

Mental Hygiene

Office for People with Developmental Disabilities
Office of Mental Health
Office of Alcoholism and Substance Abuse Services
Justice Center for the Protection of People with Special Needs
Developmental Disabilities Planning Council
Commission on Quality of Care and Advocacy for Persons with Disabilities
Department of Mental Hygiene

Overview

The Executive Budget supports expansion of community-based care, continues to strengthen the oversight of care provided to vulnerable persons, makes investments to improve the accountability of mental hygiene agencies, and ensures that individuals are served safely in the most integrated and cost effective setting possible.

The mental hygiene agencies and associated not-for-profits provide services to individuals with mental illness, developmental disabilities, and addictions. These agencies – the Office of Mental Health (OMH), the Office for People with Developmental Disabilities (OPWDD), the Office of Alcoholism and Substance Abuse Services (OASAS), the Developmental Disabilities Planning Council (DDPC), and the Justice Center for the Protection of People with Special Needs (Justice Center) – support services for more than 1 million individuals, including more than 700,000 people with mental illness, 245,000 people with chemical dependencies or gambling problems, and 126,000 individuals with developmental disabilities. In addition, OASAS serves 414,000 youth in school and community based substance abuse prevention programs.

Caring for New York’s Vulnerable Citizens

The State’s Mental Hygiene system provides care and services for individuals in institutional facilities, community residences and community settings. The State operates institutional and research facilities and supports outpatient, employment, clinic, habilitative, and treatment programs operated by not-for-profit provider agencies that help individuals live in the setting they desire and lead full and productive lives.

The Executive Budget reflects the Governor’s ongoing efforts to fundamentally improve the protection and care of vulnerable individuals. Strategic investments are funded by programmatic efficiencies and system-wide solutions to reduce State operations costs in service delivery, purchasing, business services, information technology, and other areas. To ensure that individuals receive appropriate services, the Executive Budget increases funding for community-based programs, and redirects funding from high-cost institutional services to more effective lower-cost program models.

Proposed actions for the Mental Hygiene agencies include enhancing community mental health services, right-sizing and improving State-operated inpatient services, utilizing less costly and more programmatically appropriate in-state community residences, enhancing employment opportunities for individuals with disabilities, placing aggressive cost controls on agency operations, and maximizing payments from third-party payers.

The Executive Budget continues funding to help divert individuals from prison to treatment programs, provides additional community mental health services for certain nursing home and adult home residents, and supports community residential and day services for individuals served by OPWDD.

The Executive Budget proposals result in Mental Hygiene system funding of \$7.4 billion in 2014-15, an annual spending increase of \$62.4 million, or 0.9 percent.

Summary of Spending (All Funds)

Category	2013-14 (\$ in millions)	2014-15 (\$ in millions)	Change	
			Dollar (in millions)	Percent
OPWDD*	3,446.5	3,457.7	11.2	0.3
OMH	3,263.9	3,316.1	52.2**	1.6
OASAS	579.4	579.4	0.0	0.0
JUSTICE CENTER	38.0	41.7	3.7	9.7
CQCAPD	4.7	0.0	(4.7)	(100.0)
DDPC	4.2	4.2	0.0	0.0
Total	7,336.7	7,399.1	62.4	0.9

* \$730 million in 2013-14 and \$745 million in 2014-15 for OPWDD services are reflected in DOH Medicaid spending.

**Reflects \$28.2 million increase in General State Charges costs.

Proposed 2014-15 Budget Actions

OPWDD Reforms

Governor Cuomo has taken substantial steps to ensure the health and safety of individuals with developmental disabilities in the State’s care, and to improve the overall quality and cost-effectiveness of community-based, person-centered services. Significant actions include:

- Transitioning individuals from segregated settings, such as developmental centers, intermediate care facilities and sheltered workshops to more integrated, community-based support systems.
- Refocusing the service delivery system through OPWDD’s comprehensive, consistent, and person-centered needs assessment process.
- Exploring new options for community-based services and housing opportunities by participating in the New York State Money Follows the Person (MFP) demonstration program and the Balancing Incentive Program.

In addition, OPWDD is seeking authorization from the Federal government to make changes that will improve coordination of long-term care and acute and behavioral health care services for individuals with developmental disabilities, increase the flexibility of services provided to individuals with developmental disabilities, increase funding transparency, and improve overall service quality and outcomes.

