



Division of
the Budget

MENTAL HYGIENE

INDEPENDENT LIVING ON THE RISE

Since 2013

New York has provided
respite services to
families that support
43,000 individuals
with developmental disabilities

The Budget provides
\$120 million in
additional funding

5TH YEAR
IN A ROW



\$200 million



for OASAS to address the heroin & opioid crisis
to enhance prevention, treatment and recovery
programs, residential service opportunities, and public
awareness and education activities.

Expanding **COMMUNITY BASED SERVICES**

Since 2015 > **33,000 new individuals** are receiving services
1,300 additional housing beds



Since 2013 > **5,300 individuals** with developmental
disabilities residing on their own

119%

Budget Highlights

Combating Addiction. The Budget includes an increase of \$26 million (4.5 percent) in operating and capital support for OASAS to continue to enhance prevention, treatment and recovery programs, residential service opportunities, and public awareness and education activities. Over \$200 million in funding is being used to address the heroin and opioid crisis.

Invest in Services for Individuals with Developmental Disabilities For the fifth year in a row, \$120 million in additional funding will be available to support increased respite services, to provide more employment and day program opportunities, and to provide additional independent and certified residential services.

Improve OMH Housing and Crisis Services. For the third consecutive year, \$10 million in additional funding will support existing residential programs, while additional funding will support 200 more supported housing community beds and \$50M in capital funding will be utilized to expand community crisis respite capacity.

The FY 2019 Executive Budget supports expansion of community-based care, strengthens the oversight of services for vulnerable persons, and makes investments to ensure that individuals are served safely in the most integrated and cost-effective setting possible. The Budget also combats the heroin epidemic through an expansion of prevention, treatment, and recovery programs.

Overview

The Mental Hygiene agencies and associated not-for-profits provide services to individuals with mental illness, developmental disabilities, and addictions. These agencies are composed of 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). The Mental Hygiene agencies support services for more than one million individuals, including more than 700,000 people with mental illness, 240,000 individuals with substance use disorders or gambling problems, and 139,000 people with developmental disabilities.

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 community-based services and research facilities. It also oversees residential, 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 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 individuals receive appropriate services tailored to individual needs and circumstances in a cost-effective manner, the Budget increases funding for community-based programs, and redirects funding from high-cost institutional services to more effective lower-cost programs that provide expanded services to more people.

Proposed actions for the Mental Hygiene agencies include significant investments in the direct care workforce, enhanced efforts to combat the opioid crisis, and continued improvements in community OPWDD and behavioral health services. These investments are supported in part by continued efficiencies in program operations, and reductions in unnecessary institutional capacity.

The Executive Budget proposals result in Mental Hygiene system spending of \$7.2 billion in FY 2019, reflecting annual spending growth of \$254 million (3.7 percent).

To improve the transparency of Mental Hygiene agencies' spending, and to conform the budgeting of program operations with Generally Accepted Accounting Principles (GAAP), the FY 2019 Budget shifts appropriations and spending from the Mental Hygiene Program Fund and the Patient Income Account to the General Fund and General State Charges Budget, which centrally accounts for fringe benefit spending. This technical change has no impact on programmatic spending.

Table 13: Summary of Mental Hygiene Spending (All Funds)

Category	FY 2018 (millions)	FY 2019 (millions)	Change	
			Dollars (millions)	Percent
OPWDD	3,515.8	3,646.0	130.2	3.7
OMH	2,805.2	2,901.2	96.0	3.4
OASAS	578.0	603.9	25.9	4.5
JUSTICE CENTER	42.3	44.3	2.0	4.7
DDPC	4.2	4.2	0.0	0.0
Subtotal	6,945.5	7,199.6	254.1	3.7
Adjustments ¹	(1,268.6)	(1,761.0)	(492.4)	N/A
Total²	5,676.9	5,438.6	(238.3)	(4.2)

¹Adjustments reflect OPWDD programmatic spending in FY 2018 and FY 2019 that are reflected in DOH Medicaid spending. In addition to these amounts, Federal MA spending for these agencies is reflected in the DOH budget.

