

# THE COUNCIL OF THE CITY OF NEW YORK

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Speaker of the Council

Hon. Andrew Cohen  
Chair, Committee on Mental Health, Developmental Disabilities, Alcoholism, Drug  
Abuse and Disability Services



Report of the Finance Division on the  
Fiscal 2018 Preliminary Budget and the  
Fiscal 2017 Preliminary Mayor's Management Report for the

## **Department of Health and Mental Hygiene**

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## Table of Contents

Department of Health and Mental Hygiene Overview .....	1
Report Structure .....	1
Fiscal 2018 Preliminary Plan Highlights .....	2
DOHMH Actual and Planned Spending.....	3
Financial Summary.....	4
Fiscal 2017 Current Modified Budget.....	5
Revenue Budget.....	6
DMH State and Federal Grants.....	6
Contract Budget.....	7
Council Initiatives .....	8
State Executive Budget Highlights.....	9
Medicaid.....	10
Early Intervention .....	10
Jail-Based Restoration .....	10
Cost-of-Living Adjustment .....	11
Agency Initiatives.....	11
Program Areas .....	13
Family & Child Health – Early Intervention .....	13
Performance Indicator .....	14
Mental Hygiene – Mental Health Services .....	15
Performance Indicator .....	16
Mental Health Services .....	17
City Comptroller Audit .....	17
Mental Hygiene – Chemical Dependency.....	18
Performance Indicators .....	19
Mental Hygiene – Developmental Disabilities.....	19
Mental Hygiene – Administration .....	21
Capital Program .....	22
Capital Budget Summary .....	22
Preliminary Ten-Year Capital Strategy.....	23
DOHMH Ten-Year Capital Strategy by Category.....	24
Appendix A: DOHMH Budget Actions in the November and the Preliminary Plans.....	25

## Department of Health and Mental Hygiene Overview

The Department of Health and Mental Hygiene (DOHMH or the Department) protects and promotes the health and well-being of all New Yorkers. The Department develops and implements robust public health education activities and policy recommendations, enforces health regulations, and provides limited direct health services. The Department works to ensure that conditions for good health—available, sustainable, high-quality services and efficient, effective systems—flourish in New York City.

The Division of Mental Hygiene is responsible for planning, purchasing and monitoring contracts with community agencies and hospitals to ensure that New York City residents—particularly children, adolescents and adults with mental illnesses—have access to a wide network of mental hygiene treatment programs and support services. The Division also conducts needs assessments and epidemiological analyses, develops and implements policy and programmatic initiatives, and evaluates the performance of the mental hygiene system. The Division plans and implements its mental hygiene system in partnership with three New York State agencies: The Office of Mental Health (OMH), the Office of People with Developmental Disabilities (OPWDD) and the Office of Alcoholism and Substance Abuse Services (OASAS).

The merger between the New York City Department of Health and the Department of Mental Health, Mental Retardation and Alcoholism Services in 2002 eliminated the separation of services that prove deeply entwined. Since the merger, the Division of Mental Hygiene partners more effectively with providers, consumers, and families to ensure access to quality services and to improve the lives of New Yorkers with mental illness and chemical dependency disorders, as well as those with mental retardation and developmental delays and disabilities.

### Report Structure

This report reviews the Department of Health and Mental Hygiene's \$1.5 billion Fiscal 2018 Preliminary Budget. The report presents the expense budget highlights and the Miscellaneous Revenue Budget, followed by a review of Council-funded initiatives and relevant New York State budget actions. The report then analyzes the Division of Mental Hygiene's program areas and reviews relevant sections of the Fiscal 2017 Preliminary Mayor's Management Report. The report then analyzes the Fiscal 2018 Contract Budget for DOHMH, and the Department's proposed capital budget, including an analysis of the Preliminary Ten-Year Capital Strategy for the Department and significant changes proposed to the City's \$64 billion Capital Plan for Fiscal 2017-2020. Finally, the appendices outline the Budget Actions in the November and Preliminary Plans.

## Fiscal 2018 Preliminary Plan Highlights

### Expense Budget

The City's Fiscal 2018 Preliminary Budget totals \$86.45 billion, an increase of \$2.57 billion, or approximately three percent, when compared to the \$83.88 billion Fiscal 2017 Adopted Budget. The Department of Health and Mental Hygiene's Fiscal 2018 Preliminary Budget totals \$1.51 billion (including City and non-City funds), a decrease of \$13.3 million, or less than one percent, when compared to the \$1.52 billion Fiscal 2017 Adopted Budget. At \$459 million, spending for Personal Services (PS) accounts for 30 percent of the Department's Fiscal 2018 operating budget, and at \$1.1 billion, Other Than Personal Services (OTPS) accounts for 70 percent.

DOHMH Expense Budget						
<i>Dollars in Thousands</i>	Actual		Adopted	Preliminary Plan		*Difference
	2015	2016	2017	2017	2018	2017 - 2018
<b>DOHMH Spending</b>						
Personal Services	\$389,963	\$400,873	\$445,233	\$458,459	\$459,034	\$13,801
Other Than Personal Services	1,105,584	1,049,801	1,079,050	1,139,160	1,051,938	(27,112)
<b>TOTAL</b>	<b>\$1,495,547</b>	<b>\$1,450,674</b>	<b>\$1,524,283</b>	<b>\$1,597,619</b>	<b>\$1,510,972</b>	<b>(\$13,311)</b>
<b>Mental Hygiene</b>						
Personal Services	\$37,905	\$39,869	\$58,777	\$54,217	\$63,307	\$4,531
Other Than Personal Services	523,782	578,032	593,854	628,792	617,391	23,536
<b>Subtotal, Division of Mental Hygiene</b>	<b>\$561,687</b>	<b>\$617,901</b>	<b>\$652,631</b>	<b>\$683,009</b>	<b>\$680,698</b>	<b>\$28,067</b>
<b>Public Health</b>						
Personal Services	\$261,398	\$264,673	\$284,934	\$297,104	\$289,590	\$4,656
Other Than Personal Services	483,551	372,796	393,084	407,349	345,291	(47,793)
<b>Subtotal, Division of Public Health</b>	<b>\$744,950</b>	<b>\$637,469</b>	<b>\$678,018</b>	<b>\$704,453</b>	<b>\$634,880</b>	<b>(\$43,137)</b>
<b>OCME</b>						
Personal Services	\$47,104	\$48,977	\$52,457	\$54,209	\$52,527	\$71
Other Than Personal Services	19,436	19,602	16,465	20,146	15,851	(614)
<b>Subtotal, OCME</b>	<b>\$66,539</b>	<b>\$68,579</b>	<b>\$68,922</b>	<b>\$74,355</b>	<b>\$68,378</b>	<b>(\$544)</b>
<b>General Administration</b>						
Personal Services	\$43,555	\$47,354	\$49,066	\$52,930	\$53,610	\$4,544
Other Than Personal Services	78,815	79,371	75,647	82,873	73,406	(2,241)
<b>Subtotal, Admin</b>	<b>\$122,370</b>	<b>\$126,725</b>	<b>\$124,713</b>	<b>\$135,802</b>	<b>\$127,016</b>	<b>\$2,303</b>
<b>DOHMH Total</b>	<b>\$1,495,547</b>	<b>\$1,450,674</b>	<b>\$1,524,283</b>	<b>\$1,597,619</b>	<b>\$1,510,972</b>	<b>(\$13,311)</b>

