



Testimony of

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Statewide Comprehensive Plan for Mental Health Services

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BACKGROUND

Good afternoon. My name is Michael Polenberg, and I am the Director of Policy & Advocacy for the Coalition of Voluntary Mental Health Agencies. The Coalition is the umbrella advocacy group and trade organization of New York's mental health community, representing over 110 non-profit community based mental health and substance abuse agencies. Our members constitute a broad cross section of outpatient service delivery agencies in New York City – of every size and service modality – serving more than 350,000 adults and children in the five boroughs of New York City and its environs.

The Coalition would like to thank the Office of Mental Health for once again initiating formal briefings across the State concerning the 5.07 Plan for 2006-2010. These briefings allow for respectful interchange between OMH and other stakeholders about how the Plan is developed and implemented and suggestions for making the document a real guidepost for the future.

Overall, we find the Plan to be quite comprehensive and thoughtful. We are particularly gratified that the pledge to dedicate “sufficient resources” has been matched by a State budget proposal that, if fully enacted, will strengthen the community based mental health sector in the years ahead. The Coalition firmly believes that there is a straight line between adequately resourced services and access to quality and consistent community care for consumers. We are

grateful to Commissioner Carpinello and her staff for putting program and money in place to realize some of the ideas and programs promoted in the plan.

We are delighted that the proposed Executive budget includes \$62 million in annualized funding that will significantly enhance and expand the delivery of children's mental health services – the largest single-year allocation for this purpose in the State's history. As this initiative unfolds, we will be pressing for more and better programs to serve adolescents, a population that is inadequately served by the mental health system, both in terms of numbers of services and in the creativity and flexibility of services available.

The \$6.5 million rate increase for supported housing will substantially help providers, particularly those in New York City, continue to offer cost-effective housing with social services to previously homeless mental health consumers. The three-year CPI-indexed COLA for virtually all mental health programs and services will, most laudably, infuse over \$90 million into the community mental health sector and help these programs remain effective and empowering for those in need. Still more attention must be given to funding Local Assistance, Reinvestment and CSP state-funded programs, particularly rehabilitation services, employment programs and clubhouses, that have lagged behind in resources for more than a decade. State money must be found to keep these empowering and life-giving programs viable.

We are particularly encouraged that in proposing a multi-year COLA, the Administration is beginning to acknowledge what we in the advocacy community have known for years – that a reimbursement mechanism trended to the rate of inflation needs to be developed for the community mental health sector. While one-time funding increases offer relief, they do not address the long-term structural needs of the sector, and thus continue to leave it on perilous footing. We will continue to urge the State to establish a method of reimbursement that is trended to the rate of inflation and that more adequately reflects the actual costs of providing effective and empowering services, housing and treatment to New Yorkers living with psychiatric disabilities.

Our comments today are directed to a few key areas of the Plan which merit special attention. It is our hope that future editions of the Plan will incorporate our suggestions, and those made by our colleagues here today and around the State.

DISPARITIES ELIMINATION & CULTURAL COMPETENCE

The Coalition is pleased that OMH has added a “D” – for Disparities Elimination and Cultural Competence – to the “ABC’s” of mental health care. While the need certainly exists throughout the State, New York City in particular will benefit from an expansion of culturally competent mental health services. Nowhere else in the state are there so many pockets of specific racial, ethnic, cultural/linguistic and lifestyle groups. Yet we cannot hope in the short term to

have enough linguistically and culturally competent mental health workers. But we can train those workers in place to be more aware, sensitive and responsive to the diversity of people and needs that they are presented with. We think SOMH must develop and deploy an immediate plan of action to address existing gaps in service. There are tried and true ways of teaching these skills of cultural competence and the State should set about to see that all mental health workers receive this training, at the same time that work is done with the professional schools throughout the State who are training our next generation of workers.

It should also be noted that Medicaid, which has increasingly become the funding source for mental health treatment in New York State, will not pay for many of the individuals in need of culturally competent and multi-lingual services because of immigration status. We urge OMH to include the designation of State dollars in any planning for the elimination of disparities and the development and implementation of sensitive cultural competence in the delivery of services to these needy populations, who while ineligible for Medicaid, are no less in need of help. Denying them our services will result in offsetting higher costs elsewhere in the health and mental health systems.

THE ROLE OF MEDICAID

Over the past ten years, the State has sought to shift the cost of mental health services to the Federal government by “Medicaid-ing” a range of

programs, that heretofore were funded by State dollars such as ACT, case management and others.

Meanwhile, at all levels of government there is a growing movement to sharply reduce the Medicaid burden on taxpayers and to diminish the flexibility of its use. The President signed into law the Deficit Reduction Act which cuts \$4.8 billion in Medicaid spending over the next five years. The President's most recent budget proposes even further reductions. Here in New York, the Governor's budget includes a range of Medicaid cuts (even as his own budget office continues to transfer costs to the Federal government.) It is becoming very apparent that relying too heavily on Medicaid to be the primary funding source for the community mental health sector will leave it increasingly vulnerable to funding cuts.

