



# New York State Office of Mental Health 2016-2017 Enacted Budget

2016/17 OMH Enacted Budget All Funds – Appropriations				
	State Operations	Aid to Localities	Capital	Total
2015/16 Available	\$2,197,002,000	\$1,423,267,000	\$312,472,000	\$3,932,741,000
Net Executive Changes	\$6,000,000	\$11,177,000	\$11,000,000	\$28,177,000
2016/17 Executive Budget	\$2,203,002,000	\$1,434,444,000	\$323,472,000	\$3,960,918,000
Net Legislative Changes	\$2,200,000	\$9,904,000	\$0	\$12,104,000
2016/17 Enacted Budget	\$2,205,202,000	\$1,444,348,000	\$323,472,000	\$3,973,022,000

The Office of Mental Health's (OMH) final 2016/17 Enacted Budget includes more than \$3.97 billion in All Funds Appropriations, which represents a net year to year increase of \$40.28 million.

### Aid to Localities

OMH's Local Assistance appropriations totaling \$1.444 billion in the 2016/17 Enacted Budget bills were increased from the 2015/16 Budget by a total of \$21.081 million. This includes the following legislative adds:

- South Fork Mental Health Initiative (\$175,000)
- Crisis Intervention Teams (\$500,000)
- Comunilife (\$200,000)
- FarmNet (\$300,000)
- Mental Health Association in New York State, Inc. (\$100,000)
- North Country Behavioral Healthcare Network (\$100,000)
- Children's Prevention and Awareness Initiatives (\$500,000)
- Riverdale Mental Health Association (\$100,000)
- Jewish Board of Family and Children's Services (\$100,000)
- Mental Health Association of Rockland County, Inc. (\$74,000)
- Joseph P. Dwyer Veteran Peer to Peer Pilot Program (\$2,780,000)
  - Broome County (\$120,000)
  - Chautauqua County (\$185,000)
  - Dutchess County (\$185,000)
  - Erie County (\$185,000)
  - Jefferson County (\$185,000)
  - Monroe County (\$185,000)
  - Nassau County (\$185,000)
  - Niagara County (\$185,000)
  - Onondaga County (\$185,000)
  - Orange County (\$185,000)
  - Putnam County (\$120,000)

- Rensselaer County (\$145,000)
- Saratoga County (\$185,000)
- Suffolk County (\$185,000)
- Westchester County (\$185,000)
- University at Albany School of Social Welfare (\$175,000)
- Veteran's Mental Health Training Initiative:
  - New York State Psychiatric Association (\$150,000)
  - Medical Society of State of New York (\$150,000)
  - National Association of Social Workers, NYS Chapter (\$150,000)
- Data Analysis for Children's Behavioral Health Services (\$175,000)
- Crisis Intervention and Diversion Program (\$1,000,000)

The final OMH Budget also accepted the Executive proposals to control growth while supporting operational costs related to residential units already in development and opening in 2016/17, and full reinvestment of savings to support an expansion of community based mental health services to reduce the need for State inpatient services. This includes:

- Funding to continue all residential development including the New York/New York III homeless housing agreement and supported housing for the nursing home and adult home settlements. In total, the Budget supports the opening and annualization of 1,700 new residential units.
- Reinvestment resources to develop a comprehensive array of services to assist in the transition of individuals from State Psychiatric Centers to the least restrictive settings including housing, care coordination and community supports tailored to the individual including:
  - Funds to expand community based services and housing targeted to reduce the need for State inpatient beds (\$5.5 million).
  - New resources to fund wrap around services and psychiatric supports for individuals with long-term care needs to facilitate the transition from State Psychiatric Centers to skilled nursing facilities and managed long term care plans (\$5.5 million)
  - Funds to fully annualize the commitment made in the 2015/16 Enacted Budget to expand community capacity (\$7.5 million).
- In total, the Budget represents the third year of full reinvestment, bringing the full annual commitment to \$81 million in new resources for the community mental health system including significant expansion of supported apartments, home and community based "waiver" services for children, mobile integration teams, and a full range of other community mental health services (e.g., crisis/respite beds, first episode psychosis teams, clinics, etc.).