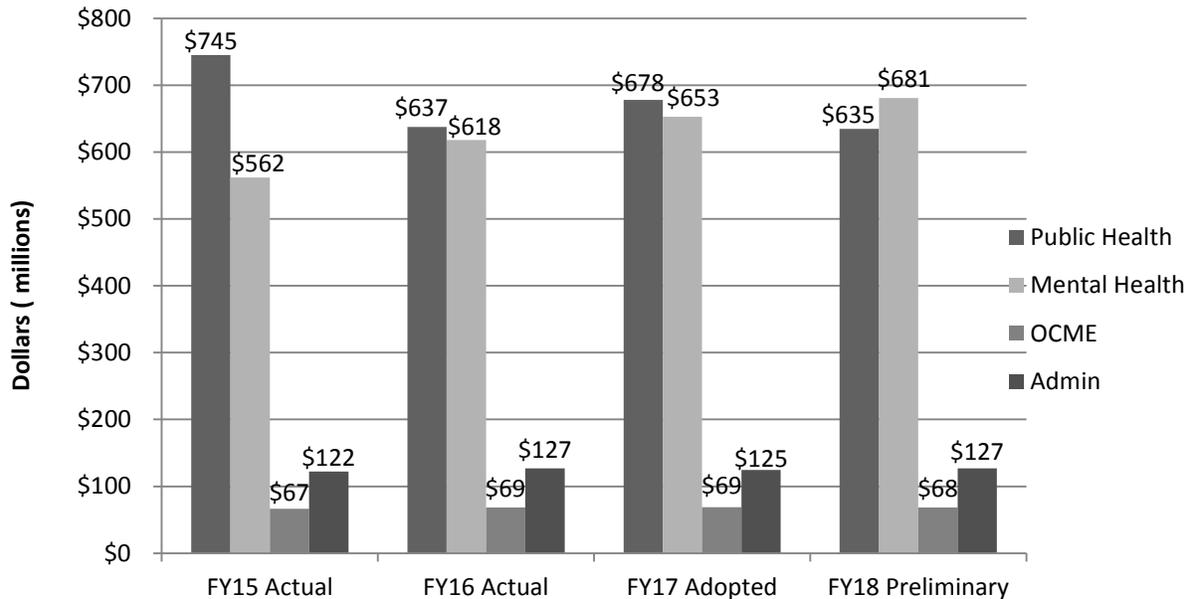
\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

Excluding general administration costs, DOHMH's Fiscal 2018 operating budget for the Division of Mental Hygiene totals \$681 million, an increase of \$28 million, or four percent, compared to the budget at adoption. DMH spending accounts for approximately 45 percent of the Department's total Fiscal 2018 spending of \$1.5 billion. Because the Division relies heavily on contract providers, the OTPS budget accounts for more than 90 percent, or \$617 million, of the Division's total \$681 million budget. OTPS spending increased by \$23.5 million, or four percent, in the Fiscal 2018 Preliminary Budget when compared to the budget at adoption, and PS spending increased by \$4.5 million, or seven percent.

The Department's Fiscal 2018 operating budget for Public Health totals \$635 million, a decrease of \$26 million, or four percent, when compared to the budget at adoption. Due to the breadth of services DOHMH provides, public health spending represents a variety of PS and OTPS costs. The PS budget accounts for 46 percent, or \$290 million, of the public health

sector’s overall budget, and the OTPS budget accounts for 54 percent, or \$345 million. In addition, the Department’s Fiscal 2018 budget includes more than \$68 million for the Office of the Chief Medical Examiner (OCME); Personal Services comprise 77 percent of these funds.

### DOHMH Actual and Planned Spending



The Department’s Fiscal 2018 Preliminary Budget includes \$4.75 million in new needs, primarily allocated to the Cure Violence Expansion. Other adjustments in DOHMH funding introduced since the Fiscal 2017 Adopted Budget result in a \$2.6 million funding decrease, predominantly the result of vacancy reductions and funding shifts.

Changes made to the DMH budget during the course of Fiscal 2017 are summarized in Appendix A, with all changes to DOHMH’s budget summarized in Appendix B. Fluctuations in non-City grant funding, collective bargaining costs, and other technical adjustments contribute to the changes in DOHMH spending for Fiscal 2018.

While the Fiscal 2017 Preliminary Plan added more than 400 positions and nearly \$90 million for DOHMH projects—including Ending the Epidemic and ThriveNYC: A Mental Health Roadmap—the Fiscal 2018 Preliminary Plan includes minimal new funding and a headcount reduction of 174 positions.

