

OFFICE OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

MISSION

The mission of the Office of Mental Retardation and Developmental Disabilities (OMRDD) is to help people with developmental disabilities live richer lives. The agency's vision is to assure that people with developmental disabilities enjoy meaningful relationships with family, friends, and others in their lives; experience personal health and growth; and live in homes and fully participate in the communities of their choice.

ORGANIZATION AND STAFFING

Under the direction of a Commissioner appointed by the Governor, OMRDD currently operates through 14 district offices called Developmental Disabilities Services Offices (DDSO). Its Central Office oversees and supports operations of the district offices. OMRDD also operates the Institute for Basic Research in Developmental Disabilities (IBR) on Staten Island.

By the end of 2008-09, there will be fewer than 500 people with developmental disabilities living in developmental centers along with approximately 1,100 in special units. Over the past two decades, the developmental center population has declined by 8,000.

BUDGET HIGHLIGHTS

The 2008-09 Executive Budget recommends nearly **\$4.4 billion All Funds (including \$1.4B General Fund; \$3.0B Other Funds)** for the Office to continue to support a comprehensive system of care serving more than 140,000 persons with disabilities and their families, reflecting the State's commitment to serving the needs of persons with developmental disabilities. This is an increase of **\$1.2 billion from 2007-08**, which is largely attributable to technical adjustments associated with a major restructuring of Medicaid resources designed to improve transparency in the budget. Excluding such technical adjustments, the increase from 2007-08 is over **\$750 million**, of which \$503 million is due to employee fringe benefits now budgeted in OMRDD. The Executive Budget recommendations for 2008-09 preserve essential direct care and maintain the quality of services for individuals with developmental disabilities in both not-for-profit and OMRDD-operated programs, despite the need to implement cost-savings measures in the face of the State's fiscal difficulties.

The overall recommendation maintains the State's commitment to serve a wide range of developmentally disabled New Yorkers, including those who are medically frail and behaviorally challenged, as well as consumers who have been placed out-of-State or who are "aging out" of other child care systems, or who are living at home.

OMRDD will have a workforce of 23,703 for 2008-09, most of whom work directly with consumers of services. The remainder comprises supervisors of direct care workers, clinicians, administrative support and management personnel. This represents an **increase of 183 FTEs** over 2007-08, in part due to OMRDD's efforts to reduce overtime spending and enhance quality of care, new statutory requirements, and the opening of new State-operated community homes in 2008-09.

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

OMRDD continues to improve the efficiency and cost-effectiveness of its operations and the network of not-for-profit providers it supports. Major budget actions to promote cost efficiency, maximize revenues, and rationalize reimbursement total over \$130 million in savings and include:

- **Controlling State Personal and Non-Personal Services Costs.** In 2008-09, OMRDD will save \$4.4 million in State Personal Service costs through the replication of best practices in overtime control and staff deployment. The agency will also realize \$8 million in Non-Personal Service savings through a variety of actions, including increasing energy audits, containing pharmacy spending, less frequent equipment replacement and more efficiently using contractual resources by converting them to State positions where appropriate.
- **Maximizing Medicaid and Medicare Enrollments.** Beginning in 2007-08 and carrying over into 2008-09, OMRDD and its partnering not-for-profit provider associations and their members have set in motion action steps that require families and individuals with developmental disabilities to apply for all Medicaid and Medicare benefits to which they are entitled. To assure that these benefits are accessed appropriately, OMRDD will provide education and assistance to families and individuals with developmental disabilities seeking or receiving supports and services that can be funded by Medicaid and/or Medicare. Coupled with revenue actions in State-operated programs, this proposal will generate savings totaling approximately \$120 million in 2008-09.
- **Rationalizing Provider Reimbursement.** In support of the Governor's Health Care Reform efforts and in collaboration with the Department of Health (DOH) and its various stakeholders, OMRDD will expand its focus on rationalizing, reforming and restructuring Medicaid funding of services. The Executive Budget Recommendation calls for a multiyear effort for OMRDD to rationalize and reform its financial platform through a series of rate/price setting restructurings beginning with under 31 bed Intermediate Care Facility (ICF) services, Home and Community Based Services (HCBS) Waiver day habilitation services and Article 16 clinic services. In addition, OMRDD will be evaluating and modifying where appropriate the levels of administrative reimbursement in all rate/price/fee based programs. It is anticipated that these restructuring efforts will produce savings of \$4.7 million in 2008-09, while supporting the program direction of OMRDD.