These two conflicting movements – the erosion of Federal support for Medicaid on one hand and the State's increasing reliance on Medicaid on the other – will likely result in even greater financial risk for the community based mental health sector. Yet nowhere in the Plan do we read what OMH's strategy is to protect what has become the major source of mental health funding in the State. Nor do we read what OMH's strategy is for developing a new funding stream of State dollars for the sector now that the expected proceeds from the closure of State psychiatric beds are running dry. This is particularly critical if the State hopes to continue to offer mental health services to individuals and families

who are ineligible for ever scarcer Federal funding. Once again, we urge the next year's planners to include specific proposals and methodologies for preserving Medicaid funding from those who would look to erode it, and to develop a new funding stream of State dollars to succeed reinvestment.

This point is particularly true with regards to the new PROS license which is currently being finalized by the State. Apparently, there are some service components of PROS that are unlikely to qualify for Medicaid reimbursement under the Rehabilitation Option. We know that providers in other States have been subject to enormous disallowances by the Center for Medicare and Medicaid Services (CMS) for exactly this reason. The Coalition strongly urges OMH to set aside State dollars for those specialized programs included in PROS that are not reimbursable, yet provide life-saving and life-improving services. We are especially concerned about continuing State funding for the indispensable functions provided by clubhouses such as socialization services, surrogate family functions, and vital recreational services that will not be reimbursed by Medicaid. Furthermore, we continue to urge SOMH to establish a risk pool for those providers who transition to PROS over the next year—especially in light of the demands and take-backs we have witnessed across the country as other States have attempted to provide services under the Medicaid rehabilitation option.

PARITY

Chapter 4 of the 5.07 Plan notes that both the United States Surgeon General and the President's New Freedom Commission on Mental Health stress the importance of treating mental illness "with the same urgency as physical health." We couldn't agree more. We wish the Plan had taken the next logical step and called for behavioral health parity in New York State. We need to be sure that all who are in need of help can access the treatment they so desperately require without restrictions that are discriminatory and harmful.

BEHAVIORAL HEALTH CAPACITY

The Governor's Commission on Health Care Facilities for the 21st Century (the "Commission") is charged with "rightsizing" the State's hospital system. In doing so, there needs to be special consideration paid to the mental health and substance abuse services that are currently offered by many of the State's hospitals. In addition to emergency care, these services take many forms – outpatient clinics and family support services to name just a few – and provide treatment to thousands of New Yorkers in need of assistance.

In order to help the Commission more fully appreciate the impact that reducing behavioral health capacity will have on the lives of consumers and their families, we urge State Commissioners Sharon Carpinello (OMH) and Shari Noonan (OASAS) to insert themselves into the discussion and decision making process as soon as possible. It is very important that the Commission

understand that not one mental health or substance abuse bed should be taken off-line until an adequate and treatment-appropriate setting be developed to absorb the caseload. It is equally important that not one hospital outpatient clinic or program should be taken down until commensurate community capacity is developed. In the absence of care, some consumers will turn to more expensive settings such as emergency rooms and homeless shelters. This is unhealthy and dangerous for consumers and is a oxymoronic method for saving State dollars.

While it is true that over 90% of mental health consumers receive their care in the not-for-profit community-based sector, these outpatient programs are already stretched to their limits. It is unrealistic to expect the existing network to absorb thousands of new consumers who were previously served through the hospitals without careful planning, adequate funding and sufficient capacity building in the community services sector.

GERIATRIC POPULATIONS

We want to add our voice to the many other voices urging more attention and appropriate services for this growing population. We think demonstrations and enhanced services of all kinds should be deployed.

TRANSFORMATION

Finally, we would like to address the notion of “transformation”, a term used liberally throughout this year’s 5.07 Plan. We understand “transformation” to refer to a process, not an end point. There are evidence-based practices that are widely promoted by OMH and others. And there are many promising practices that work in some urban settings and should be considered for funding, testing and promulgation. The State should depart from the promise of its brochure of a “transformed” system and offer its support, both programmatically and fiscally, to help providers test new models, compare different modalities, combine efforts and promote collaborations that will help all stakeholders move together to a system of care that incorporates the best of the many practices and promises.

SUMMARY

The 2006-2010 Statewide Comprehensive Plan for Mental Health Services is an impressive document, particularly when viewed in concert with last year’s edition. We appreciate the efforts that OMH undertook in researching who is currently being helped, what they are being treated for, and where they are receiving services. We acknowledge the willingness of OMH to reach out to a diverse group of stakeholders to help inform the agency on how to better address the needs of mental health consumers throughout the State. And we hope that forthcoming plans will incorporate the recommendations outlined in this testimony. Thank you very much.