



Coalition Briefs

FLASH

BREAKING NEWS ABOUT COMMUNITY MENTAL HEALTH IN NEW YORK

Governor Unveils Dramatic Increases in Mental Health Funding

The Coalition reacted with overwhelming enthusiasm to Governor Pataki's announcement yesterday that the mental health sector would receive dramatic new funding over the next three years. The initiative, called the Community Mental Health Support and Workforce Reinvestment Act, reallocates funds from hospital closures and facility relocations into community based mental health programs. With an increase of more than \$112 million over last year's mental health budget, the governor's proposals for the next fiscal year include funds for new programs such as a Cost of Living Adjustment (COLA), Medicaid fee increases, funding for Supported Housing beds, as well as a State-run transitional residence.

The Support and Workforce Reinvestment Act includes proposals for:

- A 2.5% COLA for each of the next three years for all residential and non-residential community-based mental health agencies that are not fee or rate based. This COLA will also be available beginning October 1, 2001 and will increase every year on that date for three years.
- A 10% increase in the base Medicaid rate for Article 31 and other fee-based programs that are licensed by OMH. This increase will be phased in beginning October 1, 2001
- An increase of up to \$1,080 per bed in the rate for Supported Housing beds .
- Staff increases for family-based treatment and children's community residences
- 40 state-operated children's crisis residence beds.

The funding for these changes will come from a variety of sources, a substantial portion of which is the result of two hospital closures and the relocation of four children's centers. The Support and Workforce Reinvestment Act calls for the closure of the Hutchings Psychiatric Center in Syracuse, as well as the closure of the Middletown Psychiatric Center. Furthermore, four currently free-standing children's facilities will be relocated to other sites where new separate-entrance, age-appropriate facilities will be created.

The Governor's proposals will be given full coverage in our next edition of *Briefs*.