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## **Report on the Fiscal 2017 Executive Budget Department of Health and Mental Hygiene May 10, 2016**

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## Executive Budget Summary

- **Expense Budget Overview.** The Department of Health and Mental Hygiene's (DOHMH or the Department) Fiscal 2017 Executive Budget totals \$1.49 billion, an increase of \$139 million, when compared to the \$1.35 billion Fiscal 2016 Adopted Budget.
  - **Funding Sources:** Approximately \$662 million, or 44 percent, of the Department's Fiscal 2017 budget is City tax-levy (CTL) funding; \$535 million, or 36 percent, is State funding; \$288 million, or 19 percent, is federal funding; and \$4 million, or less than one percent, is Intra-City and Other-Categorical funding.
  - **Headcount Changes:** The Department's headcount increased by 409 positions between the Fiscal 2016 Adopted Budget and the Fiscal 2017 Executive Budget to 5,513 positions. The Mental Hygiene – Mental Health Services program area experienced the largest increase in headcount, gaining 214 positions, and the Prevention and Primary Care – Correctional Health program area experienced the largest decrease in headcount, losing 178 positions due to the transition of correctional health services to the NYC Health + Hospitals.
- **Executive Budget Changes.** The Fiscal 2017 Executive Budget includes \$38 million for new needs in Fiscal 2017, including \$29 million in CTL and \$9 million in State funding, and \$39 million in other adjustments. The Department's Fiscal 2017 Executive Budget, therefore, increased by nearly \$79 million to \$1.49 billion as compared to the Fiscal 2017 Preliminary Budget of \$1.41 billion. Major actions include:
  - \$13.5 million to reduce the risk of local Zika transmission;
  - \$5.4 million to expand prevention, outreach, and treatment services to combat opioid addiction;
  - \$3.5 million to enhance community services at three Neighborhood Health Action Centers in order to reduce health disparities; and
  - \$2.4 million to minimize illegal childcare program operations and to improve health and safety at underperforming sites.
- **Major Agency Issue.** The Fiscal 2017 Executive Budget does not include the following Council recommendations captured in the Council's Fiscal 2017 Preliminary Budget Response:
  - \$8 million to expand the Nurse Family Partnership;
  - \$1.3 million to support the HIV/AIDS community; or
  - \$1.7 million to support critical mental health programs not supported by ThriveNYC.
- **Capital Budget.** The Fiscal 2017 Executive Capital Commitment Plan includes \$367.8 million in Fiscal 2016-2020 for DOHMH, including funding to renovate facilities, upgrade technology, and purchase equipment. Key budget actions include:
  - \$10 million to construct two new full-service animal shelters in the Bronx and Queens; and
  - \$3 million to renovate and expand the Joseph P. Addabbo Family Health Center.

## DOHMH Overview

This report reviews the Department's Fiscal 2017 Executive Budget. The following section details changes to the agency's budget during the course of Fiscal 2016. The next section reviews significant State budget actions and legislation that have occurred since the Fiscal 2017 Preliminary Budget, followed by important budget actions introduced in the City's Fiscal 2017 Executive Budget. Major issues related to the Department's budget are then addressed, followed by analyses and highlights of the Department's expense budget and Capital Commitment Plan for Fiscal 2017. The appendix outlines changes to the Fiscal 2016 and Fiscal 2017 Budgets since the adoption of the Fiscal 2016 Budget. For additional information on the Department's budget and its various programs, please refer to the Fiscal 2017 Preliminary Budget Report for the Department of Health and Mental Hygiene at:

**Public Health:** <http://council.nyc.gov/html/budget/2017/pre/816%20Public%20Health.pdf>

**Mental Hygiene:** <http://council.nyc.gov/html/budget/2017/pre/816-DOHMH.pdf>

### DOHMH Financial Summary

	2014	2015	2016	Executive Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2016	2017	2016 - 2017
<b>Spending</b>						
Personal Services	\$365,417	\$389,963	\$395,469	\$404,835	\$450,695	\$55,226
Other Than Personal Services	1,057,771	1,105,584	954,780	1,101,419	1,038,239	83,459
<b>TOTAL</b>	<b>\$1,423,188</b>	<b>\$1,495,547</b>	<b>\$1,350,248</b>	<b>\$1,506,254</b>	<b>\$1,488,933</b>	<b>\$138,685</b>
Administration - General	\$114,693	\$122,370	\$98,786	\$118,726	\$124,477	\$25,691
Center for Health Equity	4,027	10,280	9,580	12,033	12,657	3,077
Disease Prev & Treat - Admin	17,502	6,816	22,952	21,723	1,581	(21,371)
Disease Prev & Treat - Communicable Dis	4,376	8,712	3,279	9,831	8,650	5,371
Disease Prev & Treat - HIV/AIDS	162,315	169,284	168,845	194,669	196,097	27,252
Disease Prev & Treat - Sexually Trans Dis	13,971	14,246	14,704	16,459	24,850	10,147
Disease Prev & Treat - Other	32,224	32,490	34,357	35,341	39,363	5,006
Emergency Preparedness and Response	16,780	19,082	18,267	31,628	17,484	(784)
Environmental Disease and Injury Prevent	7,844	12,029	8,533	14,196	14,593	6,059
Environmental Health - Administration	6,264	5,586	17,637	7,020	4,749	(12,888)
Environmental Health - Day Care	9,850	11,276	11,910	12,426	14,401	2,491
Environmental Health - West Nile	247	321	336	302	4,633	4,297
Environmental Health - Other	49,396	51,596	52,438	57,720	62,919	10,480
Epidemiology	14,251	13,857	13,203	15,270	15,302	2,099
Family & Child Hlth - Admin	9,970	5,090	24,034	15,504	11,771	(12,263)
Family & Child Hlth - Early Intervention	231,829	230,274	217,660	244,200	217,606	(55)
Family & Child Hlth - Other	107,065	123,043	100,559	114,949	128,733	28,174
Mental Hygiene - Administration	19,898	20,185	26,270	23,111	23,271	(2,998)
Mental Hygiene- Chemical Dependency	72,020	76,706	77,493	86,911	91,762	14,268
Mental Hygiene- Development Disabilities	12,451	14,310	13,924	12,903	12,994	(930)
Mental Hygiene- Mental Health Services	207,094	220,212	225,532	254,224	292,133	66,601
Office of Chief Medical Examiner	65,806	66,539	64,369	75,455	68,322	3,953
Prevention & Primary Care - Admin	7,958	6,034	22,689	7,068	11,737	(10,952)
Prevention & Primary Care - Correctional	181,139	192,287	54,320	58,248	33,593	(20,727)
Prevention & Primary Care - Other	30,536	33,566	15,651	30,816	22,143	6,492
World Trade Center Related Programs	23,679	29,356	32,917	35,522	33,110	193
<b>TOTAL</b>	<b>\$1,423,188</b>	<b>\$1,495,547</b>	<b>\$1,350,248</b>	<b>\$1,506,254</b>	<b>\$1,488,933</b>	<b>\$138,685</b>
<b>Funding</b>						
City Funds			\$577,805	\$547,342	\$661,886	\$84,082
Federal - Other			288,170	353,898	288,497	327
Intra City			2,189	16,821	2,697	508
Other Categorical			1,243	3,448	1,260	17
State			480,841	584,744	534,593	53,752
<b>TOTAL</b>	<b>\$1,423,188</b>	<b>\$1,495,547</b>	<b>\$1,350,248</b>	<b>\$1,506,254</b>	<b>\$1,488,933</b>	<b>\$138,685</b>

