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Hearing on the Fiscal 2014 Preliminary Budget & the Fiscal 2013 Preliminary Mayor's Management Report

Department of Health and Mental Hygiene

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Department of Health and Mental Hygiene Overview

The Department of Health and Mental Hygiene (DOHMH) was formed on July 10, 2002 by merger of the former Department of Health and former Department of Mental Health, Mental Retardation and Alcoholism Services. Using an integrated approach, the merger sought to address the inextricable link between health and behavioral health issues. With behavioral health issues underlying many health problems, the former disjointed approach failed to address residents' health concerns in a comprehensive manner. The DOHMH contains a Division of Mental Hygiene (DMH) that encompasses the programs formerly overseen by the Department of Mental Health, Mental Retardation and Alcoholism Services. Since its inception, the Agency's mandate has been to protect and promote the health and mental hygiene of all New Yorkers.

The DMH is responsible for administering contracting actions related to mental health services for adults, adolescents and Children. Responsibilities include analyzing issues and problems related to adult and children's services, and collaborating with the staff of other City and State agencies, as well as other Division offices to monitor the operations of the Adult Single Point of Access (SPOA) for case management and Assertive Community Treatment (ACT) services, coordinates case management and ACT programs, and administers the Assisted Outpatient Treatment (AOT) program. The Division also monitors the operations of the Children's Single Point of Access (CSPOA) for intensive services, which includes the Children's Home and Community-based Waiver Program, case management programs, family-based treatment programs and community residences.

This report provides a review of the Fiscal 2014 Preliminary Budget for the Department of Health and Mental Hygiene (DOHMH). The first section highlights the Fiscal 2014 expense budget, along with a discussion of proposed reductions, relevant state budget actions and Council Fiscal 2013 restorations and initiatives. The report then presents the Department's budget by program area and provides analysis of significant program areas, discusses actions included in the November and Preliminary Financial Plans and reviews relevant sections of the Preliminary Mayor's Management Report for Fiscal 2013.

Fiscal 2014 Preliminary Plan Highlights

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
Division of Mental Hygiene					
Personal Services	\$4,385	\$5,129	\$5,001	\$4,848	(\$282)
Other than Personal Services	651,560	663,379	691,446	689,885	26,506
Subtotal, Division of Mental Hygiene	\$655,945	\$668,509	\$696,446	\$694,733	\$26,224
Public Health					
Personal Services	\$379,420	\$368,074	\$391,803	\$357,090	(\$10,984)
Other than Personal Services	534,204	542,788	592,715	483,002	(59,786)
Subtotal, Division of Public Health	\$913,624	\$910,862	\$984,517	\$840,092	(\$70,770)
Table Total	\$1,569,569	\$1,579,371	\$1,680,964	\$1,534,825	(\$44,546)

*The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.

The Department of Health and Mental Hygiene's (DOHMH) Fiscal 2014 Preliminary budget includes \$1.5 billion in spending, of which \$572 million is funded with City tax-levy (CTL) dollars. The Department's overall operating budget for Fiscal 2014 has decreased by \$44.5 million, or 2.8 percent, compared to the operating budget at adoption last year. The Fiscal 2014 Preliminary Budget for the DOHMH continues its gap closing programs first proposed in November 2012, which accounts for a portion of the Agency's funding reduction. Other items contributing to reduced spending include, but are not limited to, fluctuations in non-City grant funding and other technical adjustments.

On September 14, 2012 the Office of Management and Budget (OMB) instructed City agencies to submit Programs to Eliminate the Gap (PEG) in an effort to close the City's projected Fiscal 2014 \$2.5 billion budget gap. DOHMH, along with other City agencies, was instructed to reduce the City tax-levy (CTL) portion of its operating budget by five percent, or \$20.2 million in Fiscal 2013 and eight percent, or \$27 million in Fiscal 2014. The Preliminary Budget also does not include \$27 million the Council restored to its budget in Fiscal 2013. Thus, the year-over-year reduction to DOHMH's budget is \$44 million. To meet its PEG target, the Division of Mental Hygiene proposes a number of reductions. Those reductions are outlined below.

- **Reduction of Mental Hygiene Contracts.** The Department will achieve savings of \$2.9 million in City spending by reducing funding to CBOs and HHC for substance abuse, work readiness programs and intensive care coordination services. All Work Readiness programs are being reduced. (See page 7 for more details.)
- **Reductions/Efficiencies in Mental Hygiene Programs.** The Department will achieve savings of \$1.4 million in City spending through the use of existing grants to finance positions and contracts, and reduce administrative costs for Early Intervention. (See page 14 for more details.)

