



# State Operations

	<b>GF/PIA/HCRA/ Mental Hygiene Program Fund</b>	<b>Other Funds</b>	<b>Total Operating</b>	<b>New Capital Funds</b>
2007-08 Available	\$550,676,000	\$23,592,000	\$574,268,000	\$326,497,000
2008-09 Executive Recommendation	\$1,912,285,000	\$23,592,000	\$1,935,877,000	\$266,267,000
Change	+\$1,361,609,000	\$0	+\$1,361,609,000	(\$60,230,000)
Realignment of 2007-08 Commitments, Transfers & 2008-09 GSCs <sup>1</sup>	(\$1,337,736,000)	\$0	(\$1,337,736,000)	\$0
<b>Net Change</b>	<b>+\$23,873,000</b>	<b>\$0</b>	<b>+23,873,000</b>	<b>(\$60,230,000)</b>

1 Includes \$790.3 million for a 2007-08 DOH comparability transfer, \$49 million for prior year (2007-08) liabilities and \$498.5 million for General State Charges (Fringe Benefits).

The 2008-09 Executive Budget aims to improve the quality of care provided by the State Operated system. Enhancements include funding to begin a 3-year effort to enhance the salaries of targeted clinical titles to better recruit and retain a qualified workforce. The Fiscal Year (FY) 2008-09 Executive Budget includes the following recommendations:

## Restructuring Appropriations

Consistent with a larger initiative among the Department of Mental Hygiene agencies and Department of Health (DOH) to implement a major restructuring of Medicaid resources, the 2008-09 Executive Budget Recommendation includes significant technical adjustments impacting OMH State Operations. The establishment of a new Mental Hygiene Program Fund Account is proposed, and funding to support expenses incurred in this account will be obtained from DOH.

This new funding configuration will eliminate a direct reliance on General Fund and Health Care Reform Act (HCRA) appropriations for the support of OMH State Operations. The 2008-09 Recommendation includes an additional \$498.5 million for the direct payment of anticipated fringe benefit expenses. To assist in this transformation, which will become effective on April 1, 2008, \$49 million and related authorizing language is provided in FY 2008-09 to accommodate prior year (2007-08) liabilities within this new budgetary structure.

## Enhancing the Workforce (\$2.3 million)

- ◆ **State Employee Salary Enhancements:** The Executive Budget includes \$2.3 million to provide targeted salary en-

hancements for clinical staff at OMH facilities. This represents the initial phase of a three year effort, with an annualized value of \$12 million, designed to enable OMH to recruit and retain a qualified clinical workforce.

- ◆ **Expanding Rural Telepsychiatry:** A portion of the \$2.3 million referenced above will be dedicated to expanding the Rural Telepsychiatry Program for children and families to 10 additional counties. This program provides consultations, education and training to clinicians working in not-for-profit programs located in rural areas of the State without adequate access to psychiatric services.

## Improving Prescribing Practices (\$1.0 million)

The Executive Budget recommends a total of \$2.3 million and 20 FTEs to continue the expanded use of PSYCKES (Psychiatric Clinical Knowledge Enhancement System). This represents an increase of \$1.0 million and 9 FTEs for the expansion of this effort, which was initiated during 2007-08. Close collaboration with DOH will continue during 2008-09, as efforts proceed with adapting this successful medications and prescription management program for use in community mental health settings.

## Implementing Statutory Mandates (\$2.3 million)

The Executive Budget Recommendation includes resources for OMH to carry out requirements of recently passed legislation, including the following:

- ◆ **Jonathan's Law:** The Executive Budget Recommendation provides \$1.1 million to continue the implementation of Jonathan's Law (Chapters 24 & 271 of the Laws of 2007).



This statute is designed to provide parents and guardians of disabled children and adults residing in mental hygiene facilities with greater access to information regarding patient care related incidents and/or allegations. The funding will enable OMH to respond to requests for records related to incidents and/or allegations.

