school communities. Ambassadors receive comprehensive training on mental and reproductive health topics and share that knowledge with peers through interactive classroom sessions alongside a health educator, while also helping organize monthly events within the school community. These programs build exactly the kind of informed, supportive school culture that buffers young people against mental health risk.

We urge the City to invest in and continue supporting these critical funding streams in FY27 for Children's Aid and other community-based organizations serving children and youth across New York City.

***Food & Nutrition Programs: Go!Healthy***

Children's Aid's Go!Healthy program addresses food inequities and improves health outcomes for children and families in low- and moderate-income communities across New York City. Through nutrition education, healthy food access, culturally responsive activities, food resiliency programming, and gardening education, Go!Healthy examines food systems through a health equity lens and advances food justice by providing education, leadership, and job opportunities. Each year, we serve over 3,000 individuals, including 1,665 participants in nutrition education. Go!Healthy tackles food insecurity in City Council districts 7, 8, 9, 10, 16, 17, 49, and 50 by providing access to affordable, fresh, and healthy foods. Since 2003, we have promoted wellness



through programming such as nutrition education, culinary demonstrations, gardening, and food box distribution.

Go!Healthy's nutrition education was supported by federal SNAP-Ed funding, a long-standing and vital partner in ensuring these services reach communities with the greatest need. For three decades, SNAP-Ed played a key role in advancing New York's public health and food access goals, helping New Yorkers stretch their food dollars, navigate rising food costs, and make informed decisions about what they eat. Through partnerships with community-based organizations, schools, and local partners, SNAP-Ed delivered practical, culturally relevant education and connected New Yorkers of all ages to fresh, affordable foods in the communities where they live, work, and learn.

That federal investment is now gone. Despite SNAP-Ed's demonstrated importance to preventive health and its broad national success, the federal government eliminated this funding in 2025 with the passage of H.R. 1. New York City now stands to lose not only a network of educators, but also a deeply embedded set of programs operating in schools, community centers, food access hubs, and human-service providers across the city. Many providers have already begun terminating staff and winding down programming because the instability of SNAP-Ed's future makes it impossible to sustain operations or plan for upcoming program cycles. Without action, the City will see a rapid erosion of the infrastructure, partnerships, and neighborhood-level trust that has taken decades to build.

The scale of SNAP-Ed's impact is significant for New York City families. In FY25, SNAP-Ed New York reached 1.845 million participants statewide and delivered more than 35,000 nutrition workshops, many through New York City schools, after-school programs, and community-based organizations. Among participants, 57 percent improved fruit and vegetable intake, 57 percent increased physical activity, and 58 percent engaged in more price comparisons while food shopping. Overall, household food security improved by 25 percent after participating in SNAP-Ed programming.

These outcomes are especially important for New York City as more households struggle with high food prices, reduced SNAP benefits, and anticipated changes in Medicaid eligibility. Every \$1 invested in SNAP-Ed saves up to \$9.541 in future healthcare costs—savings that directly benefit a city system already under strain. Losing SNAP-Ed programming now would increase demands on city-funded services, from emergency food programs to public hospitals, and would undermine the City's own strategies around prevention, chronic disease reduction, and community health.

At Children's Aid, SNAP-Ed plays a central role in our work in the South Bronx, Harlem, Washington Heights, and the north shore of Staten Island, communities that consistently face some of the highest rates of food insecurity and nutrition-related health conditions in the city. SNAP-Ed enabled us to offer steep discounts on locally grown produce, deliver evidence-based nutrition education workshops led by qualified nutritionists, operate a food-as-medicine program, and run school- and community-based distribution sites where families can pick up their children



and fresh foods together. This integrated model is only made possible through dedicated funding. Without City support, these programs will fully cease operations by September 2026.

We strongly support the inclusion of all affected providers in any City investment toward sustaining vital SNAP-Ed programming, and we recognize that many other organizations across the city are facing the same crisis. To help mitigate the immediate impact of the federal elimination, Children's Aid has applied for \$200,000 in City discretionary funds to support this work. More broadly, we urge the City to act at scale:

- **Fund SNAP-Ed Continuation:** Establish City bridge funding of \$5 to \$7 million to continue SNAP-Ed operations through community-based providers, so families retain nutrition education and cost-saving skills, preventing avoidable strain on HRA programs.
- **Align HRA, MOFP, NYCPS, and DOHMH to mitigate nutrition-education gaps that are pushing more families to emergency food.**

Children's Aid is also a member of the NYC Food Policy Alliance, a network of over 60 food system stakeholders that advocates for public policies and funding ensuring equitable access to a healthy, sustainable food system. At a time when 50 percent of working-age New Yorkers are struggling to cover their basic needs, we appreciate the Council's focus on making food healthier, more affordable, and accessible. As part of that broader agenda, we specifically request the Council's support to:

- **Increase baseline funding for Health Bucks from \$500,000 to \$700,000** to expand access to fresh, healthy food for low-income New Yorkers and support local farmers. This proposal funds both components: \$350,000 for SNAP-based farmers market incentives and \$350,000 for Health Bucks through community and faith-based organizations.