Fiscal 2013-2014 State Executive Budget Highlights

The Fiscal 2013-2014 State Executive Budget proposed a number of reforms that include recent and ongoing changes to the State's Office for People with Development Disabilities (OPWDD) and Early Intervention Program. Other reforms will affect the delivery of behavioral health care services here in New York City, such as:

- **Medicaid Redesign Team (MRT) Implementations.** The State 2013-2014 Executive Budget includes changes to implement the third phase of MRT reforms which includes cost containment measures like a two percent across-the-board reduction and new investments such as expansion of supportive housing and increased funding for Assisted Outpatient Treatment. (See pages 8 and 15 for more details.)
- **OPWDD Reform.** The State Executive Budget proposes savings for the Office of People with Developmental Disabilities (OPWDD) with continued de-institutionalization, attrition, and overall agency efficiencies. This includes a six percent rate reduction for developmental disabilities providers. (See page 10 for more details.)
- **Early Intervention Reform.** The State Executive Budget proposes a series of changes to the Early Intervention (EI) program, including the streamlining of eligibility determinations and modifying coverage requirements. (See Page 13 for more details.)
- **Establishment of Mental Health Incident Review Panels.** The State Executive Budget proposes the establishment multi-disciplinary Mental Health Incident Review Panels, allowing relevant individuals within local government to communicate about serious incidents involving a person with mental illness. (See page 15 for more details.)

DOHMH Financial Summary

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
By Program Area					
<u>Division of Mental Hygiene (DMH)</u>					
Mental Hygiene- Chemical Dependency	\$63,538	\$66,389	\$75,339	\$74,463	\$8,074
Mental Hygiene- Development Disabilities	11,366	10,466	9,220	9,697	(769)
Mental Hygiene- Early Intervention	406,477	421,603	422,237	421,581	(22)
Mental Hygiene- Mental Health Services	174,564	170,051	189,651	188,992	18,941
Subtotal, DMH	\$655,945	\$668,509	\$696,446	\$694,733	\$26,224
<u>DOHMH Other</u>					
Public Health**	\$711,623	\$708,047	\$768,391	\$687,904	(\$20,142)
General Administration	202,001	202,815	216,126	152,188	(50,627)
Subtotal, DOHMH Other	\$913,624	\$910,862	\$984,517	\$840,092	(\$70,770)
TOTAL	\$1,569,569	\$1,579,371	\$1,680,964	\$1,534,825	(\$44,546)
Funding					
<u>Division of Mental Hygiene (DMH)</u>					
City Funds		\$138,886	\$136,779	\$136,427	(\$2,458)
<i>Memo: Council Funds</i>		8,582	0	0	(8,582)
Federal- Other		137,403	140,722	139,346	1,942
Intra City		0	0	0	0
Other Categorical		8,242	8,277	8,242	0
State		383,978	410,667	410,717	26,740
Subtotal, Division of Mental Hygiene	\$655,945	\$668,509	\$696,446	\$694,732	\$26,224
<u>DOHMH Other</u>					
City Funds		\$483,223	\$477,615	\$435,348	(\$47,875)
<i>Memo: Council Funds</i>		18,410	0	0	(18,410)
Federal- Other		272,488	328,119	261,347	(11,140)
Intra City		4,667	8,611	4,533	(134)
Other Categorical		1,506	2,852	1,152	(353)
State		148,979	167,321	137,712	(11,267)
Subtotal, DOHMH Other	\$913,624	\$910,862	\$984,518	\$840,093	(\$70,769)
TOTAL	\$1,569,569	\$1,579,371	\$1,680,964	\$1,534,825	(\$44,545)
Headcount					
Division of Mental Hygiene	72	80	80	80	0
Public Health**	4,398	4,576	5,028	4,455	(121)
General Administration	1,195	1,280	1,389	1,224	(56)
TOTAL	5,665	5,936	6,497	5,759	(177)

*The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.

** City tax levy dollars for these services may be eligible for a state match

The Department proposes to spend a little under \$695 million on mental hygiene related services in Fiscal 2014, which represents 45 percent of the Department's overall budget and is \$26 million more than the budget at adoption. These services are administered by the Department's Division of Mental Hygiene (DMH) through four distinct program areas: (a) Early Intervention; (b) Mental Health Services; (c) Development Disability; and (d) Chemical Dependency Services.

The DMH's primary function is to contract out local mental health services, with contractual services comprising 91 percent of total DMH spending. Likewise, the DMH's workforce of 80 staff is relatively low when compared with the headcount allocated to the agency's public health functions. Contracted mental health services are largely mandated either by the State or by the federal government. In most cases with these contracts, the City merely acts as an administrator and/or fiscal conduit, which helps to explain why non-City funds represent nearly four-fifths of all DOHMH mental health service funding – State aid alone comprises 59 percent of all DMH revenue.

