Proskauer

Proskauer Secures Landmark Settlement with New York State to Expand Access to Children's Mental Health Services

Health Care Law Brief on **September 5, 2025**

[This blog post was originally published on Proskauer's Social Responsibility and Pro Bono blog here.]

A Proskauer team, along with Disability Rights New York (DRNY), Children's Rights New York (CRNY) and the National Health Law Program (NHeLP), reached a preliminary settlement agreement with the State of New York in *C.K. v. McDonald*, a federal class action lawsuit addressing the State's failure to provide Medicaid-eligible children with intensive home-and community-based mental health services.

Background

The case was filed on March 31, 2022, in the U.S. District Court for the Eastern District of New York and is now overseen by Judge Nusrat J. Choudhury. Plaintiffs asserted claims under the Medicaid Act's Early Periodic Screening, Diagnosis, and Treatment (EPSDT) provisions, Title II of the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act. The lawsuit alleged that the state systematically denied Medicaid-enrolled children access to the intensive community-based mental health services required under federal law, leaving them at risk of institutionalization and long-term harm.

The lawsuit was brought on behalf of four children — C.K., C.W., C.X. and C.Y**.** — through their guardians, representing similarly situated Medicaid-eligible youth across New York. Each of these children experienced significant barriers to accessing appropriate mental health care despite recommendations from licensed practitioners that they receive intensive home-and community-based services. Instead, they and their families faced unnecessary institutionalization, emergency room visits and extended stays in psychiatric facilities. For example, one plaintiff, C.W., was admitted to a residential treatment facility for three years after the State failed to provide the services her guardian repeatedly sought.

Expanding Access to Critical Services

This settlement marks a significant milestone for more than 2.5 million children enrolled in Medicaid across New York State. For years, children with serious mental and behavioral health conditions have lacked access to the timely, community-based services they need to stay safely at home and thrive. Instead, families were too often forced to rely on emergency rooms, psychiatric hospitals or institutional placements that failed to provide lasting solutions.

The agreement requires New York to redesign its system of care by expanding and strengthening three core services: Intensive Care Coordination (ICC), Intensive Home-Based Behavioral Health Services (IHBBHS) and Mobile Crisis Services (MCS). Over the next 18 months, the State will develop and implement a comprehensive plan to ensure these services are available statewide, in the least restrictive environment, and with robust quality oversight and accountability.

Proskauer’s Role

Proskauer served as co-counsel for the plaintiffs and played a central role in advancing the case and negotiating this outcome. The litigation team was led by Steven H. Holinstat, partner and head of the Fiduciary Litigation Group, who, along with a team of Proskauer associates, collaborated closely with co-counsel to shape litigation strategy, manage discovery and negotiate the settlement.

The associate team included Michael Menconi, Shiva Pedram, Jacob Tucker, Jacob Wonn and former associate Isaiah Anderson. The team was also supported by paralegals Susanna Nagorny and Aaliyah Brown. Together, the team contributed to every stage of the case, from complex motion practice and depositions to the detailed review of medical records that helped demonstrate the systemic barriers facing children across the state.

Reflecting on the settlement, Steve Holinstat noted:

“Today is a good day for the thousands of children with serious mental health conditions living in communities across New York State. They have waited long enough. This agreement at long last starts the process necessary to guarantee they get the care they need. I commend the State for holding itself accountable and salute the tireless efforts of our co-counsel partners.”

This case underscores Proskauer’s longstanding commitment to advancing equal access to justice through pro bono service. Each year, our lawyers dedicate thousands of hours to matters that protect vulnerable communities and drive systemic reform. The *C.K. v. McDonald* settlement exemplifies the power of strategic advocacy and collaboration to deliver meaningful, lasting change for children and families.

News of the settlement has also been featured in the following publications:

Judge Backs Deal To Overhaul NY Kids’ Mental Healthcare – Law360

A Win for Children’s Mental Health in New York -The Imprint Youth and Family News

NY agrees to bolster mental services for children on Medicaid as part of class-action settlement – Gothamist/WNYC

Preliminary Settlement Agreement Reached to Ensure New York’s Children Get the Mental Health Services They Deserve – Children’s Rights

View original.

Related Professionals

- **Michael J. Menconi**
  Associate