<i>Dollars in Thousands</i>	2014 Actual	2015 Actual	2016 Adopted	Executive Plan		*Difference 2016 - 2017
				2016	2017	
<b>Full-Time Positions</b>						
General Administration	583	578	555	697	685	130
Public Health	2,843	2,903	3,491	3,477	3,543	52
Mental Health	300	299	417	545	617	200
Office of Chief Medical Examiner	554	569	641	667	668	27
<b>TOTAL</b>	<b>4,280</b>	<b>4,349</b>	<b>5,104</b>	<b>5,386</b>	<b>5,513</b>	<b>409</b>

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The City's Fiscal 2017 Executive Budget totals \$82.2 billion, \$3.7 billion more than the Fiscal 2016 Adopted Budget of \$78.5 billion. City funds (City tax-levy and non-tax revenues) total \$59.4 billion, when compared to the Fiscal 2016 Adopted Budget amount of \$56.9 billion. DOHMH's Fiscal 2017 Executive Budget totals \$1.49 billion, representing approximately two percent of the City's total budget.

The Department's Fiscal 2017 Executive Budget of \$1.49 billion is \$139 million greater than the Fiscal 2016 Adopted Budget of \$1.35 billion, attributable to a \$55 million increase in Personal Services (PS) and an \$83 million increase in Other Than Personal Services (OTPS).

Changes to funding in the current fiscal year since the Fiscal 2016 Adopted Budget include \$17 million in new needs, comprised of \$14.9 million in CTL and \$2.2 million in non-City funding. Major Fiscal 2016 budget actions include \$3.1 million for Ending the Epidemic; \$2.9 million for legionella and cooling tower inspection; and approximately \$8.7 million for the ThriveNYC Mental Health Roadmap.

Additional changes to Fiscal 2016 funding include \$40.5 million in State funding and \$16.2 million in federal funding, which is attributable to the City's practice of modifying the budget over the course of the fiscal year as the Department receives grant funding. These budget actions reconcile with the aforementioned new needs comprises the current Fiscal 2016 budget of \$1.5 billion.

The following section compares the Department's Fiscal 2016 Adopted Budget and Fiscal 2017 Executive Budget and summarizes key funding changes by program area and source.

- **Funding Sources.** The Department's Fiscal 2017 Executive Budget includes \$661.9 million in City funds, which increased by more than \$84 million since the Fiscal 2016 Adopted Budget. In the Fiscal 2017 Executive Budget, non-City funds total \$827 million, with State funding increasing by nearly \$54 million and federal funding by more than \$300,000.
- **Headcount Changes.** The agency's overall headcount for Fiscal 2017 increased by more than 400 positions from Fiscal 2016 Adopted Budget. The Mental Health program areas in DOHMH experienced a net increase of 200 positions; General Administration gained 130 positions; the Public Health program areas gained 52 positions; and the Office of the Chief Medical Examiner gained 27 positions.
- **Program Areas Spending.** The Mental Hygiene – Mental Health Services program area experienced the greatest increase in funding between the Fiscal 2016 Adopted Budget and the Fiscal 2017 Executive Budget. The program area increased by more than \$66 million, largely attributable to a \$56 million increase in CTL for the ThriveNYC Mental Health Roadmap, and more than 200 additional positions.
  - The Disease Prevention and Treatment – HIV/AIDS program area experienced the second largest increase in funding between the Fiscal 2016 Adopted Budget and the Fiscal 2017 Executive Budget. The program area increased by more than

\$27 million, including nearly \$17 million in CTL, more than \$7 million in State funding, and more than \$3 million in federal funding.

- Decreases in funding between the Fiscal 2016 Adopted Budget and the Fiscal 2017 Executive Budget occurred predominantly in Administrative program areas, including a \$21 million decrease in Disease Prevention and Treatment – Administration and a \$12 million decrease in Family and Child Health – Administration. Funding for General Administration, however, increased by more than \$25 million.
- NYC Health + Hospitals assumed management of Correctional Health Services from DOHMH at the end of August 2015, accounting for the \$21 million funding decrease between the Fiscal 2016 Adopted Budget and the Fiscal 2017 Executive Budget in this Prevention and Primary Care program area.

## State Budget Actions

On March 31, 2016, Governor Andrew M. Cuomo and New York State legislative leaders announced an agreement on the 2016-2017 New York State Budget. The Enacted Budget did not include the Executive Budget proposal to shift a greater portion of the increases in Medicaid costs to New York City; however, the Budget does include several actions that will affect health services in the City. Recent legislative actions will also affect the City's health sector.