## Financial Summary

<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
<b>Budget by Program Area</b>						
<u>Division of Mental Hygiene (DMH)</u>						
Family & Child Health - EI	\$230,274	\$252,017	\$217,606	\$219,315	\$218,423	\$817
Mental Hygiene - Administration	20,185	21,362	23,271	20,424	25,114	1,842
Mental Hygiene - Chemical Dep	76,706	81,301	92,626	97,496	101,138	8,512
Mental Hygiene - Development Dis	14,310	12,080	17,144	16,458	12,561	(4,583)
Mental Hygiene – MH Services	220,212	251,142	301,984	329,316	323,462	21,478
<b>Subtotal, DMH</b>	<b>\$561,687</b>	<b>\$617,901</b>	<b>\$652,631</b>	<b>\$683,009</b>	<b>\$680,698</b>	<b>\$28,067</b>
<u>DOHMH, Other</u>						
Public Health	\$744,950	\$637,469	\$678,018	\$704,453	\$634,880	(\$43,137)
Administration - General	122,370	126,725	124,713	135,802	127,016	2,303
Office of Chief Medical Examiner	66,539	68,579	68,922	74,355	68,378	(544)
<b>Subtotal, DOHMH, Other</b>	<b>\$933,859</b>	<b>\$832,773</b>	<b>\$871,652</b>	<b>\$914,611</b>	<b>\$830,274</b>	<b>(\$41,378)</b>
<b>TOTAL</b>	<b>\$1,495,547</b>	<b>\$1,450,674</b>	<b>\$1,524,283</b>	<b>\$1,597,619</b>	<b>\$1,510,972</b>	<b>(\$13,311)</b>
<b>Funding</b>						
<u>DMH</u>						
City Funds			\$245,472	\$227,622	\$244,595	(\$877)
State			353,814	394,118	378,105	24,291
Federal - Other			53,345	59,103	55,831	2,487
Intra City			0	2,166	2,166	2,166
<b>Subtotal, DMH</b>	<b>\$561,687</b>	<b>\$617,901</b>	<b>\$652,631</b>	<b>\$683,009</b>	<b>\$680,698</b>	<b>\$28,067</b>
<u>DOHMH, Other</u>						
City Funds			\$451,764	\$437,425	\$418,047	(\$33,717)
Other Categorical			1,260	21,365	1,247	(13)
State			180,779	194,564	175,631	(5,148)
Federal - Other			235,153	248,200	232,649	(2,504)
Intra City			2,697	13,057	2,700	4
<b>Subtotal, DOHMH, Other</b>	<b>\$933,859</b>	<b>\$832,773</b>	<b>\$871,652</b>	<b>\$914,611</b>	<b>\$830,274</b>	<b>(\$41,378)</b>
<b>TOTAL</b>	<b>\$1,495,547</b>	<b>\$1,450,674</b>	<b>\$1,524,283</b>	<b>\$1,597,619</b>	<b>\$1,510,972</b>	<b>(\$13,311)</b>
<b>Budgeted Headcount</b>						
Division of Mental Hygiene	530	620	879	837	867	(12)
Public Health	2,672	2,682	3,279	3,309	3,150	(129)
Office of Chief Medical Examiner	569	565	668	640	643	(25)
General Administration	578	641	685	764	677	(8)
<b>TOTAL</b>	<b>4,349</b>	<b>4,508</b>	<b>5,511</b>	<b>5,550</b>	<b>5,337</b>	<b>(174)</b>

\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

The Department intends to spend approximately \$681 million on mental hygiene-related services in Fiscal 2018, representing 45 percent of the Department's overall \$1.5 billion budget. The Division of Mental Hygiene administers services through five distinct program areas: (1) Early Intervention (EI); (2) Mental Health Services; (3) Developmental Disabilities; (4) Chemical Dependency Services; and (5) Mental Hygiene Administration.

### Funding Sources

The contracting of local mental health services constitutes the primary role of the Division of Mental Hygiene. Contractual services, therefore, comprise more than 90 percent of the Division's spending. Generally, the State and federal governments mandate the contracted mental health services and the City serves as an administrator or fiscal conduit. Non-City

funds, therefore, comprise nearly two-thirds (64 percent) of all DMH funding, with more than half (56 percent) of the Division's revenue attributable to State aid.

### **Program Areas**

The Fiscal 2018 Preliminary Budget allocates \$101 million to the Chemical Dependency Program, an increase of more than \$8.5 million, or eight percent, when compared to the budget at adoption. Funding for Mental Health Services totals \$323 million in the Fiscal 2018 Preliminary Budget, an increase of \$21.5 million, or seven percent, compared to the Fiscal 2016 Adopted Budget. The Budget allocates \$218 million to the Early Intervention Program, an increase of \$817,000, or less than one percent, when compared to the Fiscal 2017 Adopted Budget.

The Fiscal 2018 Preliminary Budget allocates \$12.6 million to the Developmental Disabilities Program, a decrease of nearly \$4.6 million, or 36 percent, compared to the budget at adoption. Fluctuations in State and federal aid contribute to this change. Finally, the Fiscal 2018 Preliminary Budget includes \$25 million for Mental Hygiene Administration, an increase of \$1.8 million, or seven percent, when compared to the Fiscal 2017 Adopted Budget.

### **Headcount**

The Division of Mental Hygiene's headcount decreased by 12 positions between the Fiscal 2017 Adopted Budget and the Fiscal 2018 Preliminary Budget to 867 positions. The Early Intervention Program headcount increased by four positions to 266 positions and the Chemical Dependency Program increased by three positions to 49 positions, while the Developmental Disabilities Program headcount remained flat at 12 positions. The Mental Hygiene Administration and Mental Health Services headcounts both decreased, by 11 positions and eight positions, respectively, to 207 positions and 333 positions. The Department's Public Health and general administration sectors also experienced headcount decreases, resulting in a net decrease of 174 positions for DOHMH.

### **Fiscal 2017 Current Modified Budget**

Regarding the current fiscal year, the Department's Fiscal 2017 Budget, including OCME funding, stands at \$1.59 billion. The Department's Fiscal 2017 Budget at Adoption totaled \$1.52 billion, indicating a net increase of \$73.3 million since June 2016. While City funds decreased by more than \$32 million during this period, State funding increased by more than \$54 million; federal funding increased by nearly \$19 million; and intracity and other categorical funding provided an additional \$32 million. The non-City funding is generally in the form of grants.

The Department typically does not include federal and State funding in its preliminary appropriations but rather modifies the budget over the course of the fiscal year as it receives the funding. The midyear increase, therefore, proves typical for the Department. In addition, Financial Plan headcount adjustments in the Fiscal 2018 Preliminary Budget led to a net decrease of 42 positions in DMH in Fiscal 2017.

## The Citywide Savings Program

The Department identified \$8.8 million in savings in the Fiscal 2018 Preliminary Plan, including \$5 million annually by shifting eligible CTL expenses and maximizing State funding. The agency also reassessed departmental needs, leading to vacancy reductions and funding shifts that resulted in \$1.5 million in annual savings and the reduction of 35 civilian positions. Eliminating the fiscal agent for contracts and performing contract management functions internally generated an additional \$1.6 million in annual savings. Finally, reducing contractual spending on CPA audits, re-estimating a cleaning contract, and reducing general OPTS administrative costs resulted in annual savings of \$177,000, \$68,000, and \$471,000, respectively.

