

October 28, 2003

Linda Rosenberg, CSW
Senior Deputy Commissioner
New York State Office of Mental Health
44 Holland Avenue
Albany, New York 12229

Dear Linda Rosenberg:

Now that the Pros County Implementation Plan Package has been published and distributed, the undersigned have joined together to make known our concerns about PROS as it stands in this latest iteration, particularly as it will have tremendous impact on the service delivery system and by extension, on those who depend on these services.

At the outset, we want to express our support for a recovery focus in the organization of services. National data and experience show evidence of improved outcomes in programs that are based upon the expectation of recovery and the involvement of consumers in the development and maintenance of their individualized service plans.

Furthermore, we would like to acknowledge with gratitude the efforts of the staff of the New York State Office of Mental Health to engage the respective stakeholders in a dialogue as the program has evolved. SOMH has responded to concerns by making adjustments to the various iterations of PROS and has been willing to participate in dialogue with all of us.

From the beginning of the evolution of PROS, a number of issues have been raised, that yet remain unresolved. As PROS moves forward, each of us has concerns that remain unarticulated or expanded in this letter. We will continue to pursue these concerns, individually or separately with SOMH. Still we have held certain issues in common as key to the success of transforming the current system to this far-reaching restructuring and reform program. Because many of these issues remain either unaddressed or only partially addressed by SOMH, we would like to raise some of them in this letter.

1. **Concurrent Review and Assessment.** An independent third party must assess this dramatic restructuring of the service delivery system that has no national precedent, in order to ensure fiscal and

programmatic viability as well as improved consumer satisfaction and outcomes. A rollout of any second phase must be made contingent upon achievement of agreed-upon milestones and objectives and the application of “lessons learned” from Phase 1 results. The monitoring process should include the convening of a regular meeting of representatives of providers, provider groups, recipients and other stakeholders to report upon problems and suggest solutions.

2. **Participation.** Where feasible, the capacity of PROS in Phase 1 should not exceed 1/3 of the State’s final anticipated PROS capacity. Urban, suburban and rural service delivery systems need to be protected so that unforeseen difficulties experienced by some of the providers that initially convert do not create major weaknesses for the entire service area. Coupled with the evaluation requirement, this restriction will limit the potential for failure or serious unanticipated problems to only a portion of the service delivery system. Program shortcomings must be adjusted before proceeding into a second phase.

PROS participation during Phase 1 should represent the full diversity of PROS eligible providers. Allowing agency self-selection and volunteer participation to drive the makeup of Phase 1 does not guarantee that the phase-in will reflect the diversity of the system or its recipients. SOMH should explicitly foster the enrollment of agencies of all sizes, program type, special populations orientation, Medicaid experience and inexperience, geographic areas etc.

3. **Incentives.** OMH is offering limited “early adopter” incentives and explicitly denies them to agencies that enroll in a second or later phase. We are concerned that these limited financial incentives will drive enrollment, not program readiness. The denial of incentives in other phases may encourage agencies to enroll in the first phase before they are ready and for the wrong reasons. Furthermore, we have some question about the fiscal and programmatic capacity of SOMH or the LGU to enroll large numbers of agencies seeking to take advantage of the temporary incentives. In addition, incentives for agencies without prior Medicaid experience must be sufficient to provide for infrastructure, as well as, training needs. Full incentives should not be limited to the first phase of the PROS rollout.
4. **Risk.** SOMH has offered to hold agencies harmless in a most limited way during the phase-in of the program. We believe that the unprecedented nature of the PROS program creates significant risk for stakeholders and that OMH should bear the full risk for enrollees during each of the phase-in periods. SOMH should continue to bear the full risk for a reasonable amount of time and, in the circumstances of potential disallowances, should extend the “hold harmless” provision until the Department of Health has audited PROS programs and approved the PROS billing methodology.
5. **Global budget.** As a matter of principle, monies saved from the reduction in overall spending on outpatient mental health services should be reinvested in the community mental health sector, where the majority of New York State’s residents receive their care.

While we view the resolution of the above concerns as crucial to the successful implementation of PROS, we would be remiss if we didn't mention other issues that are also of major concern to us. These include Medicare/Medicaid crossover billing problems, recipient choice, service for immigrant populations and other uninsured people, risk pools that will protect against unanticipated audit consequences and vulnerability of employment programs. We will continue to advocate on these issues, as well as others that are of particular concern to each of us.

We look forward to working with the New York State Office of Mental Health as the fine-tuning process goes forward. The implementation of PROS, with measures to minimize the danger of failure and that maximize its probability of success is in the best interests of all stakeholders in the community mental health sector. We will call in the near future to set up a meeting with you to talk about our concerns.

Sincerely yours,

Lauri Cole
New York State Council for Community Behavioral Healthcare

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