- **Ending the AIDS Epidemic.** New York's successful and strategic investments in HIV/AIDS prevention have enabled the State to plan for the end of the HIV/AIDS epidemic. In November 2015, Governor Cuomo called for a \$200 million commitment in new funding to support HIV/AIDS efforts and called on the federal government to provide additional funds. Initially, it was believed that the \$200 commitment represented a yearly allocation to expand the availability of affordable housing and housing assistance for those living with HIV and to identify undiagnosed persons, link them with treatment, and facilitate access to medications. The Enacted Budget, however, allocated just \$10 million in new spending for HIV/AIDS, suggesting the State would allocate the \$200 million investment over five years.
- **World Trade Center.** The 2016-2017 State Enacted Budget includes \$9 million to support the World Trade Center Volunteer Fund, ensuring the State will provide medical and cash payments to the volunteers who developed health problems from their work at Ground Zero after the September 11th terror attacks. The Fund complements the federally funded World Trade Center Health Program, administered by the National Institute for Occupational Safety and Health. The program, also known as the James Zadroga 9/11 Health and Compensation Act, provides health coverage to responders. The City's Fiscal 2017 Executive Budget includes \$816,000 annually in additional funding for the City's mandated 10 percent share of the federal Zadroga Act.
- **Hepatitis.** Seven health-insurance companies in New York will change their criteria for covering costly drugs that cure chronic hepatitis C under the terms of agreements with the office of State Attorney General Eric Schneiderman. The drugs provide complete cures, but their list price —before the discounts negotiated by insurers— range from \$84,000-\$94,000 for a complete round of treatment. The agreements, announced in April 2016, require the insurers to cover hepatitis C medications for nearly all patients who have commercial insurance plans in the State. The State's Department of Health will instruct Medicaid insurers to reduce restrictions for recipients in fee-for-service plans consistent with

changes being made by commercial plans. Prior to the legislation, Medicaid would only cover treatment with these drugs for patients with advanced disease or other complicating conditions, such as HIV or a liver transplant.

- **Child Care Centers.** The New York State Office of Children and Family Services licenses all home-based day care centers in New York City and the State, while DOHMH issues permits to all day care centers that operate with more than 16 children or operate outside a home. However, the Department is tasked with inspecting all day cares in the City, including those that are licensed by the State. In early May 2016, Governor Cuomo announced legislation to implement more aggressive enforcement tools, tougher penalties, and greater transparency to the oversight of child care programs in the State. The proposed legislation would increase penalties for State-regulated child care providers cited for serious violations and for providers operating illegally, with fines increasing from \$500 to \$5,000 per day.

### New in the Executive Budget

The Department's Fiscal 2017 Executive Budget increased by nearly \$79 million to \$1.49 billion, when compared to the Fiscal 2017 Preliminary Budget of \$1.41 billion, which is attributable to \$38 million for new needs and \$39 million in other adjustments.

- **Non-City Funding.** Non-City funding increased by more than \$41 million between the Fiscal 2017 Preliminary Budget and the Fiscal 2017 Executive Budget, including a \$39 million increase in State funding and a \$2 million increase in federal funding. State funding for new needs in the Fiscal 2017 Executive Budget totals approximately \$9 million, including \$1.2 million for legionella and cooling towers inspection and \$4.6 million for Zika response.
  - State funding for other adjustments in Fiscal 2017 totals approximately \$30 million, including \$3.2 million collectively from the Office of Alcoholism and Substance Abuse Services (OASAS), the Office for Persons with Developmental Disabilities (OPWDD), and the New York State Office of Mental Health (OMH). State funding for other adjustments in Fiscal 2016 totals \$41 million, including \$26 million for Early Intervention.
  - Federal funding for Other Adjustments totals \$2 million in the Fiscal 2017 Executive Budget, largely in the form of categorical grants for immunizations, HIV/AIDS surveillance, and other public health initiatives. Federal funding for other adjustments in Fiscal 2016 totals \$16 million, including more than \$8 million for Comprehensive HIV Prevention Programs.
  - The City will add approximately \$60 million to the Department's budget during Fiscal 2017 when it receives federal and State award notifications.
- **New Needs.** The Executive Budget includes more than \$38 million for new needs in Fiscal 2017, including \$29 million in CTL. The program area sections of the report provide greater analysis of the Fiscal 2017 new needs, including the following major budget actions:
  - **\$13.5 million** to support the Zika response and reduce the risk of local transmission;
  - **\$6.3 million** to meet administration needs, including IT insourcing, preventative maintenance, and lease agreements;
  - **\$5.4 million** to combat the opioid epidemic through counselor training, prescriber education, harm reduction services, and other initiatives;

- **\$5.4 million** to promote community and population health through Neighborhood Health Action Centers, Growing Up NYC, Culture of Health Wellness, and other initiatives;
- **\$3.4 million** to conduct cooling towers inspections and to work with building owners and operators to promote proper maintenance;
- **\$2.4 million** to expand child care inspection oversight, including greater surveillance of poor performing child care providers and greater investigation into illegal child care centers; and
- **\$1.7 million** to support NYC Safe HUB and identify and monitor individuals in need of mental health care.
- **Other Adjustments.** The Executive Budget includes more than \$39 million in other adjustments in Fiscal 2017, including \$6.6 million in CTL. Other adjustments include \$5.7 million in wage adjustments; \$1.4 million in lease adjustments; \$479,000 in collective bargaining agreements; and \$10.4 million in funding reallocations from Fiscal 2016. The Budget also includes \$25.2 million in unit of appropriation realignments in order to more accurately represent agency spending.
  - Savings resulting from Fiscal 2016 hiring delays and attrition led to \$5 million in Personal Services (PS) accruals in Fiscal 2017. The Department also plans to save \$1.3 million in Fiscal 2017 and in the outyears due to agency-wide administrative efficiencies attributable to Other Than Personal Services (OTPS) reductions, including supplies, travel and meeting expenses. A proposed 20 percent reduction in the agency's overtime budget will lead to an addition \$620,000 in savings in Fiscal 2017 and in the outyears.
  - Fiscal 2016 funding reallocations include \$7 million from the Caring Neighborhood initiative, a joint effort with the New York City Economic Development Corporation (NYCEDC) to increase primary care access for thousands of residents in underserved neighborhoods across the City. Additional funding reallocations include \$350,000 from the Newborn Home Visiting Program, \$216,000 from Cooling Tower Inspection Vehicles, and \$699,000 from the Public Health Diversion Center.