The current funding level for community and faith-based organizations has remained static at \$200,000 since 2022, and demand has long since outpaced available resources. In 2024, the NYC Department of Health and Mental Hygiene (DOHMH) received 600 applications from local organizations for Health Bucks, but was unable to fully fund all requests, leaving many with less than they needed or without funding altogether. By distributing Health Bucks through organizations that integrate them into nutrition and health programming, the program reinforces nutrition education, ensuring that participants have both the knowledge and the financial resources to make healthier food choices.

### ***Human Services Staff Retention***

Like many human services providers, Children's Aid is experiencing high turnover among frontline staff, including social workers, teachers, education professionals, and mental health practitioners, who are leaving for sectors that offer higher pay. Current contracts do not provide adequate compensation for these professionals, making it increasingly difficult to remain competitive in the labor market.

This is not just an operational challenge; it is an equity issue. Human service workers are predominantly female (66 percent), with over two-thirds being full-time workers of color (68 percent) and nearly half (46 percent) women of color. The chronic underpayment of this workforce reflects and reinforces broader racial and gender wage disparities. Without targeted investment, providers will continue to struggle to recruit and retain qualified staff, directly affecting the quality and stability of programs available to young people and families. We urge the Council to:

- **Include the previously negotiated 3 percent cost-of-living adjustment (COLA),** allowing service providers to address rising costs and maintain a stable, qualified workforce.

### ***Medicaid & the Essential Plan***

Children's Aid remains deeply concerned about the impact of recent federal actions on Medicaid and the Essential Plan, which continue to create instability for New Yorkers who rely on these programs. These shifts introduce uncertainty at a time when families, especially those with children, need consistent and affordable access to care.

The federal government has granted preliminary approval for New York State to reduce Essential Plan eligibility from 250% to 200% of the Federal Poverty Line—an annual income level of just \$32,000 for an individual, compared to roughly \$40,000 at 250% FPL. This lower threshold is far too low for New York City, where high costs already strain household budgets. While the federal approval would preserve coverage for 1.3 million New Yorkers, we remain concerned about the 470,000 individuals earning between 200% and 250% of the FPL who stand to lose coverage as early as July 2026.

When a parent cannot afford treatment or medication, that instability touches every aspect of a child's well-being. We see these dynamics every day in our community centers, schools, and health clinics. Given recent federal actions that are reducing health care eligibility and creating new barriers to coverage, we urge the City to commit to the following priorities in the final FY27 budget:

- **Advocate for the State to protect Medicaid and the Essential Plan,** including by leveraging previously set aside \$2.5 billion in funds to protect coverage for 470,000 enrollees threatened with the loss of the Essential Plan, ensuring that children and families do not lose access to affordable healthcare. Preserving these programs is critical to preventing coverage losses that would disproportionately harm low-income communities.
- **Advocate for Medicaid Managed Care plans to reimburse pediatric providers at least at Medicaid fee-for-service rates.** Persistent payment inequities in Medicaid



Managed Care undermine the financial stability of community pediatric practices and threaten access to high-quality care for children across New York City.

### ***Sexual & Reproductive Health***

Children's Aid offers comprehensive, age-appropriate sexual health education and reproductive health care services, as well as support for young people to build the tools they need to make healthy and informed choices. Our programs help young people prevent unplanned pregnancy, HIV, and STIs so they can focus on school, make safe decisions, and prepare for their futures.

Federal funding for reproductive health and medically accurate sexual health education is increasingly uncertain, and the City has an important role to play in ensuring these services remain available. Given this uncertainty, we ask that the City commit to the following for the final FY27 City budget:

- **Fund high-quality reproductive health services** and work with the State to commit to funding comprehensive family planning and reproductive health services, should federal funding for Title X be rescinded.

### **Closing**

Children's Aid sincerely thanks the New York City Council for its vigorous support of the most underserved families and communities in New York. These investments are not isolated line items; they are interconnected pieces of a safety net that, taken together, determine whether children in our communities have access to a doctor, a counselor, a healthy meal, and a stable future. New York City has a unique opportunity to address the health and mental health crisis facing young people by investing in effective, cost-efficient, and life-saving services. We stand ready to partner with the Council in improving health access and outcomes for New York City's youth. If you have any questions about this submitted testimony, please contact Michelle Avila, Director of Public Policy, at [mavila@childrensaidnyc.org](mailto:mavila@childrensaidnyc.org).