A majority of the DMH spending will be dedicated toward Early Intervention services, which accounts for 61 percent of the Fiscal 2014 proposed funding for the Division of Mental Hygiene and 27 percent of the entire Agency budget. The Department's Early Intervention program originated from federal legislation and is largely funded by outside sources, with State and federal contributions representing 76 percent of EI funding. Overall EI spending is reduced by \$22,000, which is a reflection of changes in federal grants.

The Fiscal 2014 Preliminary Budgets for Development Disabilities will be slightly reduced. The Fiscal 2014 Preliminary Budget for Chemical Dependency and Mental Health Services show an increase of \$8 million, or 12 percent, and \$18.9 million, or 11 percent, respectively. These increases are mainly attributable to an increase in State grant funding.

Council Initiatives and Funding

City Council discretionary funding provides approximately \$27 million, or two percent of the Department’s annual City-funds Fiscal 2013 operating budget. This includes over \$24 million in initiative funding (\$8.6 million for mental health services and \$15.4 million for public health services) and Council Member items that total approximately \$3 million, which is funding for a combination of public and mental health services. Just as with Public Health, the City Council has been a champion of mental health services, continuing its support of autism awareness, alcoholism/substance abuse services, geriatric mental health services, as well as a wide range of mental health-related services. It is important to note that none of these services have been baselined and they are not included in the Fiscal 2014 Preliminary Budget.

FY 2013 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
DOHMH, Council Mental Health and Hygiene Initiatives	
Anti-Gun Violence - Therapeutic Services	\$580
Autism Awareness	1,310
Bailey House	125
Children Under Five Mental Health Initiative	1,250
Geriatric Mental Health Services	2,000
Mental Health Contracts	375
Mental Hygiene Contracted Services PEG Restoration - Chemical Dependency/ADUPCT	525
Mental Hygiene Contracted Services PEG Restoration - DD Clinics	806
Mental Hygiene Contracted Services PEG Restoration - Mental Health Providers	1,164
Suicide Prevention Hotline	247
Young Adult Institute and Workshop, Inc.	200
Subtotal, Council Mental Health and Hygiene Initiatives	\$8,582
Council Public Health Initiatives	\$15,479
Council Local Initiatives	\$2,931
TOTAL, DOHMH, Mental Health and Hygiene	\$26,992

Mental Hygiene – Chemical Dependency

The Office of Chemical Dependency Services under the City Charter and in accordance with State Mental Hygiene Law is responsible for planning, contracting, monitoring, and evaluating community mental health, mental retardation and chemical dependency services within the City of New York. The Office plans and collaborates with other City agencies to provide a variety of specially targeted programs, including those for individuals who are homeless or who have co-occurring chemical dependency and mental health or developmental disorders.

The Fiscal 2014 Preliminary Budget for Chemical Dependency is \$74 million, reflecting an \$8 million increase from the budget at adoption and comprising 4.9 percent of total agency spending for Fiscal 2014. The slight decrease in City funds is entirely offset by a substantial increase in State grants relating to alcoholism.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
Spending					
Personal Services	\$114	\$165	\$165	\$165	\$0
Other Than Personal Services	\$63,423	\$66,224	\$75,174	\$74,298	\$8,074
Contractual Services	49,491	52,189	61,018	60,402	8,213
Other	13,933	14,035	14,156	13,896	(139)
TOTAL	\$63,538	\$66,389	\$75,339	\$74,463	\$8,074
Funding					
City Funds		\$24,410	\$24,335	\$23,508	(\$902)
Federal – CD		0	0	0	0
Federal- Other		3,700	3,848	3,848	148
Intra City		0	0	0	0
Other Categorical		0	0	0	0
State		38,279	47,156	47,107	8,828
TOTAL	\$63,538	\$66,389	\$75,339	\$74,463	\$8,074
Headcount (full-time salaried)	2	2	2	2	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Financial Plan Actions

- **Reduction of Mental Hygiene Contracts.** The Department will achieve savings of \$2.9 million in City spending by reducing funding to CBOs and HHC for substance abuse, work readiness programs and intensive care coordination services. All Work Readiness programs are being reduced. Work readiness is an intensive pre-employment program for individuals with developmental disabilities who are not ready for Supported Employment. The goal is to prepare consumers for employment.

Fiscal 2013-14 Executive State Budget Actions

Supportive Housing. The New York State Office of Alcoholism and Substance Abuse Services (OASAS) would be funded at \$616 million under the State Executive Budget proposal, an increase of \$7.4 million from the Fiscal 2012-2013 funding – anticipating \$4.6 million in savings from efficiencies. The funding increase and savings would fund the expansion of supported housing units that offer centrally located health, mental health and social support services.