## DOHMH Budget Issues

The Department of Health and Mental Hygiene's Fiscal 2017 Preliminary Budget totaled \$1.41 billion (including City and non-City funds), an increase of \$60 million, or four percent, when compared to the \$1.35 billion Fiscal 2016 Adopted Budget. Excluding General Administration costs, DOHMH's Fiscal 2017 operating budget for Public Health funding totaled \$618 million, a decrease of \$3.4 million, or less than one percent, when compared to the budget at Adoption. Major new needs included \$23.5 million to enhance HIV/AIDS prevention and healthcare services and \$3.8 million to conduct legionella and cooling tower inspections.

The Division of Mental Hygiene's Fiscal 2017 operating budget in the Preliminary Plan totaled \$623 million, an increase of \$63 million, or 10 percent, when compared to the budget at adoption. DOHMH funding for the ThriveNYC Mental Health Roadmap totaled \$56 million in Fiscal 2017, accounting for the majority, 63 percent, of the Department's total new needs. Major new needs under this initiative include \$8.2 million to assess the mental health needs in public schools and to implement effective interventions; \$13.8 million to expand mental health treatment options and resources; and \$18 million to develop a mental health corps.

The Council's response to the Mayor's Fiscal 2017 Preliminary Budget included several recommendations for DOHMH. The Administration included the following Council recommendations in the Fiscal 2017 Executive Budget.

- **Build Animal Shelters in Queens and the Bronx.** The Council urged the Administration to include \$10 million in capital funding to provide full-service animal shelters in the Bronx and Queens. The Fiscal 2017 Executive Budget includes \$5 million for a shelter in the Bronx and \$5 million for a shelter in Queens.

The Council recommended the following actions in its Preliminary Budget Response in an effort to budget for a more equitable City, to expand and enhance vital City services, and to safeguard the City's programs and services through budget stability. However, the Administration did not include any of these proposals in the Executive Budget.

- **Engage HIV-Positive People in Shelters.** The Council urged the Administration to conduct outreach and engagement efforts among HIV-positive individuals in City shelters, helping to connect this population to healthcare, housing, and other services, at an estimated cost of \$1 million.
- **Support Critical Mental Health Programs.** The Council called on the Administration to increase funding for substance abuse treatment and suicide prevention.
- **Study Potential for Supervised Injection Facilities (SIFs) in NYC.** The Council asked the Administration to conduct an impact study on instituting SIFs in the City, including an assessment of the pertinent legal barriers, at an estimated cost of \$230,000.
- **Crystal Methamphetamine (CM) Project.** The Council urged the Administration to implement social marketing campaigns and clinician training to address increasing rates of CM use among young men who have sex with men (MSM), specifically Latino and Black MSM, at an estimated cost of \$200,000.
- **Ensure Transparency and Accountability in ThriveNYC.** The Council called for transparency and accountability as the Administration implements the \$850 million ThriveNYC Mental Health Roadmap.
- **Expand the Nurse-Family Partnership (NFP).** The Council called on the Administration to include \$8 million to expand NFP, potentially in the seven New York City community districts with the highest average infant mortality rates.
- **Enhance Access Health NYC.** The Council recommended the Administration allocate \$4 million to Access Health NYC to enable community-based organizations to expand their outreach and education efforts.
- **Coordinate PrEP Services at Syringe Exchange Program Sites.** The Council called on the Administration to co-locate pre-exposure prophylaxis (PrEP) education and referral services at key syringe exchange sites, at an estimated cost of \$900,000.

To view the Council's response to the Fiscal 2017 Preliminary Budget in its entirety, please visit: <http://council.nyc.gov/html/budget/2017/FY17-Preliminary-Budget-Response.pdf>



## Public Health

The Executive Budget allocates \$658.4 million for Public Health expenditures in Fiscal 2017, an increase of \$32 million, or five percent, since the Fiscal 2016 Adopted Budget of \$626.2 million. Public Health funding represents approximately 44 percent of the Department's overall budget, excluding General Administration funding.

DOHMH Public Health Spending						
	2014	2015	2016	Executive Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2016	2017	2016 - 2017
<b>PS-OTPS Spending</b>						
Personal Services	\$242,611	\$261,398	\$263,729	\$265,027	\$291,231	\$27,502
Other Than Personal Svcs	456,764	483,551	362,485	425,697	367,137	4,652
<b>Subtotal, Public Health</b>	<b>\$699,375</b>	<b>\$744,950</b>	<b>\$626,214</b>	<b>\$690,724</b>	<b>\$658,367</b>	<b>\$32,154</b>
<b>Funding</b>						
City Funds			\$290,147	\$239,494	\$291,259	\$1,111
Federal - Other			226,819	276,916	232,089	5,269
Intra City			2,055	9,943	2,564	508
Other Categorical			1,242	3,434	1,260	18
State			105,950	160,937	131,196	25,246
<b>Subtotal, Public Health</b>	<b>\$699,375</b>	<b>\$744,950</b>	<b>\$626,214</b>	<b>\$690,724</b>	<b>\$658,367</b>	<b>\$32,154</b>

The Center for Health Equity; Disease Prevention and Treatment; Emergency Preparedness and Response; Environmental Disease and Injury Prevention; Environmental Health; Epidemiology; Family and Child Health; Prevention and Primary Care; and World Trade Center Related Programs comprise the Department's Public Health program areas. Major Fiscal 2017 Executive Budget actions occurred in the following program areas.

