

# **OFFICE OF MENTAL HEALTH**

## **MISSION**

The Office of Mental Health's (OMH) mission is to promote hope and recovery for people with psychiatric disabilities. It is responsible for planning and operating an integrated system of mental health care that serves adults with serious and persistent mental illness and children with serious emotional disturbances.

## **ORGANIZATION AND STAFFING**

The Office of Mental Health is headed by a Commissioner who is appointed by the Governor. New York's public mental health system consists of programs that are operated by the Office of Mental Health, as well as community programs certified and funded by the State, but operated by local governments, and not-for-profit and profit-making providers. OMH regulates and licenses approximately 2,500 programs across the State. The combined system serves both adults who have serious and persistent mental illness and children with serious emotional disturbances who have experienced substantial problems in functioning.

OMH currently operates 28 facilities across the State, including 17 Adult Psychiatric Centers and six Children's Psychiatric Centers. In addition, OMH operates three Forensic Psychiatric Centers — which serve individuals with histories in the criminal justice system — and two Research Institutes.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 2002-03 Executive Budget provides \$2.14 billion in total authorized spending for the Office of Mental Health from General Fund, Federal and third-party resources, an increase of \$86.4 million, compared to 2001-02.

Budget recommendations for the Office of Mental Health will strengthen community mental health care and accountability and provide the highest quality inpatient care for people requiring such services.

Over the past seven years, the Office of Mental Health has strengthened community services while achieving greater efficiencies in the operation of its inpatient programs. Using the resources provided in recent Budgets — such as State Aid to Localities, Medicaid reimbursement, major capital financing initiatives for community housing, Assisted Outpatient Treatment, the Enhanced Community Services Program and the Community Mental Health Reinvestment Act — the Office of Mental Health has reshaped the balance of funding provided to psychiatric centers and community operations. The Agency has closed unneeded State-operated inpatient beds as well as four psychiatric centers; it has consolidated adult inpatient care from three campuses onto one campus on Long Island; and it has fundamentally restructured State-operated outpatient services. Simultaneously, it has significantly expanded community housing opportunities and, through Kendra's Law and other actions, has accomplished major expansions of case management and other community services and oversight of individuals with mental illness. Approximately two-thirds of State funding and Medicaid dollars are now spent on community mental health care.

The recommended Budget for 2002-03 provides full funding for all multi-year initiatives underway, including the Enhanced Community Services Program; Kendra's Law, with its assisted outpatient treatment and psychiatric medication grant programs; and the New York/New York II agreement and other housing development.

Since 1994-95, the Office of Mental Health has aggressively streamlined its administrative functions at all levels of the organization — Central Office, Field Offices, facility cabinets, clinical management and outpatient services. This effort has enabled it to eliminate over 700 administrative positions with a recurring annual savings of

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\$38 million. OMH has also redesigned local programs for greater efficiency, maximization of Federal Medicaid reimbursement and more effective service delivery. New savings initiatives will continue in 2002-03 through the following actions:

- Review long stay patient treatment plans to identify psychiatric center patients who would more appropriately be served through alternative treatment and medication modalities to facilitate their recovery and free up unneeded inpatient capacity;
- Institute tighter controls on vacancy management, including refilling of non-patient care positions, re-assigning positions to maximize use of available staff, and eliminating vacant shared staff positions;
- Limit non-personal services expenses through contract reviews and renewals and strict controls on travel, equipment, and other purchases; and
- Continue to explore opportunities to maximize Federal Medicaid reimbursement.

### ***ASSISTED OUTPATIENT TREATMENT***

The 2002-03 Budget includes appropriations of \$32 million for the Assisted Outpatient Treatment program (“Kendra’s Law”) enacted in 1999-2000. The program provides court ordered assisted outpatient treatment for certain people with mental illness who, based on their treatment history and present circumstances, are unlikely to survive safely in the community without supervision. The appropriations support case management and other services aimed at keeping the clients in a treatment program, including psychiatric medication as required. The appropriations also provide psychiatric medication to individuals being discharged from State psychiatric centers, community hospitals, prisons and jails while their Medicaid eligibility is being determined.

