



Testimony of

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FY 2011 Executive Budget

The Committee on Finance
Hon. Domenic M. Recchia, Jr., Chair

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INTRODUCTION

Good afternoon Chairman Recchia and distinguished members of the Committee. Thank you for affording us the opportunity to testify before you today on the Mayor's Fiscal 2011 Executive Budget. My name is Heather Mermel, and I am the Senior Associate for Policy and Program Development at The Coalition of Behavioral Health Agencies (The Coalition).

We understand the predicament that the City faces in passing a fair and equitable budget while also solving a \$5 billion budget deficit in FY 2011. The City must fill this gap without knowing how much State Aid it will lose in the upcoming year. While the Governor of New York State has recommended a \$1.3 billion reduction, the exact impact to the City is unknown. In Albany, lawmakers are at a standstill. As of today, the State's budget is over 3 months late with no resolution in sight. With all of these circumstances in mind, if cutbacks have to be made, they should be done in a manner that will not be more costly to the City over the long term.

MENTAL HYGIENE CUTS – Restore \$10.5 Million

The Coalition is deeply concerned about the proposal in the Mayor's Fiscal 2011 Executive Budget to cut \$10.5 million in funding for Mental Hygiene programs in the Department of Health and Mental Hygiene (DOHMH). This cut will also continue in the out years at \$9.5 million. We appreciate the Department's decision to use unallocated funding from closed programs, or from providers anticipating additional revenue, to lessen the impact of this cut. However, the majority of the planned Mental Hygiene cuts impact nonprofit community-based agencies who provide the full continuum of behavioral health services to all New Yorkers.

Programs impacted include: outreach services to clients in need of care, advocacy services, case management services and medically supervised outpatient treatment. All of these services enable individuals to continue living in their community and prevent them from being placed into more costly settings (e.g. hospital, nursing home).

Cutting prevention and treatment services for people with mental illness and substance abuse issues is not an effective approach to reducing taxpayer expenses. Providing services in the community is a more cost-effective method, and it improves the quality of life for consumers. Furthermore, individuals who receive services in the community can hold steady taxpaying jobs that contribute to society and the tax rolls. Consumers, who do not access services in the community, are likely to have more frequent inpatient hospital stays and emergency room visits, costing the City much more to provide them with more intensive treatment.

MEDICAL SERVICE CUTS IN ADULT SHELTERS – Restore \$1.7 Million

The Coalition is also worried about a proposal in the Mayor's FY 2011 Executive Budget to cut \$1.7 million in FY 2011, and the out years, to medical services in approximately 12 adult shelters funded by the Department of Homeless Services (DHS). While these shelters are designed to serve the general population of people who are homeless, oftentimes, the individuals served have an undiagnosed mental illness and/or addiction disorder. The shelters are a point of entry into treatment for medical and psychiatric conditions, which play a critical role in chronic homelessness.

While in the shelter system, residents receive onsite medical services that enable them to become stabilized, reduce expensive emergency room visits and potentially allow clients to

move on to more permanent housing options. They also address behavioral health issues. As a result consumers are able to work with case managers to obtain proper treatment and benefits like Medicaid, Public Assistance and Social Security. Onsite medical services achieve a public health purpose by identifying and treating contagious diseases and providing vaccinations.

This PEG assumes that providers will be able to access replacement dollars to fill the gap in City funding if Medical Services were to be cut by DHS. It also assumes that, even if alternative services do exist, a smooth transition can happen without the implementation of a plan to support providers in enrolling individuals in Medicaid and connecting them with community-based services. The Medicaid enrollment and recertification process can be very complicated and overwhelming. In order to maintain continuity of care it is essential that DHS continue this funding during some transitional period.

CITY COUNCIL FUNDED PROGRAMS

Last week, Commissioner Thomas Farley of DOHMH testified that as of May 21, 2010, only 81% of all City Council Discretionary FY 2010 contracts are either registered or at the Comptroller's Office to be registered. As of today agencies have been providing services since July 1, 2009 without receiving any of the City Council funds that were allocated to them. This situation adds another layer of fiscal challenges for providers. They not only face reductions in funding from government, foundations and other revenue sources; but, in a contracting fiscal environment, also have difficulty in obtaining interest bearing bridge loans from banks to cover late government receivables. Without contract dollars flowing at the start of the fiscal year, programs must make the difficult decision to reduce staff often resulting in lower levels of

service. Ironically, the Division of Mental Hygiene often penalizes these programs for not meeting levels of service.

The Coalition's Professional Learning Center – Restore \$100,000

Over the last 12 years, the City Council has provided funding for The Coalition's Professional Learning Center that provides essential training and technical assistance to the behavioral health sector on issues that have direct financial and regulatory consequences. The Professional Learning Center keeps the City's nonprofit community-based behavioral health providers up-to-date with the knowledge and strategies needed to comply with laws, regulations and industry wide program changes. This year alone, The Coalition will have conducted 25 workshops for 1,800 mental health and substance abuse clinicians, peer advocates, support staff and administrators.