**Environmental Health.** The Fiscal 2017 Executive Budget allocates \$86.7 million for Environmental Health, an increase of \$4.4 million, or five percent, since the Fiscal 2016 Adopted Budget. The Fiscal 2017 Budget for Environmental Health represents approximately six percent of the Department's budget. Major changes in this program area include:

- *Child Care Enhanced Risk-Based Inspection.* The Department intends to expand child care center oversight, increasing inspection of poor performing child care providers and investigating illegal child care centers. Recent efforts include an accelerated inspection schedule to address child care sites with persistent code violations and an illegal childcare detection unit to track down illegal day care sites through popular websites such as Yelp and Craigslist. Fiscal 2017 funding to enhance child care risk-based inspection totals \$2.4 million, increasing to \$3.1 million in Fiscal 2018. Included in the Executive Budget is an additional 41 positions.
- *Legionella and Cooling Towers Inspection.* The Department must adhere to legislation passed after the 2015 Legionnaires' disease outbreak in New York City requiring the registration of all cooling towers, as well as annual certification, quarterly inspection, and reporting of increased microbes to DOHMH. The Fiscal 2017 Preliminary Budget included \$3.8 million for legionella and cooling tower inspection based on the Department's initial estimate of 4,000 cooling towers throughout the City. The Department revised the estimate to 6,500 cooling towers citywide and increased the funding and headcount. Fiscal 2017 funding for legionella and cooling towers inspection in the Executive Budget totals \$3.4 million, including \$2.2 million in CTL and \$1.2 million in State funding. The Fiscal 2017 Executive Budget adds 28 positions for inspectors and lab and research staff to conduct surveillance, outbreak investigations, and data

analyses. Funding for cooling towers inspection in the Executive Budget, combined with Fiscal 2016 and 2017 funding in the Preliminary Plan, totals more than \$10 million and 72 positions.

**Disease Prevention and Treatment.** The Fiscal 2017 Executive Budget allocates \$270.5 million for Disease Prevention and Treatment, an increase of \$26.4 million, or ten percent, since Adoption. HIV/AIDS accounts for \$196 million, or 72 percent, of the Disease Prevention and Treatment budget. The program area accounts for approximately 18 percent of the Department's budget. Major changes in the program area include:

- *Zika Response.* The Department's Zika response will build upon its comprehensive West Nile Virus mosquito control infrastructure and strategy, increasing surveillance and testing in order to identify mosquito species capable of harboring Zika virus. Additional prevention efforts include doubling the number of mosquito traps throughout the five boroughs and increasing pesticide spraying citywide. The Department plans to increase awareness of the disease through direct communication with physicians, providers, elected officials, and community-based organizations, as well as through a public awareness campaign. Fiscal 2017 funding for the Zika response totals \$13.5 million, including \$8.9 million in CTL and \$4.6 million in State funding, in addition to \$3.3 million in the outyears. The Executive Budget adds 51 positions for exterminators, inspectors, and lab analysts.

**Prevention and Primary Care.** The Fiscal 2017 Executive Budget allocates \$67.5 million to Prevention and Primary Care, a decrease of \$25 million, or 37 percent since Adoption, which is attributable to the loss of Correctional Health management and funding. The program area accounts for approximately five percent of the Department's budget. Major changes in the program area include:

- *Culture of Health Wellness Program.* The Department will provide technical and programmatic assistance to the Culture of Health Wellness Program, an Office of Labor Relations initiative to identify and test health interventions in six City agencies. Designed to achieve healthcare savings, the workplace wellness pilot program will include smoking cessation programs and physical fitness initiatives. The Executive Budget includes \$359,000 and five new positions in Fiscal 2017 for the program, increasing to \$615,000 and seven positions in Fiscal 2018 and to \$778,000 and nine positions in Fiscal 2019.

**Family and Child Health.** The Fiscal 2017 Executive Budget allocates \$140.5 million to Family and Child Health, an increase of \$16 million, or four percent, since Adoption. Family and Child Health represents approximately nine percent of the Department's budget, excluding the Early Intervention program. Major changes in the program area include:

- *Growing Up NYC.* The "Growing Up NYC" campaign, a Children's Cabinet initiative, will identify key childhood developmental milestones and corresponding risk factors across health, education, and social development categories in an effort to empower children to reach their full health potential. The Executive Budget includes \$265,000 and one new position in Fiscal 2016 to develop educational materials and outreach campaigns, increasing to \$1.5 million and two positions in Fiscal 2017.
- *Neighborhood Health Action Centers.* The Center for Health Equity's Neighborhood Health Action Centers initiative revitalizes underutilized DOHMH buildings by co-locating Federally Qualified Health Centers (FQHC), public hospital clinical services,

community-based organizations, and service providers, thereby improving coordination and facilitating collaboration among the organizations that operate out of the building. The Action Centers will identify existing neighborhood assets and resource gaps in order to improve population health via community health planning. The Executive Budget allocates \$3.5 million to Neighborhood Health Action Centers in Fiscal 2017, including \$2.4 million in CTL and \$1.2 million in State funding. The Budget adds 34 positions to promote community health and reduce health disparities.

## Mental Health

The Executive Budget allocates \$637.8 million for Mental Health expenditures in Fiscal 2017, an increase of \$77 million, or 12 percent, when compared to the Fiscal 2016 Adopted Budget of \$560.9 million. Mental Health funding represents approximately 43 percent of the Department's overall budget. Major investments in opioid overdose prevention under the ThriveNYC initiative, including the expansion of naloxone availability and training, comprise the majority of new needs funding for Mental Health.

DOHMH Mental Hygiene Spending						
	2014	2015	2016	Executive Plan		*Difference
<i>Dollars in Thousands</i>	Actual	Actual	Adopted	2016	2017	2016 - 2017
<b>PS-OTPS Spending</b>						
Personal Services	\$36,269	\$37,905	\$45,743	\$47,244	\$58,777	\$13,033
Other Than Personal Services	507,023	523,782	515,137	574,105	578,990	63,853
<b>Subtotal, Mental Hygiene</b>	<b>\$543,292</b>	<b>\$561,687</b>	<b>\$560,880</b>	<b>\$621,349</b>	<b>\$637,767</b>	<b>\$76,887</b>
<b>Funding</b>						
City Funds			\$159,767	\$172,319	\$230,607	\$70,841
Federal - Other			57,643	58,635	53,345	(4,299)
Intra City			0	2,202	0	0
State			343,470	388,194	353,814	10,344
<b>Subtotal, Mental Hygiene</b>	<b>\$543,292</b>	<b>\$561,687</b>	<b>\$560,880</b>	<b>\$621,349</b>	<b>\$637,767</b>	<b>\$76,887</b>

The Division of Mental Hygiene program areas include Early Intervention; Mental Hygiene Administration; Mental Hygiene – Chemical Dependency; Mental Hygiene – Developmental Disabilities; and Mental Hygiene – Mental Health Services. Major Fiscal 2017 Executive Budget actions are in the following program areas.

