NYAPRS BUDGET AND LEGISLATIVE AGENDA

NYAPRS 13th Annual Legislative Day
Hart Auditorium  The Egg
Albany, NY
February 15, 2011

Your Name

Your Locality

How to Contact You

NYAPRS Public Policy Committee
Chairs:  Ray Schwartz, Carla Rabinowitz
Executive Director: Harvey Rosenthal

Douglas Hovey
President, NYAPRS Board of Directors

The New York Association of Psychiatric Rehabilitation Services represents a statewide partnership of over 40,000 New Yorkers who use and/or provide community mental health services and who are dedicated to improving services and social conditions for people with psychiatric disabilities by promoting their recovery, rehabilitation and rights.

www.nyaprs.org
NYAPRS 13th Annual Legislative Day Schedule
Tuesday, February 15, 2011
Hart Auditorium The Egg Albany, NY

Program Schedule

9:30 am  Breakfast, Check-In   Hart Auditorium The Egg

10:00 am  Welcome:  NYAPRS President Douglas Hovey
            Public Policy Co-Chairs Carla Rabinowitz, Ray Schwartz

10:05 am  Overview of the NYS Budget  Harvey Rosenthal

10:10 am  Peer Services: Their Time Has Come  Amy Colesante et al

10:25 am  Presentations on This Year’s Budget Priorities
1. Support Regional Managed Behavioral Health Care Coordination Initiative  Harvey
2. Expand Funding and Use of Innovative Peer Services  Harvey
3. Redirect Savings from State Hospitals, Privatize State Community Residences
4. Open Access, Increased Oversight for Medicaid MH Medications  Harvey
5. Establish Set Aides for Increased Community Housing  Carla Rabinowitz
6. Comply Fully with Adult Home Court Ruling  Norman Bloomfield, Coco Cox, CIAD
7. Advance Employment Initiatives and Medicaid Buy-In Enrollments  Chacku Mathai

11:00 am  Presentation of Awards
• Senator Thomas Morahan, Public Policy Leadership Award
• Legislative Gazette, Public Education Award
• Michael Friedman, Lifetime Achievement Award
• Lorraine McMullin, Partners with Families Award

11:30 am  Featured Speakers
• Deputy Secretary for Health, Medicaid And Oversight James Introne (invited)
• OMH Commissioner Michael Hogan
• Assembly Mental Health Committee Chair Felix Ortiz
• Senate Mental Health Committee Chair Roy McDonald

Noon  Lunch

1:00 pm  “Protect the Community MH Safety Net” News Conference and Rally

1:30 pm  Meet with Your State Legislators

4:00 pm  Re-group at Your Buses, Return Home

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1. Support Regional Managed Behavioral Health Care Coordination Initiative

People with mental health, substance use and medical conditions require more active, engaging and better coordinated care that both promotes their health and recovery and reduce costly and avoidable ER and hospital stays. While many of those visits are to treat medical conditions, a majority of these individuals are not well engaged by health plans and medical practitioners, preferring to ‘come into care’ offered by behavioral health services.

Governor Cuomo has created a Medicaid Redesign Team to restructure Medicaid that will be putting mental health services under some form of managed care. There are proposals to ‘carve in’ our services and put them under Medicaid health plans (HMOs) that are more office and illness based and won’t understand or fund the kind of community recovery and peer services that are needed. NYAPRS wants mental health care to be treated separately...“carved out” and under a specialty form of managed care called ‘behavioral health organizations’ that are more experienced with our community and much more supportive of mental health recovery and peer services. NYAPRS and 19 other statewide behavioral health advocacy groups are supporting this ‘Behavioral Healthcare Carve Out’ approach because, under the oversight of OMH and OASAS, it will improve and better coordinate care and link it to vital health, housing and support services.

2. Increase the Use of Innovative Peer-Run Recovery Services

Peer-run services offer innovative outreach, engagement, employment and crisis diversion services run by trained individuals with recovery histories who are uniquely skilled at promoting hope, health and successful community living. These services are proving especially effective in engaging and connecting “high needs high cost’ individuals with multiple mental health, substance use and medical conditions to appropriate care. New York should follow the lead of 23 other states and establish Medicaid reimbursement for peer services; it should also require managed health and behavioral healthcare organizations to contractually include such peer services in their benefit packages.

3. Reinvest a Portion of the Savings from OMH State Hospital Closures and Privatizing State Operated OMH Community Residences to boost recovery and integrated care initiatives.

