

# **OFFICE OF MENTAL HEALTH**

## **MISSION**

The Office of Mental Health (OMH) is responsible for planning and operating an integrated system of mental health care serving 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 those community programs certified and funded by the State but operated in local communities by local governments and not-for-profit and profit-making providers. OMH regulates and licenses approximately 2,500 programs across the State and, in conjunction with the Department of Health, is responsible for implementation of Medicaid managed care through Special Needs Plans (SNPs). The combined system serves adults who have serious and persistent mental illness and have experienced substantial problems in functioning. OMH also serves children with serious emotional disturbances.

OMH currently operates twenty-eight facilities across the State, including seventeen 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.

OMH will have a workforce of 18,208 during Fiscal Year 1999-2000, a net reduction of approximately 984 positions or 5 percent from prior year levels. This reduction results from the long-standing policy of closing unneeded beds in State institutions. Savings associated with the closure of adult beds during 1999-2000 are "reinvested" into State aid increases in community-based care under the Community Mental Health Reinvestment Act.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

The 1999-2000 Executive Budget provides \$1.81 billion in total authorized spending for the Office of Mental Health from General Fund, Federal and other third-party resources, a decrease of \$27.4 million, compared to 1998-99. General Fund support to the agency remains the same from the prior year.

Budget recommendations for the Office of Mental Health reflect the following guiding principles: continued commitment to reducing unneeded institutional care and transitioning the existing community mental health system to Medicaid managed care under Special Needs Plans (SNPs) for the seriously mentally ill.

Over the past four years, significant efficiencies have been achieved in institutional operations by matching clients to more appropriate community services and settings. These actions include closing unnecessary State-operated inpatient beds, closing two psychiatric centers and consolidating adult inpatient care from three campuses onto one campus on Long Island, restructuring outpatient services under a managed care model of service, and achieving significant Central Administration and facility administration streamlining.

For 1999-2000, the expansion of Community Services funding in recent years permits the discontinuation of 215 State positions provided some time ago when community services were largely undeveloped and lacked necessary expertise in providing services. In the Research Program, twenty-seven research positions will be supported by outside grant and indirect cost recovery funds, rather than the General Fund. Psychiatric

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Residencies at OMH facilities also are to be reduced by 50 percent over the next four years (18 positions in 1999-2000), to more closely reflect the program's actual success rate in attracting psychiatrists to careers in public mental health. The 125 bed STAIR unit, designed to address the needs of patients resistive to treatment and who have had a history of violent or aggressive behavior, is to be reduced to a 100 bed capacity, a size consistent with the continued inpatient census decline.

The Governor's Budget also incorporates a 2.5 percent cost-of-living (COLA) increase enacted by the Legislature in 1998-99 for certain non-profit programs.

Continued funding under the Community Mental Health Reinvestment Act — extended by the Governor in 1998-99 — is recommended to expand each community's capacity to serve mentally ill persons. Consistent with formula levels, the budget includes \$14.7 million in new funds for Reinvestment (\$29.4 million full year) for the anticipated adult non-geriatric census decline of 470 beds during 1999-2000. This new annual funding commitment brings the total amount of Reinvestment funding to nearly \$194 million. Together these resources represent a sizable investment in community mental health services and support, at local discretion, a wide variety of new and expanded programs, including outpatient, community support, self help and residential beds.

In addition to new resources, the Community Mental Health Reinvestment Act is amended to eliminate the requirement whereby a portion of Reinvestment funds are allocated to State Operations. Curtailing this restriction will expand local flexibility and provide the equivalent of \$6 million annually in additional discretionary funding to respond to locally identified needs.

Similarly, the budget continues support for the operation of residential beds now in various stages of authorization. Over the next year, it is anticipated that approximately 800 beds will become operational and thereby provide additional discharge options and free up placements along the continuum of residential services.

The Executive Budget also provides \$880,000 for 400 additional supported employment slots, expanding dedicated funding for work programs to nearly \$11 million and continuing the State's commitment to providing job based training and supports to enable persons with mental illness to obtain competitive employment.

Spending for State Operations capital projects is expected to be \$155.4 million in 1999-2000 including funding for rehabilitation of space in a secure facility to house and treat patients determined to be sexually violent predators under proposed legislation to be introduced this session. Capital Projects spending for not-for-profit community projects is estimated to be \$44.9 million. It will support the continued maintenance of the existing system of community beds; development of remaining pipeline beds; new, additional community residential beds recommended in 1998-99; and various other community projects.

