



**Office of
Mental Health**

**Joint Legislative Public Hearing on the 2017-2018
Executive Budget Proposal for Mental Hygiene**

Testimony of Ann Marie T. Sullivan, M.D.
Commissioner of the Office of Mental Health
February 6, 2017

**Budget Testimony for Commissioner Ann Marie T. Sullivan, M.D.
New York State Office of Mental Health
February 6, 2017**

Senator Young, Assemblyman Farrell and members of the Senate and Assembly Fiscal and Mental Health Committees, I want to thank you for the invitation to explain this year's Office of Mental Health's Budget.

I. Background

First, allow me to provide a little background. As we've discussed before, the Office of Mental Health (OMH) seeks to expand community services to provide better care to more New Yorkers. This goal is based upon the framework developed by the Institute for Healthcare Improvement which aims to optimize health system performance. The 'Triple Aim' framework seeks to accomplish three things:

1. Improve patient care for individuals (including quality and satisfaction);
2. Improve the health of populations; and through these improvements,
3. Reduce the per capita cost of health care.

For decades there were few options for individuals with mental illness in the community. Inpatient care was the only readily available and standard option. Unfortunately, it was not the best option for many people. In the years since institutionalization was the norm, mental health care has evolved so that individuals need not spend their entire lives as an inpatient, but can successfully live and work in their community.

II. Achievements

Through your continuing support of Reinvestment, our efforts to provide individuals with mental illness the right service at the right time in the right setting have started to bear fruit. With a commitment of more than \$81 million thus far, we have been able to provide services to more than 20,000 new individuals through December 2016, including:

- New supported housing for more than 900 individuals.
- State-operated community services including crisis residences and mobile integration teams that have served an additional 6,900 individuals.
- A wide range of locally operated community based programs including peer crisis respite services, first episode psychosis, community support teams, and home and community based services waiver for more than 13,000 individuals.

Because these community services are now in place, we are able to provide inpatient services when needed, and also assure the necessary outpatient care and supports are available when an individual is discharged. Our ability to serve more citizens of the State has increased through the combination of these improvements to new and existing services.

III. FY 2017/ 2018 Executive Budget Priorities

Next I will move to what we plan on doing this coming year. For the next fiscal year, OMH will continue on this path towards greater access to community-based services, targeted at each individual's particular needs. Importantly, the 2017-18 Executive Budget proposes to:

- **Continue the investment in community services.**
The Budget adds another \$11 million, annually, to expand capacity in less-restrictive, more integrated community-based settings. This amounts to an annual investment of \$92 million since Fiscal Year 2015 to expand community mental health services based on OMH inpatient savings.
- **Fund 280 Additional Supported Housing Community Beds.**
OMH will reconfigure 140 state-operated residential beds, which are less integrated and more costly to operate, and replace them with funds to develop 280 community-based, scattered site supported housing units in the same geographic area. These new units, when provided in tandem with access to other existing community services, will ensure the continued support and care of all individuals transitioning into less restrictive settings while keeping them close to their families.
- **Provide \$10 Million to Enhance Support for Existing Residential Programs.**
The Budget increases funds for supported housing and single residence occupancy (SRO) programs. This investment will help preserve access and maintain existing housing capacity as the State brings new housing units online through the Empire State Supported Housing Initiative.

In this year's budget we continue investing in the implementation of Medicaid managed care initiatives for adults and children. Key accomplishments and initiatives include:

- **Increased HARP Enrollment.**
Almost 80,000 people are enrolled in Health and Recovery Plans (HARPs); the State's behavioral health specialty managed care product (Approximately 45,000 in NYC and 34,000 in the Rest-of-the-State).
- **New ACT Teams.**
Funding for twenty new Assertive Community Treatment (ACT) teams offering targeted help for homeless and high need individuals in need of intensive behavioral health services.
- **Managed Care for Youth.**
A commitment to integrate children's behavioral health services into managed care, including the expansion of six new state plan services for children and continued support for the operation of a comprehensive Home and Community-Based Services network.

Lastly, as I noted earlier in my testimony, improving patient care and the health of our population will save the State money. OMH's strategy to achieve this goal is through the development of targeted community services to assist individuals in their communities and hopefully intervene with these services prior to the need for inpatient hospitalization. For those individuals who continue to occasionally need inpatient hospitalization, New York State has the largest number of psychiatric inpatient beds available in the nation and we will continue to preserve access to inpatient care as we work to transform the system.

Again, thank you for this opportunity to address you on the 2017-18 OMH Budget which supports and continues the work we have begun to transform New York's mental health system.