²FY 2018 spending totals do not include \$1.4 billion in Fringe Benefits (\$696 million for OPWDD; \$656 million for OMH; and \$37 million for OASAS) or Indirect Costs (\$30 million for OPWDD; \$29 million for OMH; and \$2 million for OASAS) reported under the Mental Hygiene Program Fund and Patient Income Account structure prior to General Fund consolidation in the FY 2019 Executive Budget.

Performance Profile

Addressing the Opioid Crisis.

More than 60,000 individuals Statewide were trained in the past year to administer naloxone, and nearly 6,000 lives have been saved in the past 24 months by this overdose-reversing medication. Since 2011, OASAS has added more than 3,500 new Opioid Treatment Program slots in underserved communities.

OMH Expanding Community-Based Services.

Since FY 2015, roughly 33,000 new individuals are receiving services, including 1,300 additional supported housing beds. These investments have resulted in the reduction of over 650 unnecessary and expensive inpatient beds.

Growing Respite Services Help More People with Developmental Disabilities Live at Home.

Since 2013, the State has provided respite services to families that support the enrollment of more than 43,000 individuals—an increase of over 12 percent. This temporary relief to family caregivers helps people with developmental disabilities live at home.

OPWDD Building Support for More Independent Living.

Increased focus on helping individuals with developmental disabilities live in their own apartments has resulted in 5,300 individuals able to live on their own since 2013, an increase of 119 percent.

Proposed FY 2019 Budget Actions

The Executive Budget recommends significant investments in the OPWDD, OMH and OASAS not-for-profit workforce. These investments include \$106 million (an annual increase of \$72 million) to support the minimum wage and related fringe benefit cost increases associated with the movement to a \$15 an hour living wage.

Additionally, the Executive Budget includes funding of \$262 million, an annual increase of \$237 million, to support the 6.5 percent salary increase provided to direct care professionals (3.25 percent in January 1, 2018 and 3.25 percent in April 1, 2018) as well as the April 1, 2018 3.25 percent salary increase for clinical workers employed by not-for-profit organizations rendering mental hygiene services on behalf of OPWDD, OMH or OASAS.

In addition, the Budget supports the following agency-specific recommendations:

OPWDD

Governor Cuomo's commitment, demonstrated by budget investments and important policy reforms, has ensured the continued health and safety of individuals with developmental disabilities and improved the overall quality, availability and cost-effectiveness of community-based, person-centered services. This Budget continues the State's pledge to support individuals with developmental disabilities in the most appropriate community-based settings, and reflects a 3.7 percent annual spending increase. Specifically, the Executive Budget will:

- **Make \$120 Million Available for Program Priorities, Including New Service Opportunities.** For the fifth consecutive year, the Executive Budget includes State resources that will leverage a total of \$120 million in new funding on an annualized basis. This investment supports program reforms and will continue to meet the needs of individuals with intellectual and developmental disabilities and their families who require OPWDD supports and services, as well as individuals whose needs have changed. , OPWDD has leveraged new funding and other resources to:
 - **Expand the Availability of Certified Housing Supports in the Community.** OPWDD oversees and operates one of the largest community-based residential programs in the nation, ensuring some of New York's most vulnerable residents have safe and affordable places to live. The certified options include residences that are operated by both the State and its network of not-for-profit provider agencies, which provide 24/7 supports, or homes that offer less than 24/7 supervision for people who can live more independently. In total, OPWDD currently supports more than 37,300 individuals in more staff-intensive certified community-based residential programs that use \$5.1 billion in public resources annually. To address demand for additional residential services, OPWDD recently awarded 459 certified opportunities to 83 service providers across New York State, committing nearly \$60 million in new funding.

