

Aid to Localities

Aid to Localities	General Fund/ HCRA Funds	Other Funds	Capital Funds	Total
2006-2007 Available	\$ 931,148,000	\$ 48,233,000	\$ 233,000,000	\$ 1,212,381,000
2007-2008 Executive Budget	\$ 1,023,453,000	\$ 45,569,000	\$ 319,030,000	\$ 1,388,052,000
Change	+\$ 92,305,000	-\$ 2,664,000	+\$ 86,030,000	+\$ 175,671,000

THE 2007-2008 EXECUTIVE BUDGET for the Office of Mental Health (OMH) continues to strengthen investments in mental health recovery, including the promotion of wellness, efforts to reduce the stigma associated with mental illness, an array of clinically effective treatments and supports, and improved community integration for children with serious emotional disturbance and adults with serious mental illness. The Budget also provides targeted service expansion in evidence-based treatments and models of care and reinforces OMH's commitment to transform the public mental health system.

Enhancing Access to Community-based Services for Children and Families

Achieving the Promise Annualized Funding

The 2006-2007 Enacted Budget provided an investment of \$62 million (annualized gross) for an interrelated set of services that support early recognition of emotional disturbances in children, improve access to interventions that have been proven by science to be effective, expand access to in-home and community-based services, provide the expertise of child psychiatrists to rural areas and ensure that evidence-based treatments are widely available across New York State. The 2007-2008 Executive Budget provides continued support and full annualization for these initiatives.

The 2007-2008 Executive Budget includes \$2.4 million (\$4.6 million annualized), permitting OMH to provide 180 additional Home and Community-based Waiver (HCBW) slots effective January 2008. This new funding for expanded HCBW services enhances the provision of an array of comprehensive, well-coordinated services in the most integrated setting appropriate to individual need. The program enables children at risk for institutional placement to remain at home and in school while receiving needed services.

Transitional Care

In certain instances, the State Education Department (SED) places children with serious emotional disturbances into out-of-state facilities. When children reach 22 years of age, OMH assumes responsibility for services to these children. To permit continuity of care and a smooth transition as additional young adults move between the children's and the adult service systems in out-of-state facilities, the 2007-2008 Executive Budget includes an increase of \$500,000 to accommodate this need.

School Support

The 2007-2008 Executive Budget includes a State Aid increase of \$295,000 to offset a reduction in Federal Individuals with Disabilities Education Act (IDEA) funds previously received from the State Education Department (SED).

Promoting Public Health by Reducing the Risk of Suicide

The 2007-2008 Budget continues to provide \$1.5 million to support the 2006-2007 initiative to implement the New York State Suicide Prevention Plan and related County suicide prevention plans aimed at increasing public awareness. Ongoing funding is targeted toward local prevention and planning efforts to reduce suicide among high-risk populations, provide culturally competent training and public awareness projects,

and make available translation and dissemination of public education materials and evaluation data.

Providing Access to Safe and Affordable Community Housing

Supported Housing Expansion

The 2007-2008 Executive Budget includes \$9.1 million in funding for 1,000 new Supported Housing beds effective October 2007. When fully annualized, the total funding for these beds will be approximately \$12 million. The addition of Supported Housing units to the overall residential system facilitates opportunities for movement toward integrated community housing for individuals with mental illness. The budget continues to support last year's addition of 60 Supported Housing beds targeted to adult home discharges.

New Bed Authority Capital

The Executive Budget provides capital appropriations of \$200 million for 1,000 new Single-room Occupancy (SRO) efficiency apartments throughout New York State. These resources will be used to develop units for adults with mental illness who prefer housing that incorporates independence, while also providing a limited amount of on-site services on an as-needed basis.

Community Bed Development

The Executive Budget provides operational and capital funding for local programs to maintain the existing residential system, and continue the development of previously authorized community beds. It supports approximately 28,500 beds currently operating, approximately 1,900 new beds from prior-year initiatives that are expected to open by the end of 2007-2008, and approximately 6,400 beds in various stages of planning and development. When combined with the 2,000 new beds in the 2007-2008 Budget, the total number of authorized community beds will be 38,800.