## Revenue Budget

<b>DOHMH Miscellaneous Revenue Budget Overview</b>						
<i>Dollars in Thousands</i>						
Revenue Sources	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Restaurant, Vendor, & Other	\$9,457	\$9,636	\$8,816	\$8,816	\$8,816	\$0
Death Disposition Permits	2,147	2,163	2,080	2,080	2,080	0
Birth & Death Certificates	9,179	9,353	9,000	9,500	9,000	0
Health Academy Courses	1,569	1,604	1,531	1,531	1,531	0
Radiation Materials & Equip.	596	572	650	650	650	0
Correction & Amendment Fees	651	642	644	757	644	0
Pest Control Fees	3,341	3,770	3,700	3,700	3,700	0
<b>TOTAL</b>	<b>\$26,941</b>	<b>\$27,741</b>	<b>\$26,421</b>	<b>\$27,034</b>	<b>\$26,421</b>	<b>\$0</b>

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

In addition to State and federal grants, the Department generates a modest amount of revenue, with \$26.4 million planned for Fiscal 2018. The major sources of revenue include: Restaurants & Vendors; Death Disposition Permits; Birth & Death Certificates; Health Academy Courses; Radiation Materials & Equipment; Correction & Amendment Fees; and Pest Control Fees.

## DMH State and Federal Grants

State and federal mental hygiene grants increase in the Fiscal 2018 Preliminary Budget when compared to the Fiscal 2017 Adopted Budget, adding \$24.3 million and \$2.5 million, respectively. State funding comprises the majority of the Division's revenue, providing \$378 million, or 87 percent, of total grants in the Fiscal 2018 Preliminary Budget.

<b>DMH State and Federal Grants</b>				
<i>Dollars in Thousands</i>				
Program Area	2017 Adopted		2018 Preliminary	
	Federal	State	Federal	State
Family & Child Health - Early Intervention	\$13,812	\$109,410	\$14,695	\$109,205
Mental Hygiene - Administration	4,774	11,846	4,741	11,732
Mental Hygiene - Chemical Dependency	13,632	43,028	13,913	46,497
Mental Hygiene - Development Disabilities	300	5,612	300	5,608
Mental Hygiene - Mental Health Services	20,827	183,919	22,183	205,063
<b>DMH Total</b>	<b>\$53,345</b>	<b>\$353,814</b>	<b>\$55,831</b>	<b>\$378,105</b>

Major sources of State funding for mental health in the Fiscal 2018 Preliminary Plan include a \$53 million Community Mental Health Reinvestment grant, a \$44 million Office of Alcoholism and Substance Abuse Services (OASAS) grant, and a \$22 million Intensive Case Management grant.

## Contract Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personal service provided to the City by means of a contract. The Contract Budget is actually a subset of the OTPS portion of the City's Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. In January, it is prepared with the Departmental Estimates, and in late April it is submitted to the Council with the Executive Budget.

The following table provides DOHMH's Preliminary Contract Budget for Fiscal 2018.

<b>DOHMH Fiscal 2018 Preliminary Contract Budget</b>				
<i>Dollars in Thousands</i>				
<b>Category</b>	<b>Fiscal 2017 Adopted</b>	<b>Number of Contracts</b>	<b>Fiscal 2018 Preliminary</b>	<b>Number of Contracts</b>
AIDS Services	\$93,958	45	\$93,958	45
Cleaning Services	432	36	370	36
Contractual Services - General	171,046	58	124,537	56
Data Processing Equipment Maintenance	2,290	40	1,666	40
Economic Development	295	12	317	12
Hospitals Contracts	25,451	2	25,792	2
Maintenance and Operation of Infrastructure	934	59	1,037	58
Maintenance and Repairs - General	2,381	95	2,365	97
Maintenance and Repairs - Motor Vehicle Equip	191	12	191	12
Mental Hygiene Services	518,270	473	545,267	473
Office Equipment Maintenance	145	62	125	61
Printing Services	1,790	90	1,391	90
Prof. Services - Accounting Services	541	2	541	2
Prof. Services - Computer Services	449	7	484	8
Prof. Services - Other	47,495	169	45,008	169
Security Services	1,488	4	1,488	4
Telecommunications Maintenance	40	27	39	28
Temporary Services	964	52	869	52
Training Program for City Employees	865	31	771	32
<b>TOTAL</b>	<b>\$869,025</b>	<b>1,276</b>	<b>\$846,217</b>	<b>1,277</b>

The City's Contract Budget, as proposed, totals \$14.4 billion in Fiscal 2018, a decrease of \$598 million, or four percent when compared to the \$14.9 billion Fiscal 2017 Adopted Budget. The Department's Fiscal 2018 Contract Budget totals \$846 million, a decrease of \$22.8 million when compared to the Fiscal 2017 budget at adoption. The Fiscal 2018 Contract Budget includes 473 contracts for Mental Hygiene services valued at more than \$545 million, as well as 45 contracts for AIDS Services valued at \$94 million.

## Council Initiatives

The Department of Health and Mental Hygiene's Fiscal 2017 Budget includes \$30.7 million in City Council discretionary funding, including \$12.8 million for mental health initiatives, \$14.9 million for public health initiatives, and \$3 million for local initiatives. City Council discretionary funding accounts for approximately two percent of the Department's current \$1.6 billion Fiscal 2017 budget.

The Mental Health Services initiatives funded by the Council in Fiscal 2017 demonstrate the Council's commitment to supporting the mental health needs of New Yorkers, particularly the most vulnerable and marginalized populations. The programs and services funded complement the Administration's ThriveNYC Mental Health Roadmap, a four-year \$840 million plan to promote mental health throughout New York City.

Major Council investments in Fiscal 2017 include more than \$2 million for the mental health needs of people with chemical dependencies, developmental disabilities, and/or serious mental illnesses, \$1 million for the Mental Health Services for Vulnerable Populations Initiative, and \$3.3 million for autism programs for individuals and families affected by autism.

The \$12.8 million invested in Mental Health Services Initiatives in Fiscal 2017 adds to the Council's Mental Health programs already baselined in the City's budget.

### Mental Health Funding, Council Initiatives

<b>Fiscal 2017 Council Changes at Adoption</b>	
<i>Dollars in Thousands</i>	
<b>Council Initiatives</b>	
Autism Awareness	\$3,315
Children Under Five	\$1,002
Court-Involved Youth Mental Health	\$1,900
Developmental, Psychological & Behavioral Health Services	\$2,139
Geriatric Mental Health	\$1,827
LGBTQ Youth All-Borough Mental Health	\$1,000
Medicaid Redesign Transition	\$500
Mental Health Services for Vulnerable Populations	\$1,093
<b>Subtotal, Mental Health Initiatives</b>	<b>\$12,777</b>
<b>DOHMH, Public Health Initiatives</b>	<b>\$14,888</b>
<b>Local Initiatives</b>	<b>\$2,983</b>
<b>TOTAL</b>	<b>\$30,648</b>

The following section describes each Mental Health Council initiative funded in Fiscal 2017.

