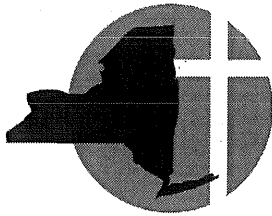


Submitted Testimony

New York State Catholic Conference

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Testimony
of the
New York State Catholic Conference
regarding the
2017 – 2018
Mental Hygiene Budget

Submitted by:
Michael A. Lawler
Director of Catholic Charities
NYS Catholic Conference

Hearing Room B
Legislative Office Building
Albany, N.Y.

February 6, 2017

Senator Young, Assemblyman Farrell, and distinguished members of the Senate Finance Committee and the Assembly Ways and Means Committee:

My name is Michael Lawler and I am the Director of Catholic Charities for the NYS Catholic Conference. Thank you for the opportunity to share our thoughts on the 2017-2018 Executive Budget as it pertains to Mental Hygiene.

This year marks the 100th anniversary of Catholic Charities in New York State. We are proud of the service we have provided over the last century to millions in need, and the partnership with government that has benefitted all New Yorkers. We know you value the work of Catholic Charities, and we look forward to continuing that partnership in the years to come. To re-familiarize yourselves with Catholic Charities, I have attached our brochure that describes who we are and the myriad services that we provide in all 62 counties of the state.

Alcoholism & Substance Abuse Services, Office of

The total All Funds appropriation for OASAS is \$693.34 million, an increase of \$36.95 million from 2016-2017 levels. This is an increase in year-to-year appropriation authority of approximately \$30 million, which appears to address the possibility that new federal Opioid Crisis grants could be coming to New York State. Beyond that, this budget seems to maintain the services that have been in the development pipeline. This funding level is expected to support the following initiatives:

- Residential Treatment;
- Opioid Treatment Program Slots;
- Community Coalitions;
- Family Navigators;
- Peer Engagement;
- Recovery Community and Outreach;
- 24/7 Urgent Access Centers; and
- New Recovery High Schools (one Upstate and one downstate).

The budget also includes \$4.6 million in State share funding to support the increase in the minimum wage.

Overall, Catholic Charities generally supports the funding allocation for OASAS. We also want to comment on a proposal contained in the *Health & Mental Hygiene Article VII (Part P) Behavioral Health Care Rates Extended*. This provision would clarify the statutory requirement for clinic services to be paid at the APG rates to include non-clinical behavioral health services for enrolled Medicaid patients, except inpatient services. This provision applies for the period June 30, 2018 through March 31, 2020.

Catholic Charities supports this legislative proposal for both OASAS and the Office of Mental Health.

Mental Health, Office of

Total All Funds appropriations for OMH total \$4.11 billion. This is an increase in appropriation authority of \$107.85 million from 2016-2017 levels. This budget will continue to expand community services and transition individuals to more appropriate and cost-effective community settings, by specifically:

- Investing \$11 million (full annual) in additional community services;
- Funding 280 supported housing community beds by reconfiguring 140 state-operated residential beds and replacing them with 280 scattered-site supported housing units;
- Providing \$10 million to increase funds for supported housing and single room occupancy housing;
- Implementing an OMH State-operated clinic review – OMH will review clinic services at all 85 of its state-operated facilities to reduce overlap of services and ensure that clinics are operating at optimal capacity;
- Revamping Hutchings Children & Youth Services – OMH will conduct an evaluation of this facility to achieve efficiencies, with the goal of improving the delivery and coordination of medical and mental health services for children in Central New York;
- Increasing, by 20, the number of Assertive Community Treatment Teams;
- Allocating \$850,000 to assist local jails to voluntarily make infrastructure improvements to provide separate treatment units in jails (Jail-based Restoration Program); and
- Allocating \$3.5 million in State share funding to support the increase in the minimum wage.

Overall, Catholic Charities generally supports the funding allocation for OMH.