**Mental Hygiene – Chemical Dependency.** The Fiscal 2017 Executive Budget includes \$91.8 million in Mental Hygiene – Chemical Dependency, an increase of \$14.3 million, or 16 percent, since Adoption. Chemical Dependency accounts for approximately six percent of the Department's budget. New needs funding to address the opioid epidemic totals \$5.4 million in Fiscal 2017—excluding Office of the Chief Medical Examiner (OCME) new needs—and includes the following:

- *Expand Naloxone Distribution.* The Department will purchase 7,500 additional naloxone kits annually, providing 18,500 kits to community-based organizations (CBOs). The Department will also fund two-to-three peer educators at 10-12 CBOs in order to enhance the organizations' capacity to distribute naloxone and meet community demand. The Executive Budget allocates two positions and \$1.3 million in Fiscal 2017 and in the outyears to expand naloxone distribution, including \$1.1 million in CTL and \$216,000 in State funding. In addition, last year's Executive Budget increased baseline

funding of \$750,000 to expand access to naloxone following a recommendation in the Council's Response to the Fiscal 2016 Preliminary Budget.

- *Harm Reduction Services.* DOHMH will expand harm reduction services throughout the City, including syringe exchange programs, mobile outreach initiatives, and drop-in centers. The program will increase the number of intravenous drug users it serves from 16,000 individuals to 28,000 individuals. The Executive Budget includes two positions and \$1.1 million in Fiscal 2017, including \$733,000 in CTL and \$360,000 in State funding, increasing to \$3.1 million in the outyears. The program complements the Council-funded Injection Drug Users Health Alliance (IDUHA) Initiative, which provided \$1 million in Fiscal 2016 to prevent the spread of HIV/AIDS through intravenous drug use through sterile syringe access, hepatitis C care coordination, overdose prevention, addiction treatment, and mental health screenings.
- *Identification and Surveillance.* The Department will enhance efforts to identify opioid misuse hotspots throughout the City in order to improve the Department's public health intervention efforts. The Executive Budget increases \$378,000 in Fiscal 2017 to enhance identification and surveillance efforts, increasing to \$456,000 in the outyears. The Budget also adds four positions.
- *Nonfatal Overdose Response System.* The Department will partner with community-based organizations and local hospitals to implement an identification and intervention system for individuals who have experienced non-fatal opioid overdose. DOHMH will also work with Emergency Departments in hospitals to connect peer navigators with consenting patients who have nearly died from an overdose. The program will target three neighborhoods in the first year—in Staten Island, the Bronx, and another location to be determined—in order to reach approximately 1,000 nonfatal individuals annually, growing to 3,000 individuals at full implementation. Over three years, the program will expand to 10 teams throughout the five boroughs. The Executive Budget includes four positions and \$828,000 in Fiscal 2017 to implement the system, increasing to \$2.5 million in the outyears.
- *Outreach Campaign.* DOHMH will conduct substance misuse media campaigns to increase the public's awareness about opioid abuse, targeting high-risk groups and neighborhoods. The Executive Budget includes \$500,000 in Fiscal 2017 and the outyears to implement the outreach campaign. The dedicated budget will enable the Department to implement strategic, ongoing campaigns.
- *Prescriber Education and Training.* The Department will educate approximately 1,500 healthcare providers annually about the prudent prescription of opioids in an effort to reduce unnecessary exposure to the drugs and the subsequent transition to heroin use and to curb the proliferation of illegally possessed prescription drugs. The Fiscal 2017 Executive Budget includes \$811,000 and four positions for prescriber education and training, increasing to \$1.2 million in the outyears.
- *Staten Island Adolescent Program.* The Department will provide intervention and counseling services to Staten Island youth through the Staten Island Mental Health Society's Adolescent Program, encouraging and facilitating youth engagement in healthy activities. The Fiscal 2017 Executive Budget includes \$450,000 to the program, including \$300,000 to help stabilize youth in the community who are at risk for substance abuse

and \$150,000 to provide treatment services for teens struggling with opioid and other substance addictions.

- *Training for Counselors.* DOHMH will work with treatment counselors in the substance misuse community to promote evidence-based best practices and holistic care, training at least 400 counselors in the first year of the program and 800 counselors in subsequent years. The Fiscal 2017 Executive Budget includes \$350,000 for counselor training, increasing to \$750,000 in Fiscal 2018.

**Mental Health Services.** The Fiscal 2017 Executive Budget allocates \$292.1 million to Mental Hygiene – Mental Health Services, an increase of \$66.6 million, or 23 percent, since Adoption. The program area represents approximately 20 percent of the Department’s budget. Major changes in the program area include:

- *NYC Safe HUB.* The Department will enhance data integration, technology, training, and analytic support for NYC Safe HUB, a joint effort with the Mayor’s Office of Criminal Justice to identify and monitor New Yorkers who have untreated serious mental illness and pose a concern for violent behavior. The Executive Budget includes five positions and \$1.7 million in Fiscal 2017 to increase NYC Safe staff, implement trainings, and upgrade technology. The funding decreases to \$655,000 in the outyears.