**Autism Awareness.** The \$3.3 million allocation supports wraparound services for autistic children in after-school and summer programs and during school closings. The programs may also provide forums and training seminars to teach coping skills to families and caregivers affected by autism. The Fiscal 2017 funding includes a \$2 million enhancement.

**Children Under Five.** The \$1 million allocation funds community-based outpatient mental health clinics throughout the City that provide mental health treatment to children aged five years and younger. Mental health treatment activities include, but are not limited to,

screening and clinical evaluation; individual, small group, and child-parent psychotherapy; consultation to pediatricians, preschool teachers, and child welfare workers; and trauma-informed interventions.

**Court-Involved Youth.** The \$1.9 million allocation supports programs that (1) utilize risk assessment tools to identify juveniles in the arrest process who require mental health services, and (2) provide family counseling and respite services to families of court-involved youth. The initiative also supports efforts to connect community-based providers working with court-involved youth to other non-governmental organizations familiar with the Courts, the Administration for Children's Services (ACS), Department of Correction (DOC), and other relevant City and State agencies.

**Developmental, Psychological and Behavioral Health Services.** The \$2.1 million initiative supports a range of programs and services that address the needs of individuals with chemical dependencies, developmental disabilities, and/or serious mental illnesses, as well as the needs of their families and caregivers. The funding may support medically supervised outpatient programs, transition management programs, Article 16 clinics, psychological clubs, recreation programs, or other behavioral health services.

**Geriatric Mental Health.** The \$1.8 allocation supports organizations that provide a range of mental health services to older adults in “non-clinical settings,” such as senior centers, drop-in centers, religious institutions, social clubs, homeless prevention programs, and individual homes.

**LGBTQ Youth All-Borough Mental Health.** The \$1 million allocation supports comprehensive mental health services for vulnerable LGBTQ youth throughout the City, focusing particularly on youth of color, youth in immigrant families, homeless youth, and youth who are court-involved.

**Medicaid Redesign Transition.** The \$500,000 allocation This allocation supports organizations transitioning from a fee-for-service system to a managed-care model under New York State’s Medicaid redesign.

**Mental Health Services for Vulnerable Populations.** The \$1.1 million allocation supports community-based organizations and advocacy networks that provide a range of mental health programs, services, trainings, and referrals throughout the City, addressing the mental health needs of vulnerable and marginalized populations, such as HIV-positive people, suicidal individuals, and people with developmental disabilities. Additional populations of interest include children and youth, immigrants and people with limited English proficiency, homeless individuals and families, and at-risk seniors.

## State Executive Budget Highlights

The New York State Department of Health (DOH) manages comprehensive healthcare and long-term care coverage for low- and middle-income individuals and families through the Medicaid, Child Health Plus (CHP), and Elderly Pharmaceutical Insurance Coverage (EPIC) programs. In addition to health insurance programs, DOH supervises public health activities throughout the State and operates and regulates healthcare facilities.

The Executive Budget proposals result in Mental Hygiene system spending of \$8.4 billion in Fiscal 2018, reflecting annual spending growth of \$223 million (2.7 percent).

Local assistance accounts for approximately 40 percent of total mental hygiene spending from State Operating Funds and is projected to grow by an average rate of 7.8 percent annually. The main factors driving this level of growth are enhanced community mental health services; enhanced community-based employment and residential opportunities for individuals with disabilities; and funding not-for-profit providers to address growth in employee wages related to minimum wage increases.

## Medicaid

New York's Medicaid program remains the State's largest payer of healthcare and long-term care. More than six million individuals receive Medicaid-eligible services through a network of more than 80,000 healthcare providers and more than 90 managed care plans. Total federal, State and local Medicaid spending is expected to total \$65 billion in Fiscal 2018. The Fiscal 2017-2018 State Executive Budget adheres to the Medicaid spending cap, a provision that ties Medicaid growth to the 10-year rolling average of the Medical Consumer Price Index—currently estimated at 3.2 percent.

## Early Intervention

Early Intervention (EI) providers are required to seek reimbursement from third party payers, including health insurers and Medicaid. Approximately 40 percent of children in EI have private health insurance; however, such insurers deny the majority of EI claims submitted. EI services not covered by third party payers (private insurers or Medicaid) are reimbursed by the county in which the child resides. County governments are subsequently reimbursed by the State for 49 percent of the amount they reimburse providers.

In Fiscal 2016 alone, nearly 85 percent of claims submitted to private insurers were denied; insurers received \$70 million in claim submissions but only paid \$12 million in reimbursement—representing two percent of total EI expenditures (\$641 million), compared with 41 percent (\$261 million) paid by Medicaid, 27 percent (\$173 million) paid by the State, and 30 percent (\$195 million) paid by counties. Improving third-party insurance reimbursement would improve the timeliness of provider payments, ensure that consumers receive the covered benefits under their insurance policies, and lower program costs for the State and counties. Enactment of this bill would achieve total net savings of \$3.9 million in Fiscal Year 2018 and \$14.3 million once annualized. Additionally, this bill would drive local savings of \$14.8 million annually.

## Jail-Based Restoration

Currently, defendants who are deemed incompetent to stand trial are treated at an Office of Mental Health (OMH) inpatient psychiatric hospital until they are restored to competency and returned to jail to await trial. This cycle often repeats itself with more than one visit to the inpatient psychiatric hospital, extending the time individuals are detained prior to trial. This proposal would expand Criminal Procedure Law to provide that restoration to competency may take place in a mental health unit(s) operated within a state or local correctional facility, subject to the facility's consent.

OMH currently supports approximately 300 inpatient forensic beds that are used to serve an estimated 625 annual admissions of felony defendants deemed incompetent to stand trial. The cost per restoration is approximately \$128,000 and the State and counties each pay 50 percent. By contrast, it is estimated that the per bed costs to restore these defendants in a jail-based setting is roughly one-third of the cost at a state facility (approximately \$42,500 per restoration annually).

Since counties reimburse OMH for the costs of any restorations that occur at state hospitals, this proposal would save participating counties 33 percent of what they spend for such services, or approximately \$21,500 per restoration. Authorizing the establishment of voluntary jail-based restoration to competency programs within locally operated jails and State prisons operated by the Department of Correction and Community Supervision Enactment would generate OMH operational savings of \$3.5 million when fully annualized and result in lower costs for participating local governments. The Executive Budget invests \$850,000 to assist county jails in making any necessary infrastructure improvements to provide these separate treatment units.