Persons with Developmental Disabilities, Office of

Total All Funds appropriations for OPWDD total \$4.49 billion, an increase of \$64 million in appropriation authority from 2016-2017 levels. This budget continues the plan to support individuals with developmental disabilities in the most appropriate community-based setting and will make \$120 million in new funding (State and Federal) on an annual basis to:

- Expand the availability of certified housing supports; OPWDD will continue to support 37,300 individuals in community-based residential programs;
- Continue to support more independent living, beyond the traditional certified residential options; OPWDD currently provided rental subsidies to over 4,300 individuals;
- Provide more Day Program and Employment Options which are critical in providing the social and vocational supports needed to live in the community; OPWDD serves over 78,000 individuals in day and employment supports; and
- Increase Respite availability to family caregivers, helping people with developmental disabilities live at home, More than 41,000 families were provided respite in the past four years.

The budget commits \$15 million in Capital funding to expand independent living housing capacity. These funds are in addition to resources that will be available from the five-year Affordable and Supportive Housing Plan.

A total of \$21 million is available to support the START (Systemic Therapeutic Assessment, Respite and Treatment) Program. This budget includes an additional \$12 million to expand START into the downstate region.

A total of \$24 million is available to transition individuals into community-based settings. The budget will support the transition of 56 individuals from developmental centers and 100 individuals from intermediate care facilities to more integrated, community-based supports.

The budget includes \$14.9 million in State share funding to support the increase in the minimum wage.

The proposed budget also calls for a Blue Ribbon Panel to be convened to examine the feasibility of transitioning the Institute of Basic Research from OPWDD to the CUNY College of Staten Island. The panel would be comprised of prominent researchers, academicians, parents and political leaders.

Catholic Charities generally supports the funding allocation for OPWDD.

The Executive outlines their plan for transitioning care for the Developmentally Disabled population to a managed care system of care. OPWDD's plan will begin with the establishment of Care Coordination Organizations in late 2017. It is anticipated that CCOs will be regional organizations (2 CCOs per OPWDD region) and that they will eventually replace Medicaid Service Coordination programs. OPWDD will then begin to transition into managed care beginning in 2019. Enrollment into Medicaid managed care will be voluntary. OPWDD also anticipates start-up funds will be available for CCOs and those funds have been incorporated into the Medicaid Global Cap. OPWDD has also stated that any savings realized from the Care Coordination Organization model will be reinvested back into the OPWDD system.

Catholic Charities has been an active participant in the Medicaid Transformation Agenda. We are actively engaged in numerous DSRIP/PPS efforts and we have been designated as one of 16 new health homes serving children. Our Encompass Family Health Home, which began operations in December 2016, has been authorized to serve up to 37 upstate counties, with the goal to expand to 48 upstate counties.

Catholic Charities of Broome County is also operating an Adult Health Home and has achieved great success over the past few years. As we proceed down the path of Medicaid managed care for all, and more specifically with the developmentally disabled, we are very concerned about issues of staff recruitment and retention, the adequacy of rates moving forward, and ensuring that Medicaid patients continue to have access to physical and behavioral health care services.

We are greatly concerned about the human services workforce. Whether it is the Direct Service Professionals (DSP) in the developmentally disabled sector or the professionals serving the substance abusers or individuals with serious mental illness, more needs to be done to support our workforce. State support for non-profits has been suppressed over the past several years, rates have been rationalized, and cost of living adjustments have been deferred for all but one of the past several years. In addition, overtime and exempt status rules have changes (driving up costs), and the overall stress and demands placed on our workforce continue to grow. As the NYS Legislature deliberates and analyzes the proposed budget, we want to encourage you to look at an existing revenue source that could go a long way in addressing the staff recruitment and retention issues. Contained within the \$8 billion Medicaid waiver, there is \$1.08 billion set aside for workforce initiatives. It appears that very little of these funds have been spent and we ask that you look at this resource as a possible solution to our staffing problems.

Finally, Part Q of the Health and Mental Hygiene Article VII bill proposes a one-year deferral of the human services Cost of Living Adjustment for the period April 1, 2017 to March 31, 2018. The proposal also states that the COLA would begin again on April 1, 2018 and be in place for three years. Catholic Charities opposes the deferral of the COLA and proposes that \$40 million be restored in the Aid to Localities budget for state agencies covered by the COLA statute.