### ***ENHANCED COMMUNITY SERVICES***

Increased appropriations of \$26.2 million are provided to the Enhanced Community Services Program proposed by Governor Pataki in 2000-01. The program is supported by Health Care Reform Act (HCRA) revenues and provides \$125 million in additional spending for a wide variety of services designed to strengthen the community mental health service system for children and adults. The program has significantly expanded case management, housing, family support, family-based treatment, home and community-based waiver, and mobile crisis team services. Moreover, the Enhanced Community Services Program has fostered more effective systems for managing resources to best serve the clients by establishing new Single Points of Entry at the local level. This improves the assignment of case management and housing opportunities to the most needy clients.

### ***COMMUNITY HOUSING***

The 2002-03 Budget provides operational and capital funding for local programs to maintain the existing residential system and continue the development of community beds previously authorized through New York/New York II and other housing initiatives. Including the new residential beds in the Governor’s Enhanced Community Services Program, this Budget supports 25,600 beds currently operating as well as 800 new community beds, which are expected to open by the end of 2002-03. Another 1,900 are in other stages of development.

### ***CAPITAL PROJECTS***

OMH’s Capital Budget includes new appropriations of \$162.9 million for preservation and maintenance of inpatient and community facilities. Capital spending from new appropriations and re-appropriations will support facility projects that will increase health and safety, preserve and maintain the physical plant consistent with the Office of Mental Health’s facility

maintenance program and comply with accreditation standards. Capital spending is also provided for local programs to maintain the existing residential system and to continue development of community beds previously authorized.

**PROGRAM HIGHLIGHTS**

New York State will continue to rank number one in the nation in total spending and per capita spending on State and local programs for the mentally ill.

- State-operated facilities provide inpatient, outpatient, and community support programs throughout the State that serve adults, children, and forensic populations. State-operated psychiatric centers provide inpatient services to approximately 7,600 adults and children who are admitted annually, while over 37,000 individuals are served through various outpatient and support programs.
- While inpatients vary greatly in age, level of disability and length of hospitalization, a range of treatment and rehabilitative services is offered as patients progress from admission to discharge. In addition, OMH provides specialized services for physically disabled, aggressive and assaultive, and multi-diagnosed patients, as well as patients who have criminal histories.
- The Office operates an array of community-based programs located throughout the State. These programs, staffed with State employees, provide supportive services to enable individuals with mental illness to avoid long-term inpatient stays. State-operated community-based services currently include community residential facilities and residential care centers for adults and children, outpatient programs, intensive case management positions, and a variety of supportive employment, work-for-pay, crisis and other community support programs.
- OMH operates two research units supported by State tax dollars and Federal and other grants, which include the OMH New York Psychiatric Institute in Manhattan and the OMH Nathan S. Kline Institute, located on the grounds of Rockland Psychiatric Center. These facilities conduct research in children and adult clinical treatment, basic biomedical and neurological sciences, and health services for the mentally ill.
- OMH also funds a wide range of community services provided by local governments and private organizations. These include emergency services such as Comprehensive Psychiatric Emergency Programs; outpatient services such as mental health clinics and day treatment programs and community support programs such as Intensive and Supportive Case Management, residential programs and consumer-run self-help and self-operated programs. Overall, State Aid and Medicaid (budgeted largely in the Department of Health) will provide about \$2 billion for not-for-profit and county-operated community mental health programs through a network of approximately 2,500 programs serving over 500,000 persons a year.

**ALL FUNDS  
APPROPRIATIONS  
(dollars)**

<b>Category</b>	<b>Available 2001-02</b>	<b>Appropriations Recommended 2002-03</b>	<b>Change</b>	<b>Reappropriations Recommended 2002-03</b>
State Operations	1,145,316,000	1,163,371,000	18,055,000	1,722,000
Aid To Localities	776,338,000	809,665,000	33,327,000	40,674,000
Capital Projects	127,851,000	162,880,000	35,029,000	519,811,000
Total	2,049,505,000	2,135,916,000	86,411,000	562,207,000