### Cost-of-Living Adjustment

The Human Services Cost-of-Living Adjustment (COLA) affects programs funded by the State Offices for Aging, Alcohol and Substance Abuse Services, Children and Family Services, Mental Health, People with Developmental Disabilities and DOH. This bill would delay the COLA for the period of April 1, 2017 to March 31, 2018. It would also stipulate that when a COLA is provided—beginning April 1, 2018—those provisions would be in place for three years. Enactment of this bill would result in savings to the Financial Plan of \$40 million.

### Agency Initiatives

**The Office for People with Developmental Disabilities (OPWDD)** ensures the continued health and safety of individuals with developmental disabilities and improves the overall quality, availability, and cost-effectiveness of community-based, person-centered services. Fiscal 2017-2018 State Executive Budget proposals relating to OPWDD include the following.

- *Invest in OPWDD Program Priorities.* Make \$120 million available to support program reforms and provide new service opportunities to individuals currently living at home, or aging out of the school system. Specifically, the funding will (1) expand the availability of certified housing support communities; (2) support more independent living; (3) provide more day program and employment opportunities; and (4) increase respite availability.
- *Develop OPWDD Independent Living Housing.* Commit \$15 million in capital funding to expand independent living housing capacity in order to provide safe and accessible residential opportunities for individuals with intellectual and developmental disabilities capable of living in an apartment of their own.
- *Expand OPWDD Crisis Services.* Provide an additional \$12 million above the FY 2017 investment to the START (Systemic Therapeutic Assessment, Respite and Treatment) Program—a crisis prevention response model focused on ensuring early effective treatment and reducing dependency on higher service levels—for a total commitment of \$21 million.

- *Support the Transition of Individuals to Community-Based Settings.* Dedicate \$24 million to assist individuals in the transition from developmental centers (56 individuals) and intermediate care facilities (100 individuals) to more integrated, community-based supports.
- *Support OPWDD's Transition to Managed Care.* Apply ongoing DOH Global Cap resources to support the initial start-up costs of transitioning the OPWDD service delivery system from a fee-for-service payment structure to managed care. OPWDD is the last remaining Medicaid system to transition to managed care.
- *Establish Blue Ribbon Panel for the Institute for Basic Research in Developmental Disabilities on Staten Island.* Convene a blue ribbon panel to examine the feasibility of transitioning the Institute for Basic Research in Developmental Disabilities (IBR) from the OPWDD to the CUNY College of Staten Island (COSI).

**The Office of Mental Health (OMH)** operates psychiatric centers and regulates, certifies, and oversees various inpatient and outpatient programs. Fiscal 2017-2018 State Executive Budget proposals relating to OMH include the following.

- *Invest in Additional Community Services.* Provide \$11 million to expand community services and reduce the need for costlier inpatient beds in FY 2018, bringing the total new investments since FY 2015 to \$92 million annually.
- *Fund 280 Additional Supported Housing Community Beds.* OMH will reconfigure 140 state-operated residential beds, which are less integrated and costlier to operate, and replace them with funds to develop 280 community-based, scattered site supported housing units in the same geographic area.
- *Support for Existing Residential Programs.* Provide \$10 million for supported housing and single residence occupancy programs in order to preserve access and maintain existing housing capacity as the State brings new housing units online through the Empire State Supported Housing Initiative.

**The Office of Alcoholism and Substance Abuse Services (OASAS)** serves individuals with dependencies on alcohol and chemical substances. Fiscal 2017-2018 State Executive Budget proposals relating to OASAS include the following.

- *Invest \$200 Million to Combat the Heroin Epidemic.* These funds will support prevention, treatment and recovery programs targeted toward chemical dependency, residential service opportunities, and public awareness and education activities.
  - Specifically, the State will: (1) Open 600 additional Opioid Treatment Program (OTP) slots; (2) Add 80 new residential beds run by not-for-profit providers; (3) Fund 10 new regional substance use disorders coalitions and partnerships; (4) Add ten Peer Engagement programs; (5) Support eight new Adolescent Clubhouses; (6) Support five new Recovery Community and Outreach Centers; (7) Open ten 24/7 Urgent Access Centers; and (8) Establish two pilot Recovery High Schools.

## Program Areas

### Family & Child Health – Early Intervention

Early Intervention (EI), a subset of the Family and Child Health Program, provides therapeutic and supportive services to infants and children with physical, cognitive, communicative, socioemotional, and/or adaptive developmental disabilities and delays, such as autism, cerebral palsy, and mental retardation. Following an evaluation and eligibility screening, a team of professionals works with the child and family to develop a service plan that meets their needs.

The federally mandated program is jointly financed by federal, state and local governments and is available at no cost to all New York families regardless of race, ethnicity, income, or immigration status. The New York State Department of Health coordinates the Statewide network of services and DOHMH serves as the lead City agency.

#### Family & Child Health – Early Intervention

*Dollars in Thousands*

	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried - Civilian	\$13,519	\$14,096	\$16,345	\$16,367	\$16,576	\$230
Other Salaried and Unsalaries	47	45	16	16	16	0
Additional Gross Pay	521	549	2	205	2	0
Overtime - Civilian	9	13	0	7	0	0
<b>Subtotal</b>	<b>\$14,097</b>	<b>\$14,703</b>	<b>\$16,363</b>	<b>\$16,595</b>	<b>\$16,594</b>	<b>\$231</b>
<b>Other Than Personal Services</b>						
Supplies and Materials	\$94	\$79	\$902	\$270	\$652	(\$250)
Property and Equipment	71	197	296	208	296	0
Other Services and Charges	2,867	4,158	3,502	4,124	3,417	7
Contractual Services	213,145	232,879	196,543	198,118	197,372	829
<b>Subtotal</b>	<b>\$216,177</b>	<b>\$237,313</b>	<b>\$201,242</b>	<b>\$202,720</b>	<b>\$201,736</b>	<b>\$587</b>
<b>TOTAL</b>	<b>\$230,274</b>	<b>\$252,017</b>	<b>\$217,606</b>	<b>\$219,316</b>	<b>\$218,330</b>	<b>\$817</b>
<b>Funding</b>						
City Funds			\$94,383	\$82,538	\$94,523	\$140
State			109,410	121,410	109,205	(205)
Federal - Other			13,812	15,367	14,695	882
<b>TOTAL</b>	<b>\$230,274</b>	<b>\$252,017</b>	<b>\$217,606</b>	<b>\$219,315</b>	<b>\$218,423</b>	<b>\$724</b>
<b>Budgeted Headcount</b>						
Full-Time Positions	<b>231</b>	<b>235</b>	<b>262</b>	<b>267</b>	<b>266</b>	<b>4</b>

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Fiscal 2018 Preliminary Budget allocates \$218.3 million to the Early Intervention Program, an increase of \$724,000, or less than one percent, compared to the \$217.5 million budget at adoption—a change attributable to increased federal funding. In addition, the Early Intervention headcount increased by four full-time positions between the Fiscal 2017 Adopted Budget and the Fiscal 2018 Preliminary Budget. Early Intervention funding represents 32 percent of the Division's total budget and nearly 15 percent of the Department's total budget.