4. Establish Set Asides to Increase Community Housing

A safe, affordable home is the number one concern of mental health recipients. And research has proven that housing with supports is a key to recovery. Unfortunately, mental health recipients are able to access only a small percentage...
of the units financed by New York State. In 2010, for example, despite set asides and favorable scoring advantages, only 16% of the 1,600 units developed with low income housing tax credits went to people with special needs. Accordingly, we encourage the state to set aside at least 40% of all units developed with any form of state subsidy for low income and homeless people with psychiatric disabilities.

5. Open Access, Increased Oversight for Medicaid Mental Health Medications
For tens of thousands of New Yorkers, a disruption in access to the appropriate psychiatric medication results in relapses that are costly in human suffering and avoidable emergency and inpatient care. At the same time, prescribing practices that don’t use evidence based medications or that use too many drugs simultaneously (polypharmacy) are demonstrating harmful effects (e.g. frequent connections to metabolic syndrome, diabetes, etc) and costing too much.

NYAPRS continues to advocate for unrestricted access to such medications to protect patient choice and care and also opposes the proposal to eliminate fee-for-service reimbursement for pharmacy and their ‘carve in’ into managed care plans. At the same time, we urge an expansion in programs like PSYCKES, which improves psychotropic prescribing practices by red-flagging costly and health-threatening use or overuse (too many for too long) of such powerful medications, as well as increased use of electronic prescribing best practices to reduce avoidable errors.

6. Comply Fully with Adult Home Court Ruling
A recent federal court ruling found New York State in violation of the Americans with Disabilities Act (ADA) and the U.S. Supreme Court’s Olmstead decision by unnecessarily segregating 4,300 adult home residents with psychiatric disabilities. The court determined that adult homes are “segregated institutional settings that impede integration in the community and foster learned helplessness.” The state must not delay or appeal its responsibility to provide the supports necessary to help adult home residents with psychiatric disabilities to move into the community. It must provide them just access to the more appropriate care of mental health housing and supports that can also help them reduce their typical reliance on costlier Medicaid services.

7. Advance Employment Initiatives and Medicaid Buy-In Enrollments
While the employment rate for people with disabilities is generally at 33%, only 5% of people with psychiatric disabilities work. Greater numbers are returning to work in New York, thanks to an increased focus by OMH community recovery services and to more aggressive enrollment into the state’s Medicaid Buy-In program, thanks to the ‘New York Makes Work Pay’ initiative. Accordingly, NYAPRS urges the Administration to:

- re-direct $45 million in OMH sheltered employment services to more modern supported and independent employment models
- boost enrollment into the state’s Medicaid Buy-In program for Working People with Disabilities
- remove “repeal language” for previously allocated funding for the Workforce Development Institute.
NYAPRS 2011-2012 State Budget Priorities
Support Regional Managed Behavioral Health Care Coordination Initiative

Background
New Yorkers with mental health, substance use and medical conditions use 15 times more Medicaid than the average beneficiary and make up 70% of the $800 million in avoidable hospital re-admissions. NYAPRS' firsthand experience of this group in the Health Department’s Chronic Illness Demonstration Program emphasizes the critical importance of active outreach and engagement, accountable care coordination and follow up and the crucial role played by mental health peer wellness coaches.

Recent studies have shown that these program elements are best promoted by behavioral healthcare coordination initiatives, since most of these individuals respond best and come into care through the ‘behavioral health door’ and are not well engaged by health plans or medical practitioners.

- Pennsylvania’s Behavioral Health Choices program generated $4 billion in savings from 1997-2007, while expanding service access, quality and integration while reinvesting $60 billion in savings recently to fund critically needed supported housing beds.
- The New York Care Coordination Project (NYCCP) has implement a very successful “Complex Care Management program” that has shown 41% less in services’ spending while substantially reducing avoidable costly inpatient, homeless shelter and criminal justice stays. One version of this program in Westchester County saved over $1.2 million in reduced Medicaid, criminal justice and state hospital costs in 2009.
- OptumHealth’s management of behavioral health services in Pierce County, Washington improved care to 26% more individuals while reducing hospitalizations by 20%, hospital days by 38% and involuntary commitments by 32%, saving the county over $8 million.

On the other hand, a New York City based Care Monitoring Initiative aimed at tracking and improving care to ‘at risk’ individuals with psychiatric disabilities found that over 40% of those who had fallen through the cracks were enrolled in over a dozen HMO plans, finding “no case in which a MCO care manager was aware of or attempting to coordinate mental health services for a disengaged individual.”