Performance Measures*

	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	4-Month Actual FY 13
New Buprenorphine Patients	7,006	7,757	9,913	8,000	2,408
NYC jail inmates who complete 30-day substance use program (A Road Not Taken)	N/A	N/A	N/A	450	N/A
Deaths from Unintentional Drug Overdose (CY)	587	555	651	*	N/A
Alcohol-attributable mortality (CY)	1,675	1,629	N/A	*	N/A

* Preliminary Mayor’s Management Report

The number of unintentional drug poisoning deaths in Calendar 2012 increased over the last year’s historic low. The Health Department is investigating potential contributing drugs and other factors, including increases in deaths from both heroin and prescription opioids. The Department continues to focus on preventing overdoses on a number of fronts, including increasing access to substance use treatment, promoting judicious prescribing of opioids, and promoting the availability of naloxone, an antidote to opioid overdose.

The Department deleted the “Alcohol-attributable mortality (CY)” performance indicator and added the “NYC jail inmates who complete 30-day substance use program (A Road Not Taken)” indicator.

Council Initiatives and Funding

Below, the Council provided the following support for chemical dependency services contracted through the DOHMH for Fiscal 2013. As Council funding is renegotiated annually and allocated on a one-time basis, the following funding is not included in the Fiscal 2014 Preliminary Budget.

FY 2013 Council Changes at Adoption by Program Area	
<i>Dollars in Thousands</i>	
Chemical Dependency	
Mental Hygiene Contracted Services PEG Restoration - Chemical Dependency/ADUPCT	\$525
Total, Chemical Dependency	\$525

- **Mental Hygiene Contracted Services PEG Restoration.** This allocation restores funding to contracts for medically supervised outpatient programs (MSOPs). MSOPs are designed to assist patients in supporting abstinence and recovery from chemical dependence and abuse and typically offer a variety of services such as:
 - Individual and group counseling
 - Individualized treatment plans
 - Addiction education
 - Co-dependency counseling
 - Relapse prevention
 - Psychiatrist and nurse on-site
 - DMV referrals

Mental Hygiene – Development Disabilities

The Division of Mental Hygiene Services is responsible for a wide range of functions to the estimated 160,000 residents of New York City who have developmental disabilities. These disabilities include mental retardation, cerebral palsy, autism, epilepsy and a variety of neurological impairments. The Division is the City's official local government unit working with the New York State Office for People with Developmental Disabilities (OPWDD). State Mental Hygiene Law and the City Charter give the Division responsibility for developing the Local Government Plan and overseeing programs in contract with the DMH.

The Fiscal 2014 Preliminary Budget for Development Disabilities is \$9.7 million, reflecting a 7.3 percent or \$769,000 reduction from the budget at adoption and comprising less than one percent of total agency spending for Fiscal 2014. This reduction is attributable to a decrease in State and federal funding.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
Spending					
Personal Services	\$0	\$0	\$0	\$0	\$0
Other Than Personal Services	\$11,366	\$10,466	\$9,220	\$9,697	(\$769)
Contractual Services	11,148	10,330	9,084	8,069	(2,262)
Other	218	135	135	1,628	1,493
TOTAL	\$11,366	\$10,466	\$9,220	\$9,697	(\$769)
Funding					
City Funds		\$4,134	\$3,707	\$4,438	\$304
Federal – CD		0	0	0	0
Federal- Other		0	0	(214)	(214)
Intra City		0	0	0	0
Other Categorical		0	0	0	0
State		6,331	5,513	5,473	(858)
TOTAL	\$11,366	\$10,466	\$9,220	\$9,697	(\$769)
Headcount (full-time salaried)	0	0	0	0	0

*The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.

Fiscal 2013-14 Executive State Budget Actions

OPWDD Reform. The State Executive Budget proposes savings for the OPWDD with continued de-institutionalization, attrition, and overall agency efficiencies. Reforms include:

- Six percent reduction to OPWDD for not-for-profit providers, resulting in \$120 million in savings;
- Closure of two developmental centers and placement of 300 residents into community based residence; and

- Establishment of Developmental Disabilities Individual Supports and Care Coordination Organizations (DISCOs) to meet the managed care needs of people with developmental disabilities.

Council Initiatives and Funding

Below, the Council provided the following support for developmental disability services contracted through the DOHMH for Fiscal 2013. As Council funding is renegotiated annually and allocated on a one-time basis, the following funding is not included in the Fiscal 2014 Preliminary Budget.