***Performance Indicator***

DOHMH measures its ability to facilitate access to services to New Yorkers with—or at risk of developing—developmental disabilities, using the number of new children who receive EI services as a performance indicator. The Program enrolled 14,400 children in Fiscal 2016, an increase of 100 children compared to Fiscal 2015 enrollment numbers. The Fiscal 2017 four-month actual report remains consistent with the previous year’s report at 4,7000 newly enrolled children.

Performance Indicator	Actual			4-Month Actual	
	FY14	FY15	FY16	FY16	FY17
New children receiving services from the Early Intervention Program (000)	13.7	14.3	14.4	4.7	4.7

## Mental Hygiene – Mental Health Services

The Division of Mental Hygiene is responsible for planning, purchasing and monitoring services for children, adolescents and adults with mental illnesses. In New York City, mental health services are provided in a variety of settings: homes, clinics, community-based organizations, residential programs, hospitals and psychiatric centers. Numerous City Council initiatives enhance these programs and services, including the Developmental, Psychological & Behavioral Health Services Initiative and the Mental Health Services for Vulnerable Populations Initiative.

The Bureau of Mental Health Services manages 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 in the five boroughs. The services, contracted or overseen by the Division and provided by nonprofit community-based agencies and hospitals, include clinic programs for children, adults, and the elderly; assertive community treatment; clubhouses; advocacy; supported housing; supportive, intensive, and blended case management; assisted competitive employment; information and referral; on-site school services; and home-based and mobile crisis intervention.

### Mental Hygiene - Mental Health Services

*Dollars in Thousands*

	2015	2016	2017	Preliminary Plan		*Difference 2017 - 2018
	Actual	Actual	Adopted	2017	2018	
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried - Civilian	\$7,332	\$8,754	\$21,224	\$20,061	\$23,324	\$2,101
Overtime - Civilian	7	13	6	40	6	0
Other Salaried and Unsalariated	115	101	235	382	362	128
Additional Gross Pay	268	190	173	208	173	0
<b>Subtotal</b>	<b>\$7,721</b>	<b>\$9,059</b>	<b>\$21,638</b>	<b>\$20,691</b>	<b>\$23,866</b>	<b>\$2,228</b>
<b>Other Than Personal Services</b>						
Supplies and Materials	\$98	\$134	\$1,183	\$548	\$1,842	\$660
Property and Equipment	70	191	741	735	129	(612)
Other Services and Charges	4,493	8,924	10,940	25,184	4,975	(5,964)
Social Services	26,617	33,190	31,391	37,051	37,051	5,660
Contractual Services	181,212	199,644	236,092	245,107	255,598	19,506
<b>Subtotal</b>	<b>\$212,491</b>	<b>\$242,083</b>	<b>\$280,346</b>	<b>\$308,624</b>	<b>\$299,596</b>	<b>\$19,249</b>
<b>TOTAL</b>	<b>\$220,212</b>	<b>\$251,142</b>	<b>\$301,984</b>	<b>\$329,316</b>	<b>\$323,462</b>	<b>\$21,478</b>
<b>Funding</b>						
City Funds			\$97,238	\$93,271	\$94,050	(\$3,189)
State			183,919	209,136	205,063	21,144
Federal - Other			20,827	24,743	22,183	1,356
Intracity			0	2,166	2,166	2,166
<b>TOTAL</b>	<b>\$220,212</b>	<b>\$251,142</b>	<b>\$301,984</b>	<b>\$329,316</b>	<b>\$323,462</b>	<b>\$21,478</b>
<b>Budgeted Headcount</b>						
Full-Time Positions	<b>109</b>	<b>188</b>	<b>341</b>	<b>322</b>	<b>333</b>	<b>(8)</b>

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Fiscal 2018 Preliminary Budget allocates \$323.5 million for Mental Health Services, an increase of \$21.5 million, or seven percent, when compared to the Fiscal 2017 Adopted Budget—a change largely attributable to increased State funding. The Mental Health Services headcount decreased by eight positions between the Fiscal 2018 Preliminary Budget and the

budget at adoption. Funding for Mental Health Services represents approximately 48 percent of the Division's total budget and 21 percent of the Department's total budget.

***Performance Indicator***

DOHMH measures its ability to facilitate access to services to New Yorkers with—or at risk of developing—mental illness. The Department has steadily increased the number of individuals in the assisted outpatient mental health treatment program—from 1,533 people in Fiscal 2015 to 1,570 people in Fiscal 2016. The number of units of supportive housing available to persons with serious mental illness has also increased, from 5,700 units in Fiscal 2015 to 6,000 units in Fiscal 2016.

During the first four months of Fiscal 2017, LifeNet hotline services were transferred to the new NYC Well initiative and expanded to serve as an easy point of entry to many of the City's behavioral health services. The newly expanded NYC Well Contact Center launched in October 2016 and connects New Yorkers to services through telephone calls, text messages and chat functionality. NYC Well received approximately 49,700 calls in the first four months of Fiscal 2017, an increase of 16,300 calls, or 49 percent, compared to the same period in Fiscal 2016.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Individuals in the assisted outpatient mental health treatment program	1,388	1,533	1,570	-	-	1,611	1,667
Units of supportive housing available to persons with serious mental illness (000)	5.4	5.7	6.0	6.5	7.0	5.7	6.0
Calls to NYC Well (000)	105.1	92.0	97.5	-	-	33.4	49.7

***Mental Health Services***

Mental health services in New York City include Emergency and Crisis Programs; Inpatient Programs and Outpatient Programs; and Community Support Programs. Emergency and crisis programs are designed to help individuals avoid, manage, and recover quickly from psychiatric crises and to assure the safety of individuals experiencing a crisis. Emergency programs provide rapid screening, assessment and engagement so that the acute symptoms of mental illness are reduced. Crisis programs include but are not limited to Comprehensive Psychiatric Emergency Programs and Mobile Crisis Outreach Programs.