- **Support More Independent Living.** OPWDD also supports people who reside on their own by providing rental subsidies to individuals who wish to live in an apartment in their community. Since FY 2013, OPWDD has more than doubled the number of people who are authorized to receive rental subsidies, bringing the total to more than 5,300 individuals.
- **Provide More Day Program and Employment Options.** Day and employment services are a crucial aspect of offering participants the personal, social, and vocational supports needed to live in their community. OPWDD has invested significantly in these services, and increased the array of available employment readiness programs over the past five years. There are currently more than 78,000 individuals enrolled in day and employment supports.
- **Increase Respite Availability.** Respite services provide temporary relief to family caregivers, helping people with developmental disabilities live at home with their families for longer periods. Over the past five years, the State has increased the number of people enrolled in respite services by over 12 percent and more than 43,000 individuals are currently enrolled in this service.
- **Commit \$15 Million to Develop Independent Living Housing.** Building on the \$15 million investment made in FY 2018, the Budget provides another \$15 million in capital funding to expand independent living housing capacity. These investments support the agency's successful effort to provide safe and accessible residential opportunities for individuals with intellectual and developmental disabilities capable of living in an apartment of their own. These funds are in addition to resources that will be available from the five-year, \$20 billion affordable and supportive housing plan, which will also help support the development of residential opportunities for people with intellectual and developmental disabilities.
- **Jointly Develop Specialized Adult Service Capacity with OMH.** OPWDD will collaborate with OMH to develop a specialized program for adults dually-diagnosed with developmental disabilities and behavioral health issues. This new, transitional program will be located on the Bernard Fineson Campus in Queens, and will support people who are discharged from an OMH-certified inpatient setting, while they await access to appropriate OPWDD services in the community.
- **Invest Resources to Transition Medicaid Service Coordination to a Conflict-Free Care Management System.** The Budget includes \$39 million in FY 2019 to support the transition from OPWDD's Medicaid Service Coordination program to a comprehensive care coordination model operated through several Care Coordination Organizations/Health Homes (CCO/HHs), the first step in the transition to managed care. Rather than focusing solely on coordinating OPWDD services, CCO/HHs will be responsible for integrating developmental disability, health, and other services into an individual's life plan to improve quality of life and other outcomes.

- **Promote More Efficient Use of State Resources.** In FY 2019, OPWDD will utilize existing federal Medicaid rates, rather than an additional State supplement, to support the cost of programs that, following a person-centered planning process, convert from the Intermediate Care Facility model to Individualized Residential Alternative settings. The Budget also revises reimbursement for provider operating expenses to include other supplemental aid where available.
- **Continue the Blue Ribbon Panel for the Institute for Basic Research in Developmental Disabilities on Staten Island.** In FY 2019, the Blue Ribbon panel will continue its examination of the feasibility of transitioning some or all operational components of the Institute for Basic Research in Developmental Disabilities (IBR) from the OPWDD to the CUNY College of Staten Island (COSI). The panel includes prominent researchers, academicians, parents and political leaders, with recommended options expected in Calendar Year 2018. As the panel continues its efforts, the Budget maintains existing funding and staffing levels.

OMH

The Executive Budget builds on Governor Cuomo's effort to expand community services and transition individuals to more appropriate and cost-effective community settings. With substantial investments in community-based services made in recent years, OMH developed new mobile crisis teams, established first episode psychosis programs, provided additional peer support services, and funded the expansion of supported housing units throughout the State. The expansion in community-based capacity since FY 2015 has resulted in 33,000 new individuals receiving services and funded over 1,300 supported housing beds. Since FY 2015, the success of these community investments has resulted in the reduction of over 650 unnecessary, vacant inpatient beds. The Budget continues efforts that improve quality and expand capacity of services in the community. Specifically, the Budget will:

- **Enhance Support for Existing Residential Programs.** The Budget provides an additional \$10 million for existing supported housing and single residence occupancy programs. This investment will help preserve access and maintain current housing capacity as the State brings new housing units online through the Empire State Supported Housing Initiative. Since FY 2015, funding to enhance support for these existing housing programs has increased by over \$40 million annually.
- **Expand Community-Based Services.** The Budget supports the expansion of community-based programs serving individuals in less restrictive settings that are closer to family and other natural supports by efficiencies in operating inpatient programs. New investments in FY 2019, offset by equivalent spending efficiencies in inpatient and other services, include 200 additional supported housing community beds and other community-based services in areas where 100 unnecessary, vacant inpatient beds are closed. This will bring the full annual investment since FY 2015 to more than \$100 million.