New York/New York III - Supportive Housing Agreement (NY/NY III)

NY/NY III is a component of community bed development. The Executive Budget continues the development of the NY/NY III agreement which provides 9,000 units of supportive housing (of which 5,550 are for individuals with mental illness) over 10 years for individuals and families who are homeless, at risk for homelessness, or living in emergency shelters. Specifically, the Budget supports operating funds for 425 Supportive Housing beds and 25 SRO efficiency apartments that began development in 2006-2007 and, effective January 1, 2008, 525 new Supportive Housing beds and 50 new SRO efficiency apartments, as well as 50 SRO efficiency apartments beds to be developed by NYC. The \$211 million in local capital commitment for NY/NY III OMH beds provided in last year's budget has been re-appropriated in 2007-2008.

Existing Bed Authority Capital

The Executive Budget provides an increase of \$107.0 million in local capital appropriation for existing bed authority (excluding NY/NY III) for the acquisition of property, facility construction and rehabilitation and/or relocation of existing community mental health facilities.

Enhancing Community-based Program Models

Cost-of-Living Adjustment (COLA)

The 2006-2007 Enacted Budget Legislation included provisions for a three-year U.S. Consumer Price Indexed COLA effective October 1, 2006, and each April 1 thereafter. The intent of the COLAs is to promote the recruitment and retention of staff and/or to respond to other critical non-personal service costs. The COLAs apply to State Aid and/or Medicaid reimbursement for certain residential and non-residential community-based programs.

The 2007-2008 Executive Budget includes the full annualization and initial reconciliation of the October 1, 2006, COLA (23.5 million). In addition, the Budget provides full annual support for the second COLA (effective April 1, 2007) in the amount of \$25.5 million, as well as phase-in funding for the State Aid component of the third COLA (effective April 1, 2008) in the amount of \$4.5 million.

Community Residence and Family-based Treatment Model Increase

The 2007-2008 Executive Budget includes increases of \$12.6 million in full annual funding for existing adult and children's Community Residence and Family-based Treatment programs effective January 1, 2008. The Recommendation advances a three-year initiative to strengthen both programs by addressing current staffing requirements, salary and other staff recruitment and retention issues.

Supported Housing Rent Stipend Increase

The Executive Budget recognizes that investments to maintain the existing service system are critical. In response to marketplace concerns regarding rent and utility cost increases, the Budget provides funding for a third stipend increase of \$6.3 million in full annual funding for more than 10,000 beds.

Enhancing Access to Effective Community-based Services for Older Adults

The 2006-2007 Enacted Budget included \$2 million in funding for demonstration programs to address the mental health needs of older New Yorkers, a group dramatically increasing in size over the next 25 years. The 2007-2008 Executive Budget provides continued support at the same level to enhance access to effective community-based services for older persons.

Aid to Localities

Providing Access to Efficient and High-quality Mental Health Services

Alternate Reimbursement Methodology (ARMS)

The 2007-2008 Executive Budget includes \$600,000 in funding for the continuation of the ARMS Medicaid supplement to those hospitals that received such funding during the State FY 2006-2007. These funds, along with accompanying Federal financial participation, will be used to make Medicaid payments to each of these hospitals upon submission of a plan, approved by the Commissioners of Health and Mental Health, which specifies how such funds will be used for purposes of reconfiguring or consolidating psychiatric inpatient services, or implementing quality assurance programs.

Other Budget Actions

Project Caring

The Executive Budget includes \$480,000 in full annual funding, replacing expiring federal funding, to continue Project Caring, a program that provides women with mental illness a bridge between corrections- and community-based services.

Psychiatric Rehabilitation

The Executive Budget includes \$574,000 in full annual funding for additional supported employment slots, which will assist persons with mental illness in becoming engaged in employment.

Comprehensive Psychiatric Emergency Programs (CPEPs)

The Executive Budget includes \$900,000 in funding for the State share of Medicaid associated with CPEPs in response to program growth and expansion.

Center for Mental Health (CMHS) Services Block Grant

The Executive Budget includes a State Aid increase of \$2.7 million to offset a reduction in Federal CMHS block grant funds.

Residential Treatment Facilities (RTFs)

The Executive Budget includes \$1.2 million (\$1.9 million annualized) to reflect trend factor increases.