### **PROGRAM HIGHLIGHTS**

New York State will continue to rank first among all states in total spending and per capital spending on State and local programs for the mentally ill.

- State-operated facilities provide inpatient, outpatient, and community support programs throughout the State to adults, children, and forensic populations. State-operated psychiatric centers provide inpatient services to approximately 9,700 adult and children admissions annually, while over 37,000 individuals are served through various outpatient and support programs.
- Institutional patients 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 with a combined capacity of 880 beds; approximately 140 licensed outpatient programs and 125 other outpatient programs; 290 Intensive Case Managers; 6 Supportive Employment programs; 21 work-for-pay, crisis and other community support programs.
- OMH operates two research facilities supported by State tax dollars and Federal and other grants. The New York Psychiatric Institute in Manhattan is the oldest mental health research institute in the nation and has been designated as one of five National HIV Centers for AIDS research and as a Clinical Research Center for Child Psychiatric Disorders. The Nathan S. Kline Institute, located on the grounds of Rockland Psychiatric Center, conducts research in clinical treatment, basic biomedical and neurosciences, 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; general hospital inpatient services; 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) provide over \$1.6 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.

OMH supports a physical plant of more than 1,000 buildings and over 5,000 acres of space on its 23 active psychiatric center campuses, and assists in the development and maintenance of over 20,000 community residential beds. OMH's capital appropriations primarily support projects to improve the health and safety of patients and staff, such as improved security and modernization of those psychiatric centers designated for long-term use.

**ALL FUNDS  
APPROPRIATIONS**

<u>Category</u>	<u>Available 1998-99</u>	<u>Appropriations Recommended 1999-00</u>	<u>Change</u>	<u>Reappropriations Recommended 1999-00</u>
State Operations . . . . .	\$1,044,613,000	\$1,040,548,000	-\$4,065,000	\$2,239,500
Aid To Localities . . . . .	642,535,000	656,181,000	+ 13,646,000	19,872,000
Capital Projects . . . . .	151,432,000	114,432,000	-37,000,000	509,097,000
Total . . . . .	<u>\$1,838,580,000</u>	<u>\$1,811,161,000</u>	<u>-\$27,419,000</u>	<u>\$531,208,500</u>

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

Program	1999-00 Recommended Average Fill Level				Change
	Available 1998-99	Personal Service (Regular)	Maintenance Undistributed	Total Recommended 1999-00	
Administration and Finance					
General Fund	565	565	....	565	....
Special Revenue Funds — Federal	11	9	....	9	-2
Enterprise Funds	33	20	....	20	-13
Internal Service Funds	32	25	....	25	-7
Adult Services					
General Fund	14,038	13,099	....	13,099	-939
Children and Youth Services					
General Fund	1,937	1,920	....	1,920	-17
Forensic Services					
General Fund	1,972	1,966	....	1,966	-6
Research					
General Fund	555	528	....	528	-27
Special Revenue Funds — Other	2	29	....	29	+27
Capital Planning					
Capital Project Funds	41	41	....	41	....
Subtotal, Direct Funded Programs	19,186	18,202	....	18,202	-984
Suballocations:					
General Fund	6			6	....
Total	19,192			18,208	-984

## STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE APPROPRIATIONS

Fund Type	Available 1998-99	Recommended 1999-00	Change
General Fund	\$492,920,000	\$498,839,000	+\$5,919,000
Special Revenue Funds — Federal	883,000	913,000	+ 30,000
Special Revenue Funds — Other	541,090,000	531,046,000	-10,044,000
Enterprise Funds	7,200,000	7,213,000	+ 13,000
Internal Service Funds	1,950,000	1,967,000	+ 17,000
Fiduciary Funds	570,000	570,000	....
Total	\$1,044,613,000	\$1,040,548,000	-\$4,065,000
Adjustments:			
Transfer(s) From			
Mental Health, Office of			
General Fund (Aid To Localities)	-2,698,000		
Appropriated 1998-99	\$1,041,915,000		