The Professional Learning Center offers an array of workshops, including Motivational Interviewing, Cognitive Behavioral Counseling, Harm Reduction Principles, Contingency Management, Dialectical Behavioral Therapy, Working with Multi-Cultural Populations, and Concurrent Documentation Techniques. The Coalition also provides trainings on Corporate Compliance (for OMIG; and Federal and State privacy rules), Enhancing Clinic Operations, Delivering Quality Clinical Care, Documentation and Billing for the new OMH Clinic Regulations and the very new Personal Recovery Oriented Services (PROS).

Based on popular demand we also offer an Annual Advanced Management Training Institute program, which provides a variety of workshops to train middle management in voluntary agencies, enabling them to transition to top tier positions in their organizations. We ask the City Council to restore \$100,000 in funding for The Coalition's Professional Learning

Center. This funding would enable us to continue to provide technical assistance to agencies citywide with limited resources, helping them prepare for and be updated on all of the new mandates and compliance with frequent changes in rules and regulations.

Alcoholism/Substance Abuse Voluntary Sector – Restore \$550,000

Funding from the City Council has allowed 12 agencies in all five boroughs of New York City to provide a range of alcoholism and substance abuse prevention and treatment programs for children, adults and families struggling with drug and alcohol abuse. For example, one program conducts outreach and community education on substance abuse, as well as treatment availability in the Asian communities. Moreover, they also provide services to individuals who do not have health insurance. Another program offers alcoholism and substance abuse treatment to adolescents in underserved minority communities. A restoration of \$550,000 will allow these providers to continue to serve these needy consumers.

Children Under Five Mental Health Initiative – Restore \$1.6 million

The Children Under Five Initiative is a City Council funded program that allows 8 providers throughout New York City to identify and evaluate children who may be exhibiting social and behavioral difficulties during the first few years of their life. Providers offer relationship-based assessments, interventions, treatment and referrals. They provide innovative and cutting-edge treatment modalities, including art, dance and movement therapy. Agencies also offer workshops for parents and grandparents on how to care for children with emotional difficulties. When these issues are identified as early as possible, and children and their families receive preventive services, we not only help them, but avoid the need for more expensive treatments in the future. Because of the help from the City Council, over 3,000

children between the ages of 0 and 5 have received services, potentially changing the outcomes of their lives. The need for this initiative grows each year as the number of children who are kicked out of nursery school and kindergarten due to behavioral problems increases. We strongly support the restoration of \$1.6 million to fund this initiative.

Geriatric Mental Health Initiative – Restore \$2.4 million

We ask the City Council to continue its support for the Geriatric Mental Health Initiative in Fiscal Year 2011. This year, the City Council allocated \$2.4 million to 24 community-based agencies (in all five boroughs of New York City) to provide specialized services to seniors dealing with mental illness. These programs are run in places where older adults receive other services, in settings where they feel comfortable, such as senior centers, religious and social group settings or in their own homes. The range of offered services includes outreach, education, screening, assessment, onsite treatment, referral to treatment, as well as support for family caregivers. Older adults receive help with depression, anxiety, isolation, bereavement and any other circumstance that can occur as one ages.

The need for this initiative grows even more important each year as the population of older adults in New York City increases and the number of older adults with symptoms of mental illness rises. It is predicted that the number of older adults in need of mental health services in our City will grow substantially.

Mental Health Contracts – Restore \$975,000

Funding for Mental Health Contracts allows 10 agencies to provide behavioral health services in the community through a variety of delivery models, including The Coalitions' Professional Learning Center, which I mentioned earlier. It also pays for a transitional living

community for homeless women with psychiatric disabilities and a forensic mental health program. Funding enables providers to reach out to underserved and minority populations that typically do not seek treatment because of the stigma associated with receiving mental health and addiction services. A restoration of \$975,000 will allow providers to continue to offer comprehensive treatment to the most vulnerable and high need populations in New York City.

We thank you for your time today, and are available to answer any questions you may have.

About The Coalition

The Coalition is the umbrella nonprofit, (501)(c)(3), association and public policy advocacy organization of New York's behavioral health providers, representing over 100 non-profit behavioral health agencies. Taken together, these agencies serve more than 350,000 adults and children and deliver the entire continuum of behavioral health care in every neighborhood of a diverse New York City, Westchester County and surrounding areas.

Founded in 1972, the mission of the Coalition is to coordinate the efforts of government and the private sector toward efficient delivery of quality behavioral health services to children, adults and families. The Coalition promotes policies and practices that support the development and provision of community based housing, treatment, rehabilitation, and support services to all people with mental illness and addictions disorders. Our members serve a diverse group of recipients, including the fragile elderly, people who are homeless, those who struggle with AIDS and other co-morbid health conditions, violence and other special needs. Coalition members help people with mental illness and addiction disorders to recover and lead productive lives in their communities.

The Coalition provides quality learning opportunities, technical assistance and training to staff and leadership of its member agencies and to the professional community on important issues related to rehabilitation and recovery, organizational development, best practices, quality of care, billing and regulations/contract compliance, technology and finance.