## Administration

The Executive Budget includes \$124.5 million for General Administration in Fiscal 2017, an increase of \$25.7 million, or 21 percent, since the Fiscal 2016 Adopted Budget of \$98.8 million. General Administration represents approximately eight percent of the Department’s budget. Major changes in the program area include:

- *IT Insourcing.* The Executive Budget includes \$970,000 in Fiscal 2017 to support IT insourcing and reduce the need for outside consultants, part of a citywide initiative to promote and sustain institutional knowledge among in-house staff. The funding includes \$680,000 in CTL and \$292,000 in State funding and 20 new positions. The funding increases to \$972,000 in the outyears. The Department anticipates the IT insourcing will produce \$210,000 in savings annually.
- *Preventative Maintenance.* The Executive Budget includes \$985,000 to better maintain the agency’s facilities and equipment, including boilers and heating, ventilating, and air conditioning (HVAC) technology. The program, part of a citywide preventative maintenance initiative, will decrease energy consumption and reduce utility and capital costs. The funding increases to \$1.4 million in Fiscal 2018. The Department anticipates the subsequent reduction in maintenance contracts will produce \$245,000 in savings in Fiscal 2017 and \$490,000 in savings in the outyears.
- *Space Needs.* The Executive Budget includes \$4.3 million in Fiscal 2017 to meet the Department’s increased need for office space due to new and expanding initiatives, including ThriveNYC and Ending the Epidemic. The Department, working with the Department of Citywide Administrative Services (DCAS), intends to lease space near Gotham Center in Long Island City’s Queens Plaza section. The funding includes \$3 million in CTL and \$1.3 million in State funding.

## DOHMH Capital Program

### Capital Commitment Plan

The Fiscal 2017 Executive Budget Capital Commitment Plan includes \$367.8 million in Fiscal 2016-2020 for the Department of Health and Mental Hygiene (including City and Non-City funds). The agency's Executive Commitment Plan for Fiscal 2016-2020 is \$10.4 million, or three percent, greater than the \$357.4 million scheduled in the Preliminary Commitment Plan.

The majority of capital projects span multiple fiscal years; therefore, it remains common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal 2015, DOHMH committed \$51.5 million, or 66 percent, of its annual capital plan. Therefore, it is assumed that a significant portion of the agency's Fiscal 2016 Capital Plan will be rolled into Fiscal 2017, increasing the size of the Fiscal 2017-2020 Capital Plan as detailed in the following chart.

DOHMH 2016-2020 Capital Commitment Plan						
<i>Dollars in Thousands</i>	2016	2017	2018	2019	2020	Total
<b>Executive Plan</b>	\$95,459	\$68,007	\$129,953	\$48,570	\$25,851	<b>\$367,840</b>
<b>Preliminary Plan</b>	\$113,748	\$129,395	\$47,763	\$40,634	\$25,851	<b>\$357,391</b>
<b>Change</b>	(\$18,289)	(\$61,388)	\$82,190	\$7,936	\$0	<b>\$10,449</b>
<b>Percentage Change</b>	(16%)	(47%)	172%	20%	0%	<b>3%</b>

Source: OMB Fiscal 2017 Executive Capital Commitment Plan

### Executive Budget Highlights

**Full-Service Animal Shelters.** The Fiscal 2017 Executive Budget includes \$10 million in capital funding to enable the land acquisition and design necessary to build two new, state-of-the-art, full-service animal shelters in the Bronx and Queens.

The capital funding, divided evenly between the two sites, includes \$2 million in Fiscal 2017 for shelter design and \$8 million in Fiscal 2018 for land acquisition, marking the largest investment in the shelter system since the City assumed control of the shelters in the 1990s.

Currently, the Department contracts with the nonprofit Animal Care Centers of NYC (ACC) to operate three full-service animal shelters in Manhattan, Brooklyn and Staten Island, and two animal admissions centers in the Bronx and Queens. Full-service animal shelters are able to provide medical treatment for relinquished animals, house missing animals, and offer direct animal adoptions.

**The Joseph P. Addabbo Family Health Center.** The Fiscal 2017 Executive Budget includes \$3 million in capital funding to renovate and expand the Joseph P. Addabbo Family Health Center, a Federally Qualified Health Center located in Eastern Rockaway, Queens.

The funding will enable Addabbo to build new exam rooms and training facilities and improve resiliency to storms. Addabbo anticipates a 20 percent increase in the number of patient visits the 6200 Beach Channel Drive Center receives by the third year of the completed expansion, from 62,000 patient visits to 82,000 visits.