These savings actions as well as others proposed in the budget will permit targeted investments to support OMRDD's priorities for 2008-09, including:

- **A Multi-Year Plan to Downsize Developmental Center Capacity by Creating Additional Community Capacity.** Over the next four years, OMRDD will develop additional State-operated beds for hard to serve populations both in institutional settings, including nursing homes, and in the community. This effort will be complemented by additional not-for-profit residential opportunities over each of the next three years that will help reduce Developmental Center census by some 500 persons and position the Western New York Developmental Center for closure in 2010-11, freeing up over 400 acres of prime real estate for economic development.
- **Reconfiguring the Community Residential Continuum.** The budget recommends \$2 million, when fully annualized, to support innovative residential opportunities to focus on more person-centered services and provide individuals with additional service options.

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

- **Targeted Family Support and Respite Services Enhancements.** The recommendation provides \$2.0 million in new resources — annualizing to \$5 million — to expand Family Support Services to as many as 3,000 families to help them care for their loved ones with disabilities at home. The need for additional funding to support respite and crisis services responds to the many service requests expressed by families; new or expanded services may include respite, mobile crisis teams, family training and intervention. In addition, as demands for services continue to increase, \$0.5 million in new resources — annualizing to \$2 million — will support new and enhanced services to approximately 1,300 individuals with autism or autism spectrum disorder. Lastly, in an effort to meet the demand for respite services, \$2.5 million in new resources — annualizing to \$5 million — are added to the HCBS Waiver Respite Program over a two year phase in.
- **Consumer Employment and Supports.** Competitive and Supported Employment work opportunities and At-Home Residential Rehabilitation Services will benefit by \$750,000 in new resources that will annualize to \$3.0 million in 2009-10. In the employment area, the monies will be used to improve job development and job coaching services as well as generate incentives for starting or expanding supported employment programs. In addition, OMRDD will expand a program that established a series of paid internships with a variety of employers for self-advocates to gain valuable work training and experience toward achieving a competitive employment position. Specifically, OMRDD will add 128 new internships in 2008-09 at an annual cost of \$3.0 million with a phase in amount of \$1.5 million in the first year.
- **Not-for-Profit Workforce Recruitment and Retention Issues.** The Executive Budget recommendation includes resources for a 3.52 percent Medicaid trend factor that, in addition to covering inflationary cost increases, can be used to support enhancements to the salaries and benefits of the direct support professionals that will assist in recruitment and retention efforts. The Budget also provides new funding for the final year of a three-year cost-of-living adjustment (COLA) to improve existing services for non-trended voluntary programs. The COLA will be used by OMRDD to enhance funding by over \$5 million for not-for-profit providers to strengthen efforts to recruit and retain qualified direct care and clinical staff and respond to other critical inflationary pressures. The recommendations also extend the COLA for another three years through March 31, 2012, to continue efforts to address recruitment and retention issues and provide relief for escalating energy, pharmaceutical, insurance, and utility costs.

The 2008-09 recommendation also continues the State's commitment to several key ongoing initiatives, including the following:

- **The Third Phase of the New York State Creating Alternatives in Residential Environments and Services (NYS-CARES) Program** - the 2007-08 Budget added 1,000 residential opportunities, 2,500 at-home residential, and 200 day habilitation opportunities to meet residential request list needs over a five-year period. The Executive Budget includes funding for the first and second years of the third phase of NYS-CARES. By the end of 2012, 7,800 beds will have been developed under NYS-CARES which, when coupled with the more than 36,000 funded community beds already in the system, will provide significant opportunities for persons seeking an out-of-home residential service option.