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## ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2001-02	2002-03	FTE Change
	Estimated FTEs 03/31/02	Estimated FTEs 03/31/03	
Administration and Finance			
General Fund	559	559	0
Special Revenue Funds - Federal	14	14	0
Enterprise Funds	20	20	0
Internal Service Funds	24	24	0
Adult Services			
General Fund	12,571	12,160	(411)
Capital Planning			
Capital Projects Funds - Other	41	41	0
Children and Youth Services			
General Fund	1,964	1,964	0
Forensic Services			
General Fund	1,878	1,878	0
Maintenance Undistributed			
Special Revenue Funds - Other	397	397	0
Research			
General Fund	497	497	0
Special Revenue Funds - Other	27	27	0
Total	<u>17,992</u>	<u>17,581</u>	<u>(411)</u>

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available	Recommended	Change
	2001-02	2002-03	
General Fund	728,467,000	665,527,000	(62,940,000)
Special Revenue Funds - Federal	1,258,000	1,258,000	0
Special Revenue Funds - Other	404,772,000	485,447,000	80,675,000
Enterprise Funds	8,015,000	8,277,000	262,000
Internal Service Funds	2,234,000	2,292,000	58,000
Fiduciary Funds	570,000	570,000	0
Total	<u>1,145,316,000</u>	<u>1,163,371,000</u>	<u>18,055,000</u>
Adjustments:			
Transfer(s) From			
Mental Health, Office of			
General Fund (Aid To Localities)	(11,408,000)		
Appropriated 2001-02	<u>1,133,908,000</u>		

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<b>Program</b>	<b>Available 2001-02</b>	<b>Recommended 2002-03</b>	<b>Change</b>
Administration and Finance			
General Fund	57,213,000	57,061,000	(152,000)
Special Revenue Funds - Federal	1,258,000	1,258,000	0
Special Revenue Funds - Other	1,300,000	1,300,000	0
Enterprise Funds	8,015,000	8,277,000	262,000
Internal Service Funds	2,234,000	2,292,000	58,000
Fiduciary Funds	570,000	570,000	0
Adult Services			
General Fund	785,497,000	793,536,000	8,039,000
Children and Youth Services			
General Fund	115,645,000	118,690,000	3,045,000
Enhanced Community Services			
General Fund	19,600,000	19,600,000	0
Forensic Services			
General Fund	107,401,000	113,082,000	5,681,000
Maintenance Undistributed			
General Fund	(397,700,000)	(478,128,000)	(80,428,000)
Special Revenue Funds - Other	397,700,000	478,128,000	80,428,000
Research			
General Fund	40,811,000	41,686,000	875,000
Special Revenue Funds - Other	5,772,000	6,019,000	247,000
Total	<u>1,145,316,000</u>	<u>1,163,371,000</u>	<u>18,055,000</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
2002-03 RECOMMENDED  
(dollars)**

<b>Program</b>	<b>Total</b>		<b>Personal Service Regular (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Finance	36,624,000	22,000	35,627,000	(19,000)
Adult Services	659,164,000	(1,441,000)	609,412,000	(3,469,000)
Children and Youth Services	103,934,000	2,643,100	96,943,000	2,358,100
Forensic Services	102,416,000	5,107,000	95,293,000	4,817,000
Research	36,552,000	817,000	35,972,000	805,000
Total	<u>938,690,000</u>	<u>7,148,100</u>	<u>873,247,000</u>	<u>4,492,100</u>

  

<b>Program</b>	<b>Temporary Service (Nonannual Salaried)</b>		<b>Holiday/Overtime Pay (Annual Salaried)</b>	
	<b>Amount</b>	<b>Change</b>	<b>Amount</b>	<b>Change</b>
Administration and Finance	749,000	31,000	248,000	10,000
Adult Services	14,716,000	600,000	35,036,000	1,428,000
Children and Youth Services	3,300,000	135,000	3,691,000	150,000
Forensic Services	3,164,000	129,000	3,959,000	161,000
Research	82,000	1,000	498,000	11,000
Total	<u>22,011,000</u>	<u>896,000</u>	<u>43,432,000</u>	<u>1,760,000</u>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
2002-03 RECOMMENDED  
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Finance	20,437,000	(174,000)	892,000	24,000
Adult Services	134,372,000	9,480,000	66,047,000	7,706,000
Children and Youth Services	14,756,000	401,900	6,680,000	181,900
Enhanced Community Services	19,600,000	0	0	0
Forensic Services	10,666,000	574,000	6,277,000	338,127
Research	5,134,000	58,000	2,153,000	25,000
Total	204,965,000	10,339,900	82,049,000	8,275,027