FY 2013 Council Changes at Adoption by Program Area
Dollars in Thousands

Development Disabilities	
Autism Awareness	\$1,310
Mental Hygiene Contracted Services PEG Restoration - DD Clinics	806
Young Adult Institute and Workshop, Inc.	200
Total, Development Disabilities	\$2,316

- **Autism Awareness.** This allocation represents funding to provide wraparound (direct) services to autistic children in after-school programs, summer programs and during school closings. The programs funded support a range of activities and services from after school and weekend respite programming to forums and training seminars to teach coping skills to families affected by autism.
- **Mental Hygiene Contracted Services PEG Restoration.** This restoration continues the City’s subsidy to Article 16 Developmental Disability (DD) clinics for Fiscal 2013. This subsidy is intended to help offset the costs of providing uncompensated and undercompensated care to some of the City’s neediest patients.
- **Young Adult Institute and Workshop (YAI).** This allocation partially restores YAI’s three adult rehabilitation and recreation programs: (1) the Manhattan Evening Adjustment Program (MEAP); (2) the Bronx Evening Adjustment Program (BEAP); and (3) the Alumni Club. These programs provide essential socialization and community inclusion services for adults with developmental disabilities.

Mental Hygiene – Early Intervention

The Early Intervention (EI) program provides a comprehensive array of therapeutic and support services to children under the age of three with confirmed disabilities (i.e., autism, cerebral palsy) or developmental delays. New York State defines these disabilities/delays in one or more of the following areas of development: physical, cognitive, communication, social-emotional, and/or adaptive. There is no income eligibility for the Early Intervention Program. A federally mandated program, the New York Early Intervention Program was established pursuant to Article 25 of the State Public Health Law and has been in effect since July 1, 1993. The program serves approximately 72,000 children annually and is jointly financed by federal, State and local governments. The DOHMH is the lead City agency; the New York State Department of Health coordinates the statewide network of services.

The Fiscal 2014 Preliminary Budget for EI remains relatively steady at \$421 million, which is \$22,000, less than the budget at adoption and comprises 27.5 percent of overall Department spending. Reduced funding for the program area from the Fiscal 2013 Adopted Budget to the Fiscal 2014 Preliminary Budget is attributed to slight reduction in federal grants.

<i>Dollars in Thousands</i>	2012 Actual	2013 Adopted	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
Spending					
Personal Services	\$0	\$0	\$0	\$0	\$0
Other Than Personal Services	\$406,477	\$421,603	\$422,237	\$421,581	(\$22)
Contractual Services	401,658	416,034	417,463	416,034	0
Other	4,819	5,569	4,774	5,547	(22)
TOTAL	\$406,477	\$421,603	\$422,237	\$421,581	(\$22)
Funding					
City Funds		\$92,332	\$92,166	\$92,332	\$0
Federal – CD		0	0	0	0
Federal- Other		115,941	116,741	115,919	(22)
Intra City		0	0	0	0
Other Categorical		8,242	8,242	8,242	0
State		205,088	205,088	205,088	0
TOTAL	\$406,477	\$421,603	\$422,237	\$421,581	(\$22)
Headcount (full-time salaried)	0	0	0	0	0

**The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.*

Fiscal 2013-14 State Executive Budget Actions

Early Intervention Reform. The State Budget recommends a series of program modifications, similar to those proposed in the 2012-2013 Executive Budget that would provide significant fiscal relief to counties and generate local savings while avoiding any impact to services. Some of these reforms include:

- Authorizing the use of supplemental evaluations in instances previously referred to the EI program within the last three months;
- Authorizing the use of medical and other records to establish eligibility for children with a diagnosis of a qualified physical or mental condition;
- Requiring third party payer to include EI service providers in their networks;
- Requiring children covered by third party insurance to select an in-network, approved EI provider.

Performance Measures*

	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	4-Month Actual FY 13
New children receiving services from the Early Intervention Program	17.0	15.4	N/A	*	N/A
All children receiving services from the Early Intervention Program	34.9	33.9	N/A	*	N/A

**Preliminary Mayor’s Management Report*

Last year, the New York Department of Health (NYS DOH) implemented a new database, from which Early Intervention data is reported. The new system is still not able to transmit accurate data, which is a state-wide problem. DOHMH is actively working with NYS DOH to fix the system and will report updated Early Intervention data as soon as it is available.

The Department deleted the “All children receiving services from the Early Intervention Program” indicator from its Preliminary Mayor’s Management Report.