In addition, the OMH Budget also includes:

- Funding for a 0.2 percent Cost of Living Adjustment (COLA) for 2016/17 (\$2.4 million);
- A new appropriation for the Mental Illness Anti-Stigma Fund to allow OMH provide grants to support organizations and activities dedicated to eliminating the stigma of mental illness supported by the donations collected through the tax check-off box on New York State income tax forms established under Chapter 422 of the Laws of 2015. (\$200,000); and
- Funding to support direct salary costs and related fringe benefits associated with any minimum wage increase for eligible organizations funded by OMH that takes effect during the 2016-17 State Fiscal Year pursuant to section 652 of the Labor Law (\$600,000).

Importantly, the final 2016/17 Budget for the Department of Health (DOH) includes funding to continue, expand, and enhance a full range of behavioral health transformation activities such as the integration of

health and behavioral health services and facilitating the transition of behavioral health care services from a fee-for-service system to a managed care environment. More specifically, the DOH Medicaid Budget includes \$95 million for the:

- Continuation of the full range of behavioral health transformation initiatives already underway including the OASAS residential restructuring, the integration of behavioral and physical health, targeted investments to preserve critical access to behavioral health services, and home and community based waiver services expansion;
- Funding for managed care system readiness activities including training and start-up grants to support the integration of children's services into Medicaid managed care; and
- Expansion of the Medicaid benefit package to include six new State Plan services for children starting January 1, 2017 including: Crisis Intervention; Community Psychiatric Support and Treatment; Psychosocial Rehabilitation Services; Other Licensed Practitioners; Family Peer Support Services; and Youth Peer Training and Support Services. These new services focus on earlier intervention for children experiencing behavioral health issues, helping to keep children with the families, thus preventing the need for more costly, high-intensity services and out-of-home placements.

The final 2016/17 Enacted Budget also provides funding in other State agency budgets that will improve community services and the coordination of community care, including:

- Competitive grants to eligible nonprofit human services organizations to improve the quality, efficiency, and accessibility to serve New Yorkers through technology upgrades related to improving electronic records, data analysis, or confidentiality; renovations or expansions of space used for direct program services; modifications to provide for sustainable, energy efficient spaces that would result in overall energy and cost savings; and accessibility renovations. State agencies included in this initiative are, but not limited to: the Office of Children and Family Services, the Office of Temporary and Disability Assistance, the Office for Persons with Developmental Disabilities, the Office of Mental Health, and the Dormitory Authority of the State of New York (\$50 million).
- Funds for the Health Care Facility Transformation program to be administered by DOH and the Dormitory Authority of the State of New York (DASNY), to provide capital funding to replace inefficient and outdated facilities as part of merger, consolidation, acquisition or restructuring activities. The legislation requires that a minimum of \$30 million of total awarded funds shall be made to community-based health care providers, which include diagnostic and treatment centers, Article 31 licensed mental health treatment clinics, Article 32 licensed alcohol and substance abuse treatment clinics and Article 36 licensed home care providers (\$200 million).
- Funding to support a comprehensive statewide multi-year housing program to prevent and address homelessness including but not limited to a multi-agency supportive housing program to provide housing and support services for vulnerable New Yorkers (\$50 million).
- Funds to support a comprehensive multi-year investment in affordable housing and services and housing opportunities for the homeless, including new housing opportunities for individuals and families in need of supportive services and resources to support needs of vulnerable populations to assist in securing stable housing (\$1.97 billion).

## **State Operations**

OMH's State Operations appropriations of \$2.205 billion in the 2016/17 Enacted Budget bills were increased by \$2.2 million from the Executive Recommendation to restore funds for the rejection of the

proposal to authorize counties to voluntarily establish jail-based restoration to competency programs (for felony defendants pending judicial hearings) within county jails, which reduces OMH's ability to close State inpatient forensic beds that are presently being used for such restoration purposes.