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Finance	1,399,000	38,000	16,193,000	(289,000)
Adult Services	2,906,000	79,000	59,712,000	1,626,000
Children and Youth Services	509,000	14,000	7,026,000	191,000
Forensic Services	622,000	33,559	3,568,000	192,004
Research	75,000	1,000	2,796,000	31,000
Total	5,511,000	165,559	89,295,000	1,751,004

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Finance	1,953,000	53,000	0	0
Adult Services	2,542,000	69,000	3,165,000	0
Children and Youth Services	541,000	15,000	0	0
Enhanced Community Services	0	0	19,600,000	0
Forensic Services	199,000	10,310	0	0
Research	110,000	1,000	0	0
Total	5,345,000	148,310	22,765,000	0

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
2002-03 RECOMMENDED  
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Finance	13,697,000	320,000	4,328,000	163,000
Research	6,019,000	247,000	1,915,000	79,000
Total	19,716,000	567,000	6,243,000	242,000

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Finance	8,069,000	157,000	1,300,000	0
Research	4,104,000	168,000	0	0
Total	12,173,000	325,000	1,300,000	0

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## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS (dollars)

Fund Type	Available 2001-02	Recommended 2002-03	Change
General Fund	696,330,000	696,895,000	565,000
Special Revenue Funds - Federal	31,673,000	38,235,000	6,562,000
Special Revenue Funds - Other	48,335,000	74,535,000	26,200,000
Total	<u>776,338,000</u>	<u>809,665,000</u>	<u>33,327,000</u>

Adjustments:

Transfer(s) From

Mental Health, Office of

General Fund

(40,600,000)

Special Revenue Funds - Other

(40,600,000)

Transfer(s) To

Mental Health, Office of

General Fund

40,600,000

General Fund (State Operations)

11,408,000

Special Revenue Funds - Other

40,600,000

Appropriated 2001-02

787,746,000

## AID TO LOCALITIES ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2001-02	Recommended 2002-03	Change
Adult Services			
General Fund	425,758,000	423,126,000	(2,632,000)
Special Revenue Funds - Federal	24,695,000	30,400,000	5,705,000
Special Revenue Funds - Other	7,735,000	7,735,000	0
Children and Youth Services			
General Fund	96,090,000	96,494,000	404,000
Special Revenue Funds - Federal	6,978,000	7,835,000	857,000
Enhanced Community Services			
Special Revenue Funds - Other	40,600,000	66,800,000	26,200,000
Reinvestment			
General Fund	174,482,000	177,275,000	2,793,000
Total	<u>776,338,000</u>	<u>809,665,000</u>	<u>33,327,000</u>

## CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Comprehensive Construction Program	Available 2001-02	Recommended 2002-03	Change	Reappropriations 2002-03
Design and Construction Supervision				
Capital Projects Fund	1,750,000	1,750,000	0	1,750,000
Mental Hygiene Capital Improvement Fund	7,500,000	8,000,000	500,000	8,788,000
Executive Direction				
Capital Projects Fund	0	0	0	3,325,000
Mental Hygiene Capital Improvement Fund	3,300,000	3,300,000	0	3,300,000
Community Mental Health Facilities				
Capital Projects Fund	5,000,000	6,000,000	1,000,000	23,440,000
Mental Hygiene Capital Improvement Fund	5,424,000	5,470,000	46,000	138,547,000
Non-Bondable Projects				
Capital Projects Fund	3,000,000	2,000,000	(1,000,000)	8,000,000
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund	27,969,000	27,950,000	(19,000)	31,535,000
Mental Hygiene Capital Improvement Fund	73,908,000	108,410,000	34,502,000	301,126,000
Total	<u>127,851,000</u>	<u>162,880,000</u>	<u>35,029,000</u>	<u>519,811,000</u>