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

- **Community-Based Services to Special Populations** - OMRDD will develop 140 new residential options to accommodate consumers aging out of other human services or educational environments (\$7.7 million) as well as 186 new residential opportunities to either repatriate children placed out-of-State, or to mitigate such future placements (\$13 million).
- **Continued Transformation of the Service System** - The \$2.8 million Federal Systems Transformation Grant (FY 2006), awarded to New York State for its New York State Real Choice Systems Change (RCSC) initiative will permit OMRDD to increase delivery of services to individuals that are dually diagnosed, aging out, and residing in, or at risk of placement into, a nursing home. The RCSC grant also enables OMRDD to expand its infrastructure, especially to increase individualized services and supports to persons with developmental disabilities seeking flexible, person-centered approaches to meeting their needs. This grant will serve as the platform for system change in how services and supports are provided to individuals with developmental disabilities in New York State.
- **State and Not-for-Profit Capital Infrastructure Needs** - will be maintained through new capital appropriations of \$192.4 million and reappropriations of \$296.2 million. Capital appropriations for institutional projects continue to support the reconfiguration of the Bernard Fineson Developmental Center in Queens, as well as focus on the need to reinvest resources into preserving and maintaining long-term facilities, mostly for a core population of consumers who have severe behavioral treatment needs.

In total, these recommendations — through the combination of both new and existing services — will support more than 5,800 new day and residential opportunities in the community during 2008-09. This reflects more than 1,500 people placed in new residential opportunities and more than 4,300 into new non-residential opportunities. Community opportunities will be targeted for people in developmental centers and for mandated populations, as well as people living at home. Services to individuals and families have been expanded within Family Support Services.

PROGRAM HIGHLIGHTS

OMRDD serves more than 140,000 New Yorkers with developmental disabilities, which include primarily mental retardation, autism, epilepsy, cerebral palsy, and neurological impairments. In recent years, New York has made great strides in improving its methods of delivering services to this vulnerable population, moving more people from institutions to the community than any other state in the nation. In addition, OMRDD continues to place greater emphasis on consumer choice and satisfaction and has instituted a recurring survey designed by consumers, families and other stakeholders, which is used to evaluate individuals' satisfaction and the success of residential opportunities under the NYS-CARES program.

Under a 1991 Federal Medicaid waiver, individuals with developmental disabilities have the opportunity to receive individualized services in less restrictive settings. With the aid of trained service coordinators, consumers choose the services they need and receive them in appropriate settings. New York commits more resources to its HCBS Waiver program than any state in the nation, but has a lower cost per individual served than other comparable states. The HCBS Waiver also promotes smaller, more natural home

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

environments. Home size has continued to decrease, thereby supporting individualized, quality services. Today, two-thirds of the homes in the community accommodate six people or less; of these, two-thirds accommodate four people or less.

Maintaining a statewide system of services, delivered through both the State and not-for-profit providers, OMRDD:

- Provides approximately 38,000 persons with certified residential services. Since 1998, nearly 15,000 persons have left the residential registration list for homes in the community;
- Provides about 55,000 persons with community day services; and
- Assists in the care of more than 20,000 persons with developmental disabilities who live alone and another 42,000 persons who live with their families.

An overview of these services is provided below.

RESIDENTIAL SERVICES

Residential services are offered through a continuum of programs in both community and institutional settings. The alternative that provides the most intensive services in a community setting is the Intermediate Care Facility for the Developmentally Disabled (ICF/DD). These facilities — some 6,300 beds operated statewide by both State and not-for-profit providers — are appropriate for individuals requiring intensive 24-hour care.

The most common residential opportunity for persons under the waiver is in Individual Residential Alternatives (IRAs) — homes, typically for four to eight consumers, operated by either the State or not-for-profit providers in the community. This budget supports more than 26,000 individuals with developmental disabilities living in this setting with accompanying service coordination. Other community living arrangements include Community Residences and Family Care homes, which serve nearly 3,400 people.

In addition to these community-based residential programs, OMRDD operates 10 campuses across the State. Approximately 1,600 people will be served in these settings by the end of 2008-09, of which more than 70 percent will be receiving specialized services. OMRDD remains committed to providing community residential opportunities for all those in State institutions who can receive appropriate care in the community. Currently, New York serves more persons in community residential settings than any other state, with the exception of California.