- **Develop Residential and Crisis Capacity.** The Budget supports additional residential capacity, including additional homeless residential beds which will open in FY 2019 via the longstanding New York/New York III program. The Budget also authorizes \$50 million in new local capital spending to enable the expansion of crisis respite capacity in the community to avoid unnecessary emergency room visits and inpatient hospitalizations.
- **Support High-Need Individuals.** The Budget provides \$5 million for specialized supports, such as peer support and in-reach, to engage individuals with mental illness who require a higher level of care to transition and live successfully in the community. These resources will be utilized for individuals currently residing in impacted adult homes.
- **Expand Assertive Community Treatment (ACT) Teams.** Twenty new ACT Teams were recently established and will be fully operationalized in FY 2019 to serve an estimated 1,280 new clients. Ten teams in New York City are assigned to work specifically with homeless individuals and homeless shelters, and the remainder throughout the State work with high-need individuals. ACT is an evidence-based program that provides 24/7 treatment and support, improving client outcomes, reducing psychiatric hospitalization rates and emergency room visits, and promoting higher levels of housing stability.
- **Establish Jail-Based Restoration Programs for Certain Defendants.** Currently, defendants who are deemed incompetent to stand trial are treated at an OMH inpatient psychiatric hospital until they are restored to competency and returned to jail to await trial. This cycle often repeats itself with multiple inpatient stays at a psychiatric hospital, extending the time individuals are detained prior to trial. OMH will work with counties on a voluntary basis to develop specialized residential treatment units within their jails, ultimately reducing the time individuals with mental illness spend in jail awaiting justice. The Executive Budget invests \$850,000 to assist county jails in making any necessary infrastructure improvements to provide these separate treatment units. This program has been identified as a best practice by the National Judicial College, and has been implemented successfully in nine other states including California, Virginia, and Wisconsin.

OASAS

Under Governor Cuomo's leadership, New York is at the forefront of the effort to combat the epidemic of addictions that are destroying lives, leaving families bereft, and ravaging our communities. In June 2016, the Governor signed a comprehensive package of legislation that increased access to treatment, expanded community prevention strategies, and limited the over-prescription of opioids in New York State. Since then, additional financial investments have been made to improve OASAS's ability to better serve individuals struggling with substance use disorders (SUDs). The Governor also recently announced the State will take enforcement action against pharmaceutical opioid distributors for breaching their legal duties to monitor, detect and report suspicious orders of opioids which has fueled this epidemic. Funds from enforcement activities will be used to enhance efforts to combat addiction.

Further, the Budget implements an Opioid Epidemic Surcharge - two cents per morphine milligram equivalent surcharge on the first sale of opioids into New York State. This surcharge is expected to provide a financial disincentive for the use of these drugs, and generate roughly \$125 million to support ongoing efforts to address the opioid crisis.

Although significant enhancements have been made to prevention, treatment, and other SUD services, the scourge of addiction continues. The Executive Budget provides an increase of \$26 million (4.5 percent) in operating and capital support for OASAS to continue to enhance prevention, treatment and recovery programs targeted toward chemical dependency, residential service opportunities, and public awareness and education activities. Over \$200 million in funding is being used to address the heroin and opioid crisis, roughly double the amount OASAS spent on opiate addiction in FY 2011. The Budget supports the following:

- **Residential Treatment Beds.** Starting in FY 2018 and continuing through FY 2019, the State is adding over 200 new residential beds. These new beds are integral for ensuring widespread service availability for those in need of inpatient care. An additional 235 beds are in capital development and are expected to open over three fiscal years;
- **Opioid Treatment Program (OTP) Slots.** The State will add 350 new OTP slots, which will provide individuals with the medications they need, including buprenorphine, to help with the State's whole-patient approach to services and care;
- **Community Coalitions/Regional Addiction Resource Centers.** Ten new regional coalitions and partnerships will be fully operational in FY 2019, which will allow families, service providers, educators, law enforcement, State agencies and local leaders to increase cross-sector collaboration on the prevention and treatment of SUDs;
- **Family Support Navigators.** All 18 family support navigator programs, begun in FY 2018 will be fully operational in FY 2019. Navigators assist and inform those seeking treatment and their families of options for insurance coverage and OASAS treatment systems;
- **Peer Engagement.** Twenty peer engagement programs, doubling the program begun last year, will be fully operational during FY 2019. These programs help individuals in need of treatment make connections from hospital emergency rooms to the OASAS treatment system, putting them on the path to recovery;
- **Adolescent Clubhouses.** These safe, welcoming spaces will help teens and young adults who are in recovery or are at-risk for SUDs to develop social skills that promote long-term health, wellness, recovery, and a drug-free lifestyle. The Budget supports four new Clubhouses, for a total of 15 statewide, including five in New York City, two in the Mohawk Valley and one in each of the remaining eight Economic Development regions;

- **Recovery Community and Outreach Centers.** These facilities provide recovery supports in a comfortable environment to individuals and their families that are in, or seeking, recovery from SUDs. The Budget supports full annual funding for 14 centers statewide, including the five new centers that were added in FY 2018, which provide information and education on how to access treatment supports and wellness activities, and extend peer supports and volunteers to assist in all areas of the Centers' operations; and
- **24/7 Open Access Centers.** Eleven Open Access Centers that received start-up funding in FY 2018 will be fully operational throughout the State in FY 2019. These centers offer round-the-clock access to SUD treatment services and will help alleviate traditional "work day" delays in linking clients with appropriate treatment.
- **Certified Peer Recovery Advocates (CPRAs).** Recovery Peer Advocates are individuals in recovery from SUD who use their life experience to assist others struggling with addiction. The Budget continues the scholarship program begun in FY 2018 and provides financial assistance for 250 new peer advocates to attain their certification

Other Investments in OASAS services include:

- **Problem Gambling Resource Centers.** The Budget provides funding for seven new Problem Gambling Resource Centers statewide. Problem Gambling Resource Centers serve as the hub for coordinating referrals for problem gambling services in each region and coordinate with local gambling facilities to ensure information and referrals are available, if needed.
- **Capital Projects.** Capital spending of more than \$55 million in FY 2019 will be used to support the development of new beds/treatment slots, and maintain and renovate the OASAS-funded community-based programs and State-operated facilities, which provide residential, inpatient, outpatient, crisis, and other services to individuals struggling with SUDs.
- **Homelessness Prevention.** The Budget also expands on-site peer-delivered substance abuse treatment services at 14 existing homeless shelters across the State.

Justice Center

To protect the health and safety of vulnerable individuals in the State's care, the Justice Center has primary responsibility for receiving, investigating and/or reviewing abuse and neglect allegations at certain facilities and programs that are operated, certified, or licensed by the following six agencies: OMH, OPWDD, OASAS, DOH, Office of Children and Family Services (OCFS), and the State Education Department (SED). The Justice Center is responsible for ensuring the safety and well-being of the approximately one million adults and children who, due to physical or intellectual disabilities, or the need for services or placement, are receiving care from one of the over 3,000 facilities or service providers overseen by the six State agencies. An additional \$2 million in funding will support these efforts.

Multi-Agency Budget Actions

The Executive Budget recommends legislation to ensure appropriate licensure requirements are utilized for the delivery of services operated, funded, or approved by various State agencies, including OMH, OPWDD and, OASAS.

The Budget also reflects funding for the recently announced \$60 million in awards over three years to mental health and addiction health care providers as part of the transformation of the State's Medicaid system. The awards will aid behavioral health providers as they transform to a Value-Based Payment Model which rewards quality of care and better outcomes, rather than volume of services provided. Funding will support investments in integrated health care, performance improvement, IT infrastructure, and quality improvement processes.