

February 7, 2019

**Testimony of
The NYS Office of Mental Health to
NYS Assembly & NYS Senate Fiscal
Committees**



**Office of
Mental Health**

Good morning, I am Dr. Ann Sullivan, Commissioner of the Office of Mental Health (OMH). Chairs Krueger, Weinstein, Carlucci, Gunther, and members of the respective Committees, I want to thank you for the invitation to address the OMH's 2019-20 proposed Budget.

As you know, OMH seeks to provide and oversee a high-quality mental health care system which includes both inpatient and outpatient services available to New Yorkers in need. Using Institute for Healthcare Improvement (IHI) parameters, known as the triple aim, we are working to optimize health system performance. This 'Triple Aim' framework seeks to:

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

For decades, there were few options for individuals with serious 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 with Serious Mental Illness (SMI) need not spend a significant part of their lives in a hospital, but can successfully live and work in their community.

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. Since 2014, with a commitment of more than \$100 million in annualized investments thus far, we have been able to provide services to more than 67,000 new individuals, bringing the total to over 800,000 people served in the public mental health system. Examples of the new services include:

- New supported housing for more than 1,700 individuals;
- State-operated community services including crisis residences, a sustained engagement support team, and mobile integration teams that have served over 14,000 additional individuals; and
- 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 waiver services for nearly 34,000 individuals.

Because these community services are available, New Yorkers can get the support they need to avoid hospitalization, and access inpatient services only when needed, and live successfully in their communities.

This year's Budget includes initiatives which will enhance our ability to serve more New Yorkers through a combination of improvements to existing services and the development of new services.

These include:

- **Expanding Community-Based Services.** The Budget continues to support the expansion of community-based programs serving individuals in less restrictive settings that are closer to family and other natural supports.
- **Supporting High-Need Individuals.** The Budget provides an additional \$10 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.

- **Investing in Infrastructure.** The Budget provides an additional appropriation of \$100 million to support the replacement of the **Mid-Hudson Forensic Psychiatric Center** in Orange County, which includes buildings over 100 years old not designed for current standards of care.
- An additional \$10 million for **existing supported housing** and single residence occupancy programs statewide. Since State FY 2014, annual funding to enhance support for these existing housing programs has increased by over \$50 million. The Budget also includes \$60 million in capital funding to maintain and preserve community-based residential facilities.
- **Expanding children’s services into managed care**, including the roll-out of the six new mental health and substance abuse services available with NYS Children’s Medicaid, give children/youth (under age 21) and their families the power to improve their health, well-being and quality of life. These services strengthen families and help them make informed decisions about their care. Services are provided at home or in the community.
- Governor Cuomo and OMH continue their commitment to a significant prevention agenda, which promotes mental wellness, prevents disorders, and intervenes earlier in the trajectory of mental illness. This **Early Intervention and Prevention agenda** includes such initiatives as New York State’s Suicide Prevention Plan, **expansion of school-based mental health clinics, Healthy Steps, Project TEACH**, and the OnTrackNY first episode psychosis early intervention program.
- A comprehensive parity reform bill that will enhance State monitoring, oversight, enforcement of behavioral health insurance benefits, and require insurers to apply the same treatment and financial rules to behavioral health services—like substance use and mental health service—as those used for medical and surgical benefits. The key provisions for mental health include:
 - **Codifies Federal parity standards** in State law for both mental health and substance use disorders (SUD);
 - **Prohibits prior authorization and concurrent review of inpatient psychiatric services for children and youth for the first 14 days of care;**
 - **Authorizes OMH review and approval of medical necessity criteria used by plans;**
 - **Requires DOH to review behavioral health provider networks for parity compliance;**
 - **Requires insurers to provide comparative parity analysis to insureds and prospective insureds upon request;**
 - **Requires mental health utilization review agents to have subject matter expertise;**
 - **Prohibits insurers from retaliating against providers that report insurance law violations to State agencies; and**
 - **Requires behavioral health co-payments be no greater than primary care office visits.**

Finally, OMH’s strategy is to improve the mental health of New Yorkers through the development of targeted community services to assist individuals across the state and intervene prior to the need for more intensive and costlier care, such as inpatient hospitalization. For those that

continue to occasionally need inpatient hospitalization, New York State has the highest number of psychiatric inpatient beds, per capita, of any large state 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 report on our efforts to support and continue the work that we have jointly embarked upon to transform New York's mental health system.