Mental Hygiene – Mental Health Services

The DMH, through its Bureau of Mental Health and Bureau of Children, Youth and Families, is responsible for the planning, development, solicitation, funding, and monitoring of a wide range of mental health services for children and adults with mental illnesses and/or functional impairments. The services are provided by not-for-profit community-based agencies and hospitals in the five boroughs. DMH contracts with or oversees providers offering the following services: clinic programs for children, adults, and the elderly; assertive community treatment (ACT); clubhouses; advocacy; supported housing; supportive, intensive, and blended case management; assisted competitive employment; information and referral; on-site school services; home-based and mobile crisis intervention.

The Fiscal 2014 Preliminary Budget for Mental Health Services is \$189 million, which is \$19 million, or 11 percent, more than the budget at adoption and accounts for 12.3 percent of total Department spending for Fiscal 2014. The slight decrease in City funds is entirely offset by a substantial increase in State grants.

<i>Dollars in Thousands</i>	2012 Actual	2013 Actual	2013 Prelim. Plan	2014 Prelim. Plan	*Difference 2013 - 2014
Spending					
Personal Services	\$4,270	\$4,964	\$4,836	\$4,683	(\$282)
Other Than Personal Services Subtotal	\$170,294	\$165,087	\$184,815	\$184,310	\$19,223
Contractual Services	140,796	134,632	150,771	147,472	12,840
Other	29,498	30,454	34,044	36,838	6,383
TOTAL	\$174,564	\$170,051	\$189,651	\$188,992	\$18,941
Funding					
City Funds		\$18,009	\$16,571	\$16,149	(\$1,860)
Federal – CD		0	0	0	0
Federal- Other		17,763	20,134	19,793	2,031
Intra City		0	0	0	0
Other Categorical		0	35	0	0
State		134,280	152,910	153,049	18,769
TOTAL	\$174,564	\$170,051	\$189,650	\$188,992	\$18,941
Headcount (full-time salaried)	70	78	78	78	0

*The difference of Fiscal 2013 Adopted compared to Fiscal 2014 Preliminary Plan funding.

Financial Plan Actions

- **Reductions/Efficiencies in Mental Hygiene Programs.** The Department will achieve savings of \$1.4 million in City spending through the use of existing grants to finance positions and contracts.

Fiscal 2013-14 State Executive Budget Actions

Increased Funding for Assisted Outpatient Treatment. The State Executive Budget proposes \$10 million in Department of Health funding for additional community services for individuals who are receiving court-ordered services through Assisted Outpatient Treatment (AOT). Additionally, individuals discharged from State Psychiatric Hospitals have access to services in the community through Health Home Plus.

Establishment of Mental Health Incident Review Panels. The State Executive Budget proposes the establishment of multi-disciplinary Mental Health Incident Review Panels, allowing relevant individuals within all levels of government to communicate about serious incidents involving a person with mental illness. Allowing for these panels will enable state and city officials to identify gaps in service delivery and needed system changes.

Performance Measures*

	FY 10 Actual	FY 11 Actual	FY 12 Actual	Target FY 13	4-Month Actual FY 13
Individuals in assisted outpatient mental health treatment program	1,344	1,315	1,245	*	1,236
Calls to LifeNet (000)	97.2	92.9	85.8	*	26.5
Units of supportive housing available to persons with severe mental illness diagnosis (000)	4.5	4.7	5	5.3	5.0

*Preliminary Mayor’s Management Report

LifeNet calls decreased 14.5 percent to 26,500 during the first four months of Fiscal 2013 when compared to the same period in Fiscal 2012. LifeNet calls have gradually decreased since November 2011 due to a reduction of community outreach efforts and by directing providers to access LifeNet services through the LifeNet website to allow more time for LifeNet representatives to answer calls from the public. During this period, LifeNet website activity has increased.

Council Initiatives and Funding

Below, the Council provided the following support for mental health services contracted through the DOHMH for Fiscal 2013. As Council funding is renegotiated annually and allocated on a one-time basis, the following funding is not included in the Fiscal 2014 Preliminary Budget.

FY 2013 Council Changes at Adoption by Program Area	
<i>Dollars in Thousands</i>	
Mental Health Services	
Bailey House	\$125
Children Under Five Mental Health Initiative	1,250
Geriatric Mental Health Services	2,000
Mental Health Contracts	375
Mental Hygiene Contracted Services PEG Restoration - Mental Health Providers	1,164
Suicide Prevention Hotline	247
Total, Mental Health Services	\$5,161