Recommendation
NYAPRS joins 20 statewide advocacy groups for New Yorkers with behavioral health needs in supporting a proposal to improve the coordination of community-based mental health and substance use services through regional ‘behavioral health’ carve outs that are overseen by behavioral health organizations that are expected to provide effective linkages to health, housing and support services. This approach will both improve care and reduce costs in avoidable ER and hospital stays by promoting improved:

- engagement and follow up,
- service quality and innovation,
- care coordination and accountability
- linkages to health, housing and supports

This approach will also protect public dollars: turning care for these groups to health plans will mean HMOs will take an average of 16% in administration, overhead and profits and the behavioral healthcare organizations they will likely subcontract with will take their additional cut as well. The result: huge funding holes in New York’s safety net as dollars intended by taxpayers for patient care turn into profits for plan stockholders. Contrast that with Pennsylvania's Health Choices program, which kept 90% of the state’s investment in direct services.

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NYAPRS 2011-2012 State Budget Priorities
Increase the Use of Innovative Peer-Run Recovery Services

Background
Peer-run services offer innovative outreach, engagement, employment and crisis diversion services run by trained individuals with recovery histories who are uniquely skilled at promoting hope, health and successful community living. These services are proving especially effective in engaging and connecting “high needs high cost” individuals with multiple mental health, substance use and medical conditions to appropriate care. Peer-run services have been in development for the past three decades and have been positively cited in the field’s most important national reports including the 2003 Presidential Mental Health Commissions and the 1999 Surgeon General’s Report on Mental Health.

Examples of peer run services and their effectiveness and efficiency include:

- **Peer Bridger Services** have helped thousands of New Yorkers make successful transitions from long or frequent stays in state psychiatric hospitals to the community. In 2008, the Peer Bridger Project helped 72% (136 of 191) individuals to stay out of the hospital for the following year.
- **Peer Wellness Coaching Services** are helping to find, engage and support over 1/3 of “hard to serve” individuals with major mental health and medical conditions in New York’s Chronic Illness Demonstration Project initiative.
- **Peer Crisis Services** include peer run warm lines, emergency room workers and short term residential programs that offer 24-hour specialized support, self-advocacy education and self-help training. NY and Nebraska based respite programs are demonstrating upwards of 68% reduction in recidivism from avoidable emergency room and inpatient admission and interactions with ambulance and police.
- **Peer Prison-to-Community Reentry Programs** provide personalized peer support for successful community adjustments, through personal support, access to 12-step and other support groups, community drop-in programs and employment assistance.
- **Peer run Self Help and Advocacy Programs** help participants address dual recovery issues, housing and financial issues, offering individualized support and advocacy, through support groups, workshops and topical meetings.
- **Peer run Supported Housing** supports each tenant to develop and achieve their own housing goals via regular apartment visits, office visits, and classes on apartment living, money management, healthy eating, community awareness and social connections and apartment maintenance
- **Peer run Personalized Recovery Oriented Services** brings rehabilitation, support, and clinical services together into one plan that supports a person’s goals and hopes.
- **Peer run Recovery Centers** help people to integrate successfully in the community through recovery, entitlements, employment, education and advocacy supports.
- **Peer Brokers/Mentors** are helping people with psychiatric and related disabilities to improve their health, recovery and self-care by self-directing service dollars to purchase the individualized goods and services they need to advance their wellness and recovery.

Recommendations

- New York should follow the lead of 23 other states and establish Medicaid reimbursement for peer services;
- It should also require managed health and behavioral healthcare organizations to contractually include such peer services in their benefit packages.

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NYAPRS 2011-2012 State Budget Priorities
Reinvest a Portion of the Savings from OMH State Hospital Closures and Privatizing State Operated OMH Community Residences

Background

• New York State operates 27 state psychiatric hospitals, almost 7 times the national average (4) and 4 more than the next highest two states combined (Texas (12) and Virginia (11) per the National Association of State Mental Hygiene Program Directors data.
• New York houses fewer individuals per campus than other similar states; e.g. 2008 California housed 5,188 individuals in 5 hospitals, Ohio housed 5,926 in 7 facilities in contract to New York’s housing 5,282 individuals in 27 facilities.
• New York topped the nation in cost for state hospitals, coming in at $1.2 billion, totaling more than the combined total of other top states Pennsylvania (#3 at $511 million and New Jersey (#4 at $502 million).
• Total budget for New York’s state hospital system is $1.2 billion. The average annual cost of a state hospital bed is $210,000, compared to roughly $40,000 per year for a ‘high end’ community services package that includes a full array of residential, case management, treatment, rehabilitation and support services. Many New Yorkers with serious psychiatric disabilities can be well supported for significantly less, depending on their individual needs.
• In 1993, the NYS Legislature enacted the Community Mental Health Reinvestment Act to redirect savings from the closure and/or downsizing of state hospital beds to bolster the community system and to generate budget savings. In its first 5 years, the law generated upwards of $200 million in new community mental health services that helped birth and boost New York’s nationally recognized recovery focused community support network. Assumedly, it generated an equal amount in savings for the NYS budget.
• In great contrast to other states, NY operates an unusually large amount of state run community mental health community residences, originally developed before the rise of the extensive array of less costly nonprofit operated residential programs we have today.