DAY SERVICES

OMRDD supports an array of day services for persons with developmental disabilities, which also vary depending on the needs of the individuals. The major programs include:

- Day treatment which provides diagnostic, treatment and rehabilitative services;
- Day habilitation, a smaller more individualized service for persons under the Federal Medicaid waiver for home and community based services;
- Supported employment, which provides the opportunity for individuals to work in competitive positions, usually in integrated settings in the private sector;
- Sheltered workshops, which provide basic, non-competitive work opportunities; and
- Day training, which develops the knowledge and skills that enable persons with developmental disabilities to improve their personal, social, and vocational skills and to function independently.

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

SUPPORT FOR CONSUMERS LIVING IN THEIR OWN HOMES

OMRDD services also support families and individuals in their own homes. The Family Support Services program currently assists over 42,000 persons with developmental disabilities and their families, enabling these individuals to remain at home and receive nearly 66,000 individualized services. Services offered include respite, crisis intervention, case management, recreation, information and referral and home care.

The Individualized Support Services program provides services to 1,950 disabled individuals who live independently. In addition, approximately 8,000 individuals living in their own homes receive residential habilitation under the Federal Medicaid waiver.

The Care-at-Home program provides a third alternative, designed to preserve family settings for persons under 18 years of age with developmental disabilities, who are medically frail. This program allows the parents of young persons with severe disabilities to maintain the child at home, regardless of family income level, thereby preventing more costly out-of-home placements.

ALL FUNDS APPROPRIATIONS (dollars)

Category	Available 2007-08	Appropriations Recommended 2008-09	Change	Reappropriations Recommended 2008-09
State Operations	993,055,000	1,976,645,000	983,590,000	3,266,000
Aid To Localities	2,072,258,500	2,261,268,000	189,009,500	3,192,000
Capital Projects	138,355,000	192,420,000	54,065,000	296,245,000
Total	<u>3,203,668,500</u>	<u>4,430,333,000</u>	<u>1,226,664,500</u>	<u>302,703,000</u>

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

Program	Full-Time Equivalent Positions (FTE)		
	2007-08 Estimated FTEs 03/31/08	2008-09 Estimated FTEs 03/31/09	FTE Change
	Central Coordination and Support Special Revenue Funds - Other	860	875
Community Services Special Revenue Funds - Other	16,562	16,730	168
Institutional Services Special Revenue Funds - Other	5,913	5,913	0
Research in Mental Retardation Special Revenue Funds - Other	185	185	0
Total	<u>23,520</u>	<u>23,703</u>	<u>183</u>

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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

<u>Fund Type</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>
Special Revenue Funds - Federal	3,495,000	630,000	(2,865,000)
Special Revenue Funds - Other	986,804,000	1,973,209,000	986,405,000
Enterprise Funds	2,406,000	2,456,000	50,000
Internal Service Funds	350,000	350,000	0
Total	<u>993,055,000</u>	<u>1,976,645,000</u>	<u>983,590,000</u>

Adjustments:

Transfer(s) From

Mental Retardation and Developmental
Disabilities, Office of

General Fund (986,250,000)

Special Revenue Funds - Other (986,250,000)

Special Pay Bill

General Fund (4,118,000)

Transfer(s) To

Health, Department of

General Fund (Aid To Localities) 476,146,000

Mental Retardation and Developmental
Disabilities, Office of

General Fund 986,250,000

Special Revenue Funds - Other 986,250,000

Appropriated 2007-08

1,465,083,000

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

<u>Program</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>
Central Coordination and Support			
Special Revenue Funds - Federal	3,495,000	630,000	(2,865,000)
Special Revenue Funds - Other	52,490,000	106,569,000	54,079,000
Internal Service Funds	350,000	350,000	0
Community Services			
Special Revenue Funds - Other	531,356,000	1,213,603,000	682,247,000
Institutional Services			
Special Revenue Funds - Other	387,533,000	628,618,000	241,085,000
Enterprise Funds	2,406,000	2,456,000	50,000
Research in Mental Retardation			
Special Revenue Funds - Other	15,425,000	24,419,000	8,994,000
Total	<u>993,055,000</u>	<u>1,976,645,000</u>	<u>983,590,000</u>