**Appendix 1: DOHMH Fiscal 2017 Budget Actions since Fiscal 2016 Adoption**

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
<b>DOHMH Budget as of 2016 Adopted Budget</b>	<b>\$577,804</b>	<b>\$772,445</b>	<b>\$1,350,249</b>	<b>\$545,020</b>	<b>\$760,926</b>	<b>\$1,305,946</b>
<b>New Needs</b>						
Ending the Epidemic	\$2,000	\$1,125	\$3,125	\$14,980	\$8,426	\$23,406
Homeless Shelters - Pest Control	343	56	400	363	67	431
K2 - Media Campaign	344	-	344	-	-	-
Legionella and Cooling Towers Inspection	1,853	1,028	2,880	2,442	1,360	3,802
NYC Safe	1,000	-	1,000	13,855	-	13,855
OMCE - Gun Testing	-	-	-	2,031	-	2,031
Public Health Diversion Center	-	-	-	3,817	-	3,817
Roadmap - Buprenorphine	81	-	81	268	-	268
Roadmap - CBO Action Guide	88	-	88	242	-	242
Roadmap - CUNY Digital Platforms	296	-	296	725	-	725
Roadmap - Innovation Lab	141	-	141	843	-	843
Roadmap - Media Campaign	3,845	-	3,845	2,020	-	2,020
Roadmap - Mental Health Corps	1,507	-	1,507	18,016	-	18,016
Roadmap - Mental Health First Aid	600	-	600	1,287	-	1,287
Roadmap - NYC Support Call Center	-	-	-	5,299	-	5,299
Roadmap - Peer Training	-	-	-	2,861	-	2,861
Roadmap - School Mental Health	1,145	-	1,145	8,265	-	8,265
Roadmap - Social-Emotional Learning	592	-	592	2,549	-	2,549
Roadmap - Workforce Summit	71	-	71	-	-	-
Talk to Your Baby Phase II	690	-	690	-	-	-
<b>Subtotal, New Needs</b>	<b>\$14,596</b>	<b>\$2,209</b>	<b>\$16,805</b>	<b>\$79,865</b>	<b>\$9,853</b>	<b>\$89,718</b>
<b>Other Adjustments</b>						
<b>Fiscal 2016 November Plan</b>	<b>(\$400)</b>	<b>\$53,224</b>	<b>\$52,823</b>	<b>\$1,015</b>	<b>\$9,440</b>	<b>\$10,455</b>
AIDS/HIV Ryan White Project	-	390	390	-	-	-
Article 6 Adjustments	-	3,297	3,297	-	-	-
Categorical Grants	-	8,148	8,148	-	1,199	1,199
CEO: Expand Access to Healthy Foods	-	-	-	182	103	285
City Council Member Items	(556)	-	(556)	-	-	-
Collective Bargaining	41	334	374	50	496	545
Intercity DOHMH FY16	-	3,879	3,879	-	-	-
OASAS State Aid Letter 9-28-15	-	3,735	3,735	-	2,735	2,735
OCME	-	3,633	3,633	-	-	-
OMH State Aid Letter 9-22-15	-	5,379	5,379	-	2,291	2,291
OPWDD 7-30-15 SAL	-	(825)	(825)	-	(825)	(825)
Other Adjustments	-	1,652	1,652	-	-	-
PS Accruals	(3,500)	-	(3,500)	(1,500)	(643)	(2,143)
PS/OTPS Shifts	-	850	850	-	(70)	(70)
Revenue Savings	(38,975)	38,975	-	-	-	-
<b>Subtotal, Other Adjustments</b>	<b>(\$43,390)</b>	<b>\$122,673</b>	<b>\$77,631</b>	<b>(\$253)</b>	<b>\$14,724</b>	<b>\$14,471</b>
<b>TOTAL, All Changes</b>	<b>(\$28,794)</b>	<b>\$124,882</b>	<b>\$94,436</b>	<b>\$79,611</b>	<b>\$24,577</b>	<b>\$104,189</b>
<b>DOHMH Budget as of 2017 Prelim. Budget</b>	<b>\$549,010</b>	<b>\$897,327</b>	<b>\$1,444,685</b>	<b>\$624,631</b>	<b>\$785,503</b>	<b>\$1,410,135</b>
<b>New Needs</b>						
Child Care Inspection	-	-	-	2,372	-	2,372
Cooling Towers Inspection	-	-	-	2,194	1,234	3,428
Culture of Health Wellness	-	-	-	359	-	359
Growing Up NYC	265	-	265	1,495	-	1,495
Harm Reduction Services	-	-	-	733	360	1,093
Identification & Surveillance	-	-	-	378	-	378
Fentanyl Testing	-	-	-	233	-	233
Forensic Toxicology	-	-	-	616	-	616
Increased Mortuary Security	-	-	-	964	-	964
IT Insourcing	-	-	-	680	292	972
Naloxone Distribution	-	-	-	1,088	216	1,304
Neighborhood Health Action Centers	-	-	-	2,359	1,153	3,512

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
Nonfatal Overdose Response Team	-	-	-	\$828	-	\$828
NYC Safe HUB	-	-	-	1,655	-	1,655
Opioid Outreach Campaigns	-	-	-	500	-	500
Opioid Training for Counselors	-	-	-	350	-	350
Prescriber Education & Training	-	-	-	811	-	811
Preventative Maintenance	-	-	-	985	-	985
Space Needs	-	-	-	2,919	1,340	4,259
Staten Island Adolescent Program	-	-	-	450	-	450
Zika Response	-	-	-	8,909	4,554	13,463
<b>Subtotal, New Needs</b>	<b>\$265</b>	<b>\$0</b>	<b>\$265</b>	<b>\$30,878</b>	<b>\$9,149</b>	<b>\$40,026</b>
<b>Other Adjustments</b>						
Administrative Intercity & Transfers	\$3	\$5,129	\$5,131	(\$3,077)	\$486	(\$2,591)
Article 6	-	797	797	-	-	-
Behavioral Health Task Force	-	3,000	3,000	-	3,000	3,000
Categorical Grants	-	16,050	16,050	-	2,730	2,730
Collective Bargaining	148	255	403	160	318	479
Community Health Survey	-	706	706	-	-	-
Council Member Items	361	-	361	-	-	-
Early Intervention	-	25,067	25,067	-	(844)	(844)
Efficiencies	-	-	-	(1,767)	(754)	(2,521)
Funding Rolls, Other	(9,516)	(204)	(9,719)	9,516	204	9,719
Heat, Light, Fuel & Power	(1,374)	(452)	(1,827)	(1,104)	(324)	(1,427)
H+H Transfers	2,578	1,450	4,028	-	-	-
Healthy Neighborhoods Program	-	166	166	-	-	-
Hurricane Sandy	-	220	220	-	-	-
Lease Adjustment	-	-	-	999	408	1,407
OASAS, OMH & OPWDD	-	3,469	3,469	-	3,201	3,201
Overtime Reductions	-	-	-	(620)	(194)	(813)
PS, OTPS Shifts, Accruals	-	2,091	2,091	(5,000)	(1,896)	(6,896)
Public Health Diversion Center Roll	(699)	-	(699)	699	-	699
Realignments	-	-	-	-	26,032	26,032
Wage Adjustment	5,750	27	5,777	5,750	27	5,777
WTC Zadroga	816	-	816	816	-	816
Zika	-	5,407	5,407	-	-	-
Other Adjustments	-	59	59	4	-	4
<b>Subtotal, Other Adjustments</b>	<b>(\$1,933)</b>	<b>\$63,237</b>	<b>\$61,304</b>	<b>\$6,377</b>	<b>\$32,395</b>	<b>\$38,772</b>
<b>TOTAL, All Changes</b>	<b>(\$1,668)</b>	<b>\$63,237</b>	<b>\$61,569</b>	<b>\$37,254</b>	<b>\$41,544</b>	<b>\$78,798</b>
<b>DOHMH Budget as of 2017 Executive Budget</b>	<b>\$547,342</b>	<b>\$960,564</b>	<b>\$1,506,254</b>	<b>\$661,885</b>	<b>\$827,047</b>	<b>\$1,488,933</b>

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