The 2016/17 Enacted Budget accepted the Executive's recommendation to establish a new, \$6 million Special Revenue Funds - Other appropriation for the federal Delivery System Reform Incentive Payment Program (DSRIP). This appropriation authorizes OMH facilities to accept and utilize DSRIP incentive payments received for their participation in regional Performing Provider Systems (PPS) projects that improve the integration and delivery of health care services.

Additionally, the final Budget also accepted the Executive's proposals to control growth while reinvesting State bed closure savings to expand community based services. Moreover, OMH's budget achieves cost containment through the implementation of administrative and personal and non-personal services efficiencies, thereby offsetting spending growth increases and several new and ongoing initiatives, including:

- Funding that will fully annualize to \$1 million for additional OMH staff to provide mental health services for minors who will be relocating from several correctional facilities, to a single separate juvenile facility, as part of New York's Raise the Age initiative. OMH will partner with the Office for Children and Family Services (OCFS) and the Department of Corrections and Community Supervision (DOCCS) in this effort (\$700,000).
- Authorization of up to \$1.5 million in funding for transfer to the NYS Department of Health's (DOH) Doctors Across New York (DANY) program, for the purposes of funding discrete loan forgiveness awards to psychiatrists who agree to work in an area where there is a psychiatrist shortage, for a period of at least five years, in OMH's hospitals or outpatient programs.

## **Capital**

- OMH's Capital appropriations totaling \$323.472 million in the 2016/17 Enacted Budget were unchanged from the Executive Recommendation which included an \$11 million increase in local capital to fund the continued development and ongoing maintenance of community residential beds. (\$11 million).

## **Article VII Legislation**

The final 2016/17 Enacted Budget included Article VII legislation to:

- Extend the sunset of government rates to providers through managed care organizations and provide equivalent fees through the Ambulatory Patient Group (APG) methodology through June 30, 2018 for patients outside of New York City, and through March 31, 2018 for patients in New York City.
- Extend for three years, the statutory language that authorizes the recovery of exempt income from residential programs for the periods from January 1, 2011 through December 31, 2019 for programs located outside of the city of New York, and from July 1, 2011 through June 30, 2019 for programs located within the City of New York.
- Extend for four years, the statutory authority for the Comprehensive Psychiatric Emergency Program (CPEP) through July 1, 2020.
- Extend for four years, the statutory authority for Mental Health Special Need Plans (SNPs) through March 31, 2020.

- Extend for two years legislation to exempt social workers and contract social workers, who are in the employ of a program or service operated, regulated, funded or approved by the Department of Mental Hygiene, the Office of Children and Family Services, the Office of Temporary and Disability Assistance, the Department of Corrections and Community Supervision, the State Office for the Aging, the Department of Health or a local government unit, from various social worker licensure requirements per New York state education law, thereby extending the current exemption through July 1, 2018.
- Authorize the Commissioner of OMH to appoint a temporary operator of a certified provider in certain extraordinary but time limited circumstances to preserve treatment resources, protect the health and safety of patients, and protect the state's investment in such programs and facilities.
- Authorize the sharing of records by amending Section 33.13 of the Mental Hygiene Law (MHL) to permit facilities, including facilities operated or licensed by the Department of Mental Hygiene, to share clinical records with managed care organizations, behavioral health organizations, health homes and other entities authorized by the Department of Mental Hygiene or Department of Health to provide, arrange or coordinate health care services for Medicaid recipients for whom such entities are responsible.
- Authorize Medicaid benefits prior to release from prison/jail by amending the Social Services Law to authorize the provision of Medicaid benefits for inmates who were on Medicaid prior to incarceration in a state prison or local jail, for the 30 days prior to release to pay for transitional services including medical, prescription, and care coordination services.