- **Bailey House.** This allocation supports services that improve the overall health and well-being of community by (a) assisting with establishing a mental health clinic in East Harlem, which has been designated as a Medically Underserved Area/Population, as well as a primary care and Mental Health Professional Shortage Area by the US Health Resources and Services Administration; and (b) sustaining substance abuse and risk reduction services for hundreds of individuals living with HIV/AIDS.
- **Children Under Five Mental Health Initiative.** This allocation represents funding to community-based outpatient mental health clinics in the Bronx, Brooklyn, Queens and upper Manhattan to provide mental health treatment for children age five and under who have either been victims of and/or exposed to violence.
- **Geriatric Mental Health.** This allocation greatly enhances the ability of 25 experienced organizations to provide a range of mental health services in “non-clinical settings” such as senior centers, drop-in centers, religious institutions, social clubs, homeless prevention programs and in the home.
- **Mental Health Contracts.** This allocation funds programs and contracts that provide a range mental health services.
- **Mental Hygiene Contracted Services PEG Restoration.** This allocation restores funding for the following contracts:
 - Bridger/Transition management services. These services provide clients who are discharged from State Psychiatric Centers with linkages to appropriate services in the community. In addition, individuals are connected to the full range of mental health, health and social services to ease their transition into the community and decrease the potential for hospitalization.
 - Adult respite programs. Respite services provide relief to primary care givers such as parents or legal guardians on a temporary basis. The goals of this program are to allow situations to stabilize and prevent hospitalizations or longer term placement out of the home. Temporary services (not beds) are provided by trained staff in the consumer’s residence or in another temporary housing arrangement
 - Psychosocial clubs. Psychosocial clubs assist consumers in re-establishing their sense of self-esteem and group affiliation, as well as promoting recovery and reintegration into meaningful community life through the provision of two or more of the following: (1) self-help and empowerment interventions; (2) community living; (3) academic; (4) vocational; and/or (5) social leisure time rehabilitation, training and support services.
 - Recreation programs. Recreation programs provide social, recreational and leisure activities that are intellectually and interpersonally stimulating, but are not necessarily part of a goal-based program plan.
- **Suicide Prevention Hotline.** This allocation continues a Fiscal 2011 PEG restoration for Samaritans of New York Suicide Prevention Services which operates a 24-hour suicide prevention hotline that answered over 69,000 calls last year. Samaritans is NYC’s only community-based organization devoted to suicide prevention and is the only 24-hour suicide prevention hotline providing immediate and ongoing emotional support to depressed or suicidal New Yorkers.

Appendix A

Budget Actions in the November and Preliminary Plans

Note: Table below includes budget actions affecting the Agency's mental hygiene and public health functions.

<i>Dollars in Thousands</i>	FY 2013			FY 2014		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of Adopted 2013 Plan	\$622,109	\$957,262	\$1,579,371	\$591,488	\$937,715	\$1,529,203
Program to Eliminate the Gap (PEGs)						
AC&C Efficiencies	(\$800)	\$0	(\$800)	(\$200)	\$0	(\$200)
Central Administrative Efficiencies	(86)	(12)	(98)	(899)	(274)	(1,172)
Central Administrative Efficiencies - Layoffs	0	0	0	(793)	(258)	(1,050)
City Council Funding	(1,928)	(634)	(2,562)	0	0	0
<i>City Council FY13 Restoration</i>	<i>1,561</i>	<i>562</i>	<i>2,123</i>	<i>0</i>	<i>0</i>	<i>0</i>
Comm. Outreach, Education and Clinical Svcs	(160)	(90)	(250)	(648)	(326)	(973)
Comm. Outreach, Educ./Clinical Svcs - Layoffs	0	0	0	(700)	(271)	(971)
Consolidation Savings	(276)	(118)	(394)	(1,356)	(771)	(2,127)
Consolidation Savings - Layoffs	0	0	0	(1,424)	(448)	(1,872)
Fringe Revenue	(2,993)	2,993	0	(2,177)	2,177	0
Mental Hygiene Contracts	(1,152)	0	(1,152)	(2,884)	0	(2,884)
<i>City Council FY13 restoration</i>	<i>340</i>	<i>0</i>	<i>340</i>	<i>0</i>	<i>0</i>	<i>0</i>
Mental Hygiene Program Reductions/Efficiencies	(1,166)	0	(1,166)	(1,741)	300	(1,441)
Mobile Food Vending Efficiencies	(912)	(513)	(1,425)	0		0
Obesity Prevention	(301)	(34)	(334)	(1,159)	(91)	(1,249)
OCME Fringe Revenue	(61)	61	0	(61)	61	0
OCME IT Reductions	(44)	0	(44)	(163)	0	(163)
OCME OTPS Efficiencies	0	0	0	(361)	0	(361)
OCME OTPS Reductions	(269)		(269)	(249)	0	(249)
Program Reduction and Efficiencies	(586)	(329)	(915)	(2,014)	(677)	(2,692)
Program Reduction and Efficiencies - Layoffs	0	0	0	(1,062)	(369)	(1,431)
PS Underspending	(4,224)	(1,006)	(5,230)	0	0	0
Queens Detention Facility	(2,818)	(247)	(3,065)	(5,399)	(452)	(5,851)
School Based Health Centers	(194)	(109)	(303)	(775)	(436)	(1,210)
<i>City Council FY13 restoration</i>	<i>130</i>	<i>73</i>	<i>203</i>	<i>0</i>	<i>0</i>	<i>0</i>
School Health - Layoffs	0	0	0	(598)	(224)	(823)
School Health Efficiencies	0	0	0	(690)	(262)	(952)
School Health Vision	0	0	0	(2,790)	(955)	(3,745)
TOTAL, PEGs	(\$15,937)	\$596	(\$15,341)	(\$28,141)	(\$3,275)	(\$31,416)
New Needs						
OCME WTC operations	\$537	\$0	537	\$0	\$0	\$0
Court-Based Intervention and Resource Teams	15	8	23	371	98	469
Mobile Food Vendor Enforcement	10	6	16	580	326	906
TOTAL, New Needs	\$562	\$14	\$576	\$951	\$424	\$1,375