To ensure OPWDD delivers the most integrated and cost-effective services possible, the Executive Budget supports ongoing plans to downsize institutional programs by including \$9 million in new resources to fund more integrated and appropriate service opportunities in the community. This will assist in the transition of about 300 individuals from State institutions to more integrated community settings. The Budget reflects continued efficiencies and other saving actions via attrition, as well as stricter controls on non-personal services (NPS) spending which will reduce planned costs by \$11 million.

The Executive Budget also provides opportunities to ensure that individuals can be relocated back to New York from out-of-state placements, and that in-state and out-of-state providers receive the appropriate level of payments for providing services to individuals with developmental disabilities which will lower costs by \$8 million. Specifically, the Budget clarifies that individuals who have aged out of school at private residential placements will receive funding for appropriate day, rehabilitation and care management services rather than “tuition” payments, and ensures that Supplemental Security Income (SSI) payments are used as intended to cover costs for individuals in residential settings. The Budget also includes reforms to encourage more integrated community employment opportunities for individuals with developmental disabilities which is expected to reduce costs by \$10 million.

OMH Reforms

The Executive Budget continues efforts to restructure State-operated inpatient services to improve the quality and array of available services, while utilizing these savings to make significant new investments to help ensure persons with mental illness can live safely and productively in the community.

The Budget provides \$25 million in increased funding to expand community services which is expected to reduce inpatient stays and local government costs. Enhanced services include additional crisis and respite beds, home and community-based services waiver slots, supported housing, mental health urgent care walk-in centers, mobile engagement teams, first episode psychosis teams, peer-operated recovery centers, family resource centers, evidence-based family support services, suicide prevention services, community forensic and diversion services, telepsychiatry, transportation services, family concierge services and greater integration of physical and behavioral health services. On an ongoing basis, these enhancements will be supported by an investment, on average, of \$110,000 for every inpatient bed that is closed.

OMH will begin the process of creating regional centers of excellence for the diagnosis and treatment of complex behavioral health illnesses. This effort will ensure there will be ample capacity for treating individuals with mental illness who require inpatient services. Savings related to the State psychiatric center restructuring will support the significantly expanded community-based services noted above. This restructuring will help facilitate earlier and better access to care, serve 3,000 more individuals with mental illness, reduce the burden on local government finances, and reduce approximately 400 unnecessary inpatient beds.

Funding from restructuring inpatient services, which is expected to save \$30 million, will also support a rental stipend increase of \$550 annually in the Downstate region and the development of 200 new supported housing units for residents of nursing homes (a total of 600 by the end of 2015), 500 new supported housing beds for individuals in adult homes (a total of 1,750 by the end of 2015), and 300 new beds for the homeless housing program in New York City (a total of 3,200 by the end of 2015).

The 2014-15 Executive Budget will also reinvest Medicaid savings from behavioral health programs that may be reduced, or have already been reduced, to ensure that behavioral health capacity is preserved in the impacted communities as the State prepares for the transition to managed care.

OASAS Reforms

The Executive Budget supports OASAS’ movement to a more coordinated system of care that addresses behavioral and physical health care needs of individuals with substance use disorders. It continues to support programs to better serve individuals with dependencies on alcohol and chemical substances or problem gambling issues in non-profit provider programs.

The Executive Budget includes funding to support community and treatment opportunities, including supportive housing units in New York City for homeless families with members suffering from a chemical dependency.

Justice Center Reforms

The Justice Center officially opened in June 2013 and is a nationwide model for improving care for vulnerable populations. The core mission of the Justice Center is to protect the health and safety of vulnerable individuals in the State's care. It has primary responsibility for tracking, investigating and pursuing serious abuse and neglect complaints related to facilities and provider agencies that are operated, certified, or licensed by the following six agencies: OMH, OPWDD, OASAS, the Department of Health (DOH), the Office of Children and Family Services (OCFS), and the State Education Department (SED).

The Executive Budget reflects \$800,000 in non-personal services (NPS) efficiencies through leveraging existing cooperative agreements with State Agencies, reducing projected spending on regional office space, and maximizing statewide shared services opportunities.

In addition, the Justice Center absorbed core responsibilities from the former Commission on Quality of Care and Advocacy for Persons with Disabilities (CQCAPD) in 2013-14, which includes advocacy and other programs to support individuals with disabilities. The Federal Protection & Advocacy designation held by CQCAPD was shifted to an independent entity that directly receives Federal funds for that purpose.

Multi-Agency Budget Actions

- **Defer Planned Cost of Living Adjustments (COLA)/Trend Increases.** The Executive Budget defers the planned two percent annual human services COLA and maintains existing rates for other programs, avoiding \$76 million of new costs.