- ◆ **Unmet Needs Study:** Funding in the amount of \$728,000 is recommended to support a statute enacted in 2007 which requires a study to focus on populations with mental illness who have high rates of unmet service needs (Chapter 119 of the Laws of 2007). The Commissioner is required to report on the results of this study and to make recommendations to improve service delivery for these populations by October 2010.
- ◆ **Workplace Violence Prevention Law:** The Executive Budget Recommendation includes \$520,000 and 3 FTEs for workforce violence prevention efforts mandated under a 2006 State law.

### **Continuing Prior Year Additions for the Research Program (In Base)**

Funding totaling \$4.4 million is maintained for the continuation of the Cultural Competence Centers of Excellence and the increase of 25 FTE positions effected in the Research Program during 2007-08.

### **Enhancing Services to State Prison Inmates with Mental Illness (\$8.5 million)**

The Executive Recommendation includes funding for two initiatives to enhance services to State prison inmates with mental illness. They are:

- ◆ Continued implementation of a multi-year effort initiated in FY 2007-08 for the provision of enhanced services to State prison inmates with mental illness. The Executive Recommendation contains an increase of \$4 million and 86 new FTEs for this effort, that when fully annualized will total \$9.0 million. The major components supported by the 2008-09 increase are an additional 20 inpatient beds at Central NY PC, and the establishment of a new 100 bed intensive residential model at the Marcy Correctional Facility.
- ◆ Consistent with anticipated statutory changes, the Executive Budget Recommendation includes \$4.5 million, and 61 additional FTEs to augment services for State prison inmates with mental illness who are currently housed in Special Housing Units (SHU). These resources will provide service enhancements in the areas of clinical assessment, evaluation and training.

### **Annualizing Funding to Support the Sexual Offender Management and Treatment Act (\$7.1 million)**

The Executive Budget Recommendation for OMH recommends \$40.3 million to support its responsibilities under SOMTA, an increase of \$7.1 million from the prior year. Total

staffing for the program may increase up to 890 FTEs by March 31, 2009, an additional 256 FTEs above the prior year level. This funding will support the commitment of sex offenders under SOMTA as well as funding for treatment of individuals ordered into strict and intensive supervision and treatment in the community.

### **Other Personal Service Adjustments (-\$6.1 million)**

The Executive Recommendation reflects a net reduction of -\$6.1 million, consistent with the elimination of non-recurring lump sum payments made in 2007-08 and the provision of full annual support for all contractually mandated State employee payroll expenses in effect as of April 1, 2007. Funding for newly negotiated bargaining agreements effective after April 1, 2007 will be made available through sub-allocations to OMH.

### **Other Non-Personal Service Adjustments (\$8.4 million)**

The Executive Recommendation reflects a net increase of \$8.4 million for anticipated 2008-09 Non-Personal Service Requirements. This funding will be directed primarily to address increased energy, pharmacy and medical expenses.

### **Program Efficiencies**

The 2008-09 Recommendation reflects reductions of approximately -\$19.0 million, with this savings to be generated through program efficiencies. Among the areas identified to produce these savings are energy conservation efforts, overtime, contractual services, controlled implementation of prior year initiatives and pharmaceuticals. Funding levels cited above in this document have been reduced to reflect anticipated program efficiencies, where applicable.

### **Other Budget Actions**

- ◆ **Workforce:** The Executive Recommendation provides All Funds support for up to 18,034 positions as of the end of Fiscal Year 2008-09, reflecting a net increase of 415 positions from March 31, 2008 levels.
- ◆ **Census/Bed Levels:** The Executive Budget includes ongoing support for 4,030 Adult inpatient beds, 695 Forensic inpatient beds and 538 Children & Youth (C&Y) inpatient beds.
- ◆ **Capital:** New capital appropriations for State Facilities totaling \$266.3 million include new funds to support facility activities of building preservation, design, and construction, health and safety, accreditation, energy conservation and environmental protection.