Recommendations

• Close additional state psychiatric centers and redirect a portion of the savings under the Community Mental Health Reinvestment Act to preserve and expand priority services that make up our local community mental health services safety net.
• Transition state operated community residential programs to more cost effective management by nonprofit providers.

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NYAPRS 2011-2012 State Budget Priorities
Establish Set Asides to Increase Community Housing

Background
A safe, affordable home is the number one concern of mental health recipients. And research has proven that housing with supports is a key to recovery. One of the prominent analysts of high cost utilization of Medicaid, researcher John Billings, has observed that homelessness and housing instability significantly impacts the lives “high risk patients,” adding that “an effective, supportive housing environment might be enough to tip the balance, allowing sufficient life stabilization to address previously intractable health and mental health problems.” Billings’ research suggests that investing more in housing and supports, especially for “high needs high cost’ individuals can reduce Medicaid costs by reducing the likelihood of relapse and readmission.

For example, achieving a 20 percent reduction in costs for patients with high-risk scores (90%) through an investment of $9,000 per patient per year could result in the state breaking even. Building on that, recommendations to the state’s Most Integrated Setting Coordinating Council by the NYS Coalition for the Homeless suggested that “given that rental assistance is budgeted at about $650 per household per month, New York State would stand to save $1,200 per household per year by stabilizing those with unstable housing via housing subsidies focused on high cost Medicaid patients.”

Unfortunately, mental health recipients are able to access only a small percentage of the units financed by New York State. In 2010, for example, despite set asides and favorable scoring advantages, only 16% of the 1,600 units developed with low income housing tax credits went to people with special needs.

Recommendations
- NYAPRS encourages NYS government to set aside at least 40% of all units developed with any form of state subsidy, be for low income and homeless people with psychiatric disabilities.
NYAPRS 2011-2012 State Budget Priorities
Open Access, Increased Oversight for Medicaid Mental Health Medications

Background
For tens of thousands of New Yorkers, a disruption in access to the appropriate psychiatric medication results in relapses that are costly in human suffering and avoidable emergency and inpatient care. That’s why NYAPRS members have long opposed access restrictions to their medications that can accompany the implementation of prior authorization programs that require them and their doctors to take extra steps to retain their use of a medication that isn’t on the state’s Preferred Drug list. Their concerns were recently supported by a November 2010 John Hopkins University study that found analyzed Medicaid data from 10 states and “found that psychiatric patients who reported access problems with their medication visited the emergency department 74 percent more often than those who had no such difficulties...and experienced 72 percent more acute hospital stays compared to patients without access problems.”

At the same time, prescribing practices that don’t use evidence based medications or that use too many drugs simultaneously (polypharmacy) are demonstrating harmful effects (e.g. frequent connections to metabolic syndrome, diabetes, etc) and costing too much. This becomes more timely in the wake of figures showing an 171% increase in NYS mental health medication use between 1998-2001.

PSYCKES is part of an ongoing quality improvement initiative to improve psychotropic prescribing in the state. The program began in NYC in December 2008 and was implemented in the rest of the state (and state-operated outpatient clinics) in March 2009. Currently, PSYCKES has been implemented in 92 percent of eligible freestanding mental health clinics and 100 percent of state-operated mental health clinics. PSYCKES is valuable to consumers and policy makers alike in red-flagging of costly and health-threatening use or overuse (too many for too long) of such powerful medications.

Recommendations

- NYAPRS continues to advocate for unrestricted access to protected classes of medications like mental health drugs to protect patient choice and care.
- NYAPRS opposes the proposal to eliminate fee-for-service reimbursement for pharmacy and their ‘carve in’ into managed care plans.
- In order to improve the management of psychiatric prescription drugs and to avoid excessive Medicaid spending, the State should expand the PSYCKES quality improvement program to all community- and hospital-based mental health providers in New York State and further enhance electronic prescribing best practices which will reduce medication errors.