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS**

Program	Available 1998-99	Recommended 1999-00	Change
Administration and Finance			
General Fund	\$47,753,000	\$50,538,000	+ \$2,785,000
Special Revenue Funds — Federal	883,000	913,000	+ 30,000
Enterprise Funds	7,200,000	7,213,000	+ 13,000
Internal Service Funds	1,950,000	1,967,000	+ 17,000
Fiduciary Funds	570,000	570,000	. . . .
Adult Services			
General Fund	739,910,000	726,350,000	-13,560,000
Children and Youth Services			
General Fund	103,359,000	104,652,000	+ 1,293,000
Forensic Services			
General Fund	100,047,000	103,660,000	+ 3,613,000
Research			
General Fund	40,003,000	39,074,000	-929,000
Special Revenue Funds — Other	2,938,000	5,611,000	+ 2,673,000
Maintenance Undistributed			
General Fund	-538,152,000	-525,435,000	+ 12,717,000
Special Revenue Funds — Other	538,152,000	525,435,000	-12,717,000
<b>Total</b>	<b>\$1,044,613,000</b>	<b>\$1,040,548,000</b>	<b>-\$4,065,000</b>

**STATE OPERATIONS — GENERAL AND OFFSET FUNDS  
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES  
1999-00 RECOMMENDED**

Program	Total Personal Service		Personal Service Regular (Annual Salaried)		Temporary Service (Nonannual Salaried)	
	Amount	Change	Amount	Change	Amount	Change
Administration and Finance	\$31,810,000	+ \$798,000	\$29,922,000	+ \$798,000	\$1,630,000	. . . .
Adult Services	600,542,000	-25,246,000	554,832,000	-25,246,000	14,283,000	. . . .
Children and Youth Services	91,600,000	+ 914,000	85,718,000	+ 914,000	2,791,000	. . . .
Forensic Services	94,917,000	+ 3,296,000	88,952,000	+ 2,852,000	2,710,000	+ \$388,000
Research	33,359,000	-679,000	32,835,000	-657,000	85,000	. . . .
<b>Total</b>	<b>\$852,228,000</b>	<b>-\$20,917,000</b>	<b>\$792,259,000</b>	<b>-\$21,339,000</b>	<b>\$21,499,000</b>	<b>+ \$388,000</b>

Program	Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change
Administration and Finance	\$258,000	. . . .
Adult Services	31,427,000	. . . .
Children and Youth Services	3,091,000	. . . .
Forensic Services	3,255,000	+ \$56,000
Research	439,000	-22,000
<b>Total</b>	<b>\$38,470,000</b>	<b>+ \$34,000</b>

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**STATE OPERATIONS — GENERAL AND OFFSET FUNDS  
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED  
APPROPRIATIONS AND CHANGES  
1999-00 RECOMMENDED**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
Administration and Finance . . . . .	\$18,728,000	-\$13,000	\$1,388,000	+ \$26,000
Adult Services . . . . .	125,808,000	+ 11,686,000	61,840,000	+ 11,612,000
Children and Youth Services . . . . .	13,052,000	+ 379,000	4,684,000	+ 136,000
Forensic Services . . . . .	8,743,000	+ 317,000	4,612,000	+ 197,000
Research . . . . .	5,715,000	-250,000	1,894,000	+ 55,000
<b>Total . . . . .</b>	<b>\$172,046,000</b>	<b>+ \$12,119,000</b>	<b>\$74,418,000</b>	<b>+ \$12,026,000</b>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
Administration and Finance . . . . .	\$808,000	+ \$9,000	\$16,319,000	-\$54,000
Adult Services . . . . .	3,992,000	+ 3,000	54,584,000	+ 67,000
Children and Youth Services . . . . .	424,000	+ 12,000	7,344,000	+ 214,000
Forensic Services . . . . .	414,000	+ 12,000	3,498,000	+ 102,000
Research . . . . .	34,000	+ 1,000	3,670,000	-184,000
<b>Total . . . . .</b>	<b>\$5,672,000</b>	<b>+ \$37,000</b>	<b>\$85,415,000</b>	<b>+ \$145,000</b>