<i>Dollars in Thousands</i>	FY 2013			FY 2014		
	City	Non-City	Total	City	Non-City	Total
Other Adjustments						
CAT. Animal Control Population	\$0	\$220	\$220	\$0	\$0	\$0
Cat. Health Care Emergency	0	1,606	1,606	0	0	0
Cat. Health Stat	0	5,707	5,707	0	0	0
CAT. Hurricane Sandy	0	156	156	0	0	0
Categorical Grants	0	50,300	50,300	0	906	906
CTL Transfer - HHC to DOHMH	3,278	1,844	5,122	0	0	0
Fringe Offset	2,993	(2,993)	0	2,177	(2,177)	0
FY13 Rollover	0	4,850	4,850	0	158	158
HHS Connect Technical Adjustment	1,235	529	1,765	1,235	529	1,765
Intra Cities	0	0	0	0	0	0
Mental Hygiene State Aid Letters	0	28,899	28,899	102	28,899	29,002
NFP Transfer	(1,506)	(847)	(2,353)	0	0	0
Other Grants	0	1,096	1,096	0	0	0
PS/OTPS Shifts and Realignments	1,446	353	1,799	0	0	0
Rolls	0	8,077	8,077	0	158	158
Other Adjustments	215	8,897	1,803	3,963	(289)	3,415
TOTAL, Other Adjustments	\$7,662	\$108,695	\$116,357	\$7,478	\$28,185	\$35,663
TOTAL, All Changes	(\$7,714)	\$109,306	\$101,592	(\$19,712)	\$25,334	\$5,622
Agency Budget as of Preliminary 2014 Plan	\$614,395	\$1,066,567	\$1,680,962	\$571,775	\$963,050	\$1,534,825

**Continuation from previous page*

Appendix B Contract Budget

Total Department of Health and Mental Hygiene (816)

Category	Number	Budgeted	Pct of 816 Total	Pct of Cat. Total
Contractual Services General	55	\$13,738,167	1.4%	3.0%
Telecommunications Maintenance	27	49,260	0.0%	0.1%
Maintenance and Repair & Motor Vehicle Equipment	17	253,596	0.0%	1.9%
Maintenance and Repair General	96	2,296,135	0.2%	2.0%
Office Equipment Maintenance	92	154,718	0.0%	1.2%
Data Processing Equipment	38	234,516	0.0%	0.1%
Printing Contracts	89	1,342,103	0.1%	4.2%
Security Services	3	751,077	0.1%	0.8%
Temporary Services	52	1,398,545	0.1%	3.9%
Cleaning Services	41	375,569	0.0%	1.7%
AIDS Services	45	121,293,572	12.8%	45.9%
Mental Hygiene Services	471	628,443,324	66.1%	100.0%
Hospitals Contracts	3	127,656,928	13.4%	99.8%
Special Clinical Services	1	11,968,127	1.3%	100.0%
Economic Development	10	320,148	0.0%	1.5%
Training Program City Employees	31	1,279,174	0.1%	8.2%
Maintenance & Operation of Infrastructure	59	836,252	0.1%	0.5%
Professional Services - Accounting and Auditing	2	520,231	0.1%	2.0%
Professional Services - Computer Services	12	1,400,451	0.1%	1.4%
Professional Services Other	168	36,602,438	3.8%	21.2%
Fiscal 2014 Preliminary Budget	1,312	\$950,914,331	100.0%	9.1%