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NYAPRS 2011-2012 State Budget Priorities
Comply Fully with Adult Home Court Ruling

Background
Adult homes are for-profit residential care facilities licensed by the NYS Department of Health that were initially created to house and support “frail elderly” individuals. In the 1990s, the homes became repositories for thousands of New Yorkers with psychiatric disabilities in the 1990s out of the state’s failure to identify and/or provide more appropriate housing. New York City’s adult homes became the subject of much scrutiny following a series of 2003 Pulitzer Prize winning New York Times articles calling attention to widespread abuse and neglect in the homes, especially involving residents with psychiatric disabilities.

Despite heavy media coverage, legislative hearings and the formation of a Governor’s Adult Care Facilities Work Group, the state did relatively little to either improve care for the residents or provide them with more appropriate community housing, leading to the 2003 filing of a law suit on their behalf by Disability Advocates, Inc.

Last September 8, U.S. District Judge Nicholas G. Garaufis ruled that New York State had violated the Americans with Disabilities Act (ADA) and the U.S. Supreme Court’s Olmstead decision by unnecessarily segregating 4,300 adult home residents with psychiatric disabilities, finding that adult homes are “segregated institutional settings that impede integration in the community and foster learned helplessness.”

The Judge ordered the state to develop a remedial plan to move the residents into mental health supported housing. The state appealed but was ordered to proceed with the remedy and issued RFPs to move 1,500 residents out in 2011. A judicial panel heard the state’s appeal on December 8 and is preparing its decision.

Recommendations
The state must not delay or appeal its responsibility to provide the supports necessary to help adult home residents with psychiatric disabilities to move into the community. It must provide them just access to the more appropriate care of mental health housing and supports that can also help them reduce their typical reliance on costlier Medicaid services.

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NYAPRS 2011-2012 State Budget Priorities
Advance Employment Initiatives and Medicaid Buy-In Enrollments

Background
While the employment rate for people with disabilities as a whole is generally at 33%, only 5% of people with psychiatric disabilities work. Despite the public mental health systems’ slow shift to a recovery centered system that encourages rather than discourages employment related goals, much more needs to be done!
In recent years, the NYS Office of Mental Health has added targeted state aid employment funding to its Personalized Recovery Oriented Services license and has launched initiatives to encourage PROS and other community providers to become Employment Networks, eligible to add federal Ticket to Work money to their funding and program base.
Last year, OMH reported a total budget of over $72 million for the employment programs listed below (including the budget for PROS program not solely dedicated to employment). It is noteworthy that the budget for sheltered workshops totaled $46 million or approximately 64% of the total amount allocated to OMH’s mainstream employment programs

OMH has also encouraged aggressive enrollment into the state’s Medicaid Buy-In program, thanks to the ‘New York Makes Work Pay’ initiative. This is critical, because a major disincentive for individuals with disabilities in regaining work is that most are afraid to lose vital healthcare benefits they may receive from Medicaid. The Medicaid Buy-In for Working People with Disabilities is a program states like New York have adopted to make it easier for people with disabilities to maintain their health insurance while working. The program allows states to extend Medicaid coverage to workers with disabilities whose income and assets would ordinarily make them ineligible for Medicaid. More than one third of the program’s participants nationally are diagnosed with some form of severe mental illness.
Numerous studies demonstrate states reduce Medicaid costs due to the Buy-In:
- A May 2006 Mathematica study found that “on average, Buy-In participants cost Medicaid $984 per-member per-month (PMPM) in 2000, almost 40 percent lower than the cost of other Medicaid enrollees with disabilities.”
- A 2009 Mathematica study found that when compared with other working-age disabled Medicaid enrollees, Buy-In participants incurred lower annual Medicaid expenditures.
- An August 2010 Mathematica study found that “participants with serious mental illnesses had fewer or less expensive lower medical expenditures and were more likely to be employed and to increase their earnings over time.”

The 2011 Executive Budget proposal repeals previously authorized funding for the Workforce Development Institute, which helps fund several grants programs helping people with psychiatric disabilities.

Recommendations
Accordingly, NYAPRS urges the Administration to:
- re-direct $45 million in OMH sheltered employment services to more modern supported and independent employment models
- boost enrollment into the state’s Medicaid Buy-In program for Working People with Disabilities
- remove “repeal language” for previously allocated funding for the Workforce Development Institute.

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