Program	Equipment		Maintenance Undistributed	
	Amount	Change	Amount	Change
Administration and Finance . . . . .	\$213,000	+ \$6,000	. . . . .	. . . . .
Adult Services . . . . .	2,227,000	+ 4,000	\$3,165,000	. . . . .
Children and Youth Services . . . . .	600,000	+ 17,000	. . . . .	. . . . .
Forensic Services . . . . .	219,000	+ 6,000	. . . . .	. . . . .
Research . . . . .	117,000	+ 3,000	. . . . .	-\$125,000
<b>Total . . . . .</b>	<b>\$3,376,000</b>	<b>+ \$36,000</b>	<b>\$3,165,000</b>	<b>-\$125,000</b>

**STATE OPERATIONS — OTHER THAN GENERAL AND OFFSET FUNDS  
SUMMARY OF APPROPRIATIONS AND CHANGES  
1999-00 RECOMMENDED**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
Administration and Finance . . . . .	\$10,663,000	+ \$60,000	\$3,537,000	+ \$43,000
Research . . . . .	5,611,000	+ 2,673,000	2,385,000	+ 2,285,000
<b>Total . . . . .</b>	<b>\$16,274,000</b>	<b>+ \$2,733,000</b>	<b>\$5,922,000</b>	<b>+ \$2,328,000</b>

Program	Nonpersonal Service	
	Amount	Change
Administration and Finance . . . . .	\$7,126,000	+ \$17,000
Research . . . . .	3,226,000	+ 388,000
<b>Total . . . . .</b>	<b>\$10,352,000</b>	<b>+ \$405,000</b>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS**

<u>Fund Type</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>
General Fund . . . . .	\$620,644,000	\$633,256,000	+ \$12,612,000
Special Revenue Funds — Federal . . . . .	21,891,000	22,925,000	+ 1,034,000
<b>Total . . . . .</b>	<b>\$642,535,000</b>	<b>\$656,181,000</b>	<b>+ \$13,646,000</b>
Adjustments:			
Transfer(s) To			
Mental Health, Office of			
General Fund (State Operations) . . . . .	+ 2,698,000		
Appropriated 1998-99 . . . . .	<u>\$645,233,000</u>		

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS**

<u>Program</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>
Adult Services			
General Fund . . . . .	\$407,079,500	\$395,437,000	-\$11,642,500
Special Revenue Funds — Federal . . . . .	17,589,000	18,216,000	+ 627,000
Children and Youth Services			
General Fund . . . . .	85,730,000	86,524,000	+ 794,000
Special Revenue Funds — Federal . . . . .	4,302,000	4,709,000	+ 407,000
Community Mental Health Reinvestment			
General Fund . . . . .	127,545,000	151,295,000	+ 23,750,000
Legislative Initiatives			
General Fund . . . . .	289,500	. . . .	-289,500
<b>Total . . . . .</b>	<b>\$642,535,000</b>	<b>\$656,181,000</b>	<b>+ \$13,646,000</b>

**CAPITAL PROJECTS  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS**

<u>Comprehensive Construction Programs</u>	<u>Available 1998-99</u>	<u>Recommended 1999-00</u>	<u>Change</u>	<u>Reappropriations 1999-00</u>
Executive Direction				
Capital Projects Fund . . . . .	. . . . .	. . . . .	. . . . .	\$4,000,000
Mental Hygiene Capital Improvement Fund - 389 . . . . .	\$3,000,000	\$3,300,000	+ \$300,000	. . . .
Community Mental Health Facilities				
Capital Projects Fund . . . . .	18,500,000	. . . .	-18,500,000	31,304,000
Mental Hygiene Capital Improvement Fund - 389 . . . . .	40,375,000	375,000	-40,000,000	131,085,000
Non-Bondable Projects				
Capital Projects Fund . . . . .	12,000,000	6,000,000	-6,000,000	. . . .
Maintenance and Improvements of Existing Facilities				
Capital Projects Fund . . . . .	13,777,000	19,807,000	+ 6,030,000	17,914,000
Mental Hygiene Capital Improvement Fund - 389 . . . . .	51,500,000	74,512,000	+ 23,012,000	305,443,000
Design and Construction Supervision				
Capital Projects Fund . . . . .	2,280,000	2,250,000	-30,000	. . . .
Mental Hygiene Capital Improvement Fund - 389 . . . . .	10,000,000	8,188,000	-1,812,000	19,351,000
<b>Total . . . . .</b>	<b>\$151,432,000</b>	<b>\$114,432,000</b>	<b>-\$37,000,000</b>	<b>\$509,097,000</b>