STATE OPERATIONS - OTHER THAN GENERAL FUND SUMMARY OF APPROPRIATIONS AND CHANGES 2008-09 RECOMMENDED (dollars)

<u>Program</u>	<u>Total</u>		<u>Personal Service</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Central Coordination and Support	107,549,000	51,214,000	55,688,000	5,923,000
Community Services	1,213,603,000	682,247,000	735,711,000	213,639,000
Institutional Services	631,074,000	241,135,000	298,668,000	31,753,000
Research in Mental Retardation	24,419,000	8,994,000	15,144,000	1,614,000
Total	<u>1,976,645,000</u>	<u>983,590,000</u>	<u>1,105,211,000</u>	<u>252,929,000</u>

<u>Program</u>	<u>Nonpersonal Service</u>		<u>Maintenance Undistributed</u>	
	<u>Amount</u>	<u>Change</u>	<u>Amount</u>	<u>Change</u>
Central Coordination and Support	50,881,000	48,156,000	980,000	(2,865,000)
Community Services	469,634,000	469,634,000	8,258,000	(1,026,000)
Institutional Services	217,223,000	214,595,000	115,183,000	(5,213,000)
Research in Mental Retardation	9,275,000	7,380,000	0	0
Total	<u>747,013,000</u>	<u>739,765,000</u>	<u>124,421,000</u>	<u>(9,104,000)</u>

MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES

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

<u>Fund Type</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>
General Fund	1,380,877,500	1,425,927,000	45,049,500
Special Revenue Funds - Other	691,381,000	835,341,000	143,960,000
Total	<u>2,072,258,500</u>	<u>2,261,268,000</u>	<u>189,009,500</u>
Adjustments:			
Transfer(s) From			
Mental Retardation and Developmental			
Disabilities, Office of			
General Fund	(386,043,000)		
Special Revenue Funds - Other	(1,100,000,000)		
Transfer(s) To			
Mental Retardation and Developmental			
Disabilities, Office of			
General Fund	1,100,000,000		
Special Revenue Funds - Other	386,043,000		
Appropriated 2007-08	<u>2,072,258,500</u>		

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

<u>Program</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>
Community Services			
General Fund	1,377,890,000	1,425,927,000	48,037,000
Special Revenue Funds - Other	691,381,000	835,341,000	143,960,000
Community Projects			
General Fund	2,987,500	0	(2,987,500)
Total	<u>2,072,258,500</u>	<u>2,261,268,000</u>	<u>189,009,500</u>

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

<u>Comprehensive Construction Program</u>	<u>Available 2007-08</u>	<u>Recommended 2008-09</u>	<u>Change</u>	<u>Reappropriations 2008-09</u>
Design and Construction Supervision				
Capital Projects Fund	5,000,000	7,180,000	2,180,000	0
MH Capital Improvements - Authority Bonds	4,000,000	7,280,000	3,280,000	1,000,000
Voluntary-Operated Community Facilities				
Capital Projects Fund	21,245,000	23,400,000	2,155,000	17,620,000
MH Capital Improvements - Authority Bonds	6,350,000	6,400,000	50,000	12,270,000
State-Operated Community Services Program				
Capital Projects Fund	19,465,000	22,985,000	3,520,000	15,690,000
MH Capital Improvements - Authority Bonds	23,200,000	25,575,000	2,375,000	46,340,000
Institutional Services Program				
Capital Projects Fund	14,805,000	15,400,000	595,000	41,905,000
MH Capital Improvements - Authority Bonds	43,290,000	83,200,000	39,910,000	161,420,000
Non-Bondable				
Capital Projects Fund	1,000,000	1,000,000	0	0
Total	<u>138,355,000</u>	<u>192,420,000</u>	<u>54,065,000</u>	<u>296,245,000</u>