Inpatient programs constitute hospital-based psychiatric programs that provide 24-hour care, under medical supervision, in a controlled environment. There are two levels of inpatient care: acute hospitalization and long-term hospitalization. Acute inpatient psychiatric treatment is provided in voluntary or municipal hospitals. Outpatient programs are designed to meet the mental health treatment needs of individuals who want to be served in community-based settings. Community support programs are designed to promote recovery from mental illnesses and to strengthen the psychosocial skills of individuals with serious mental illness so that they can live as independently as possible in community settings. These programs provide academic, vocational and social rehabilitation services.

Additional mental health services for children and adolescents in New York City include Court Involved Youth programs, School Response Teams (SRT), and the Children's Single Point of Access (CSPOA). The Court Involved Youth programs provide environments to screen at-risk youth and link them to mental health treatment. Screening tools inform recommended services for youth and families and, ideally, help keep young people out of the juvenile justice system. The Council's Court-Involved Youth Mental Health Initiative enhances these efforts.

SRT, designed to meet the mental health needs of students throughout the five boroughs, serve clusters of five middle schools each. In collaboration with designated school staff, SRT conducts assessments and recommends treatment for mental health and social services. The CSPOA creates a single point of entry to the children's mental health service system for youth with more intensive needs. Through CSPOA, children who are identified as having serious emotional disturbance and are at risk for out-of-home placement can access more intensive mental health services that enable them to remain in their homes and communities. The Council's Children Under Five Initiative enhances these efforts.

***City Comptroller Audit***

A 2015 City Comptroller audit reviewed the Department's monitoring of the local assisted outpatient treatment (AOT) program to ensure the proper administration of court-ordered mental health treatment plans. State law provides for court-ordered AOT for certain individuals who the court determines, in view of treatment history and circumstances, to be unlikely to live safely in the community without supervision. A correctional facility, a treatment facility, or a member of the community may refer an individual to the program. Individuals accepted to the program are required to follow the treatment plan promulgated by the court.

The Division of Mental Hygiene implements the law throughout the five boroughs; however, patient monitoring and care coordination falls to the privately operated care providers

contracted by the City and State. The audit found that DOHMH has proactively identified weaknesses in its program and has reportedly implemented control procedures to improve its administration of the program. However, the audit determined that DOHMH should require logging, tracking, and follow-up on application forms sent to community members who refer an individual to AOT.

### Mental Hygiene - Chemical Dependency

The Division of Mental Hygiene is responsible for planning, purchasing and monitoring substance use treatment and prevention services for children, adolescents and adults. In addition, the Division provides information to providers and the public about substance use care and prevention services, including harm reduction services and substance use disorder treatment, and encourages public awareness about the negative consequences of alcohol and drug use. In New York City, substance use disorder treatment services funded through contracts with DOHMH are provided primarily by private and municipal hospitals and community-based, not-for-profit organizations.

The Mental Hygiene Chemical Dependency (CD) Program develops, plans, monitors, and evaluates programmatic and policy efforts to reduce substance use and abuse in New York City. The CD Program collaborates with community-based providers and other City agencies to provide chemical dependency services, including services for homeless individuals and people with co-occurring chemical dependency and mental health or developmental disorders. The Program operates through the Bureau of Alcohol and Drug Use Prevention, Care and Treatment and adheres to the State Mental Hygiene Law and the City Charter.

#### Mental Hygiene - Chemical Dependency

*Dollars in Thousands*

	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried - Civilian	\$1,820	\$1,870	\$3,311	\$3,262	\$4,555	\$1,244
Other Salaried and Unsalariad	37	43	57	57	57	0
Additional Gross Pay	40	28	409	409	409	0
<b>Subtotal</b>	<b>\$1,897</b>	<b>\$1,941</b>	<b>\$3,776</b>	<b>\$3,728</b>	<b>\$5,020</b>	<b>\$1,244</b>
<b>Other Than Personal Services</b>						
Supplies and Materials	\$5	\$5	\$100	\$163	\$228	\$128
Property and Equipment	18	0	0	18	0	0
Other Services and Charges	2,546	2,183	1,115	582	571	(544)
Social Services	10,254	10,615	10,566	12,454	12,454	1,888
Contractual Services	61,987	66,556	77,069	80,551	82,866	5,797
<b>Subtotal</b>	<b>\$74,809</b>	<b>\$79,360</b>	<b>\$88,850</b>	<b>\$93,768</b>	<b>\$96,118</b>	<b>\$7,268</b>
<b>TOTAL</b>	<b>\$76,706</b>	<b>\$81,301</b>	<b>\$92,626</b>	<b>\$97,496</b>	<b>\$101,138</b>	<b>\$8,512</b>
<b>Funding</b>						
City Funds			\$35,966	\$37,679	\$40,729	\$4,762
State			43,028	45,883	46,497	\$3,469
Federal - Other			13,632	13,934	13,913	\$281
<b>TOTAL</b>	<b>\$76,706</b>	<b>\$81,301</b>	<b>\$92,626</b>	<b>\$97,496</b>	<b>\$101,138</b>	<b>\$8,512</b>
<b>Budgeted Headcount</b>						
Full-Time Positions	21	22	46	46	49	3

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Fiscal 2018 Preliminary Budget allocates \$101 million to the Chemical Dependency Program, an increase of \$8.5 million, or nine percent, compared to the budget at adoption. CTL increased by \$4.8 million; State funding increased by \$3.5 million, and federal funding by \$281,000. Chemical Dependency funding represents approximately 15 percent of the Division's total budget and nearly seven percent of the Department's total budget.

### ***Performance Indicators***

The Chemical Dependency Program measures its ability to reduce the adverse health consequences of substance misuse, using the number of new buprenorphine patients and the number of deaths from unintentional drug overdoses as performance indicators.

Deaths from unintentional drug overdose increased by 149 cases, or nearly 19 percent, between Fiscal 2015 and Fiscal 2016—to 942 deaths. Meanwhile, the number of new buprenorphine patients decreased by 96 patients between Fiscal 2015 and Fiscal 2016 to 6,950 patients.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
New buprenorphine patients (CY) (quarterly)	8,487	7,046	6,950	8,000	8,500	2,321	NA
Deaths from unintentional drug overdose (CY)*	786	793	942	↓	↓	NA	NA

## **Mental Hygiene – Developmental Disabilities**

The Division of Mental Hygiene is responsible for planning, purchasing and monitoring services for individuals with intellectual and developmental disabilities and their families. Services are provided by voluntary agencies and include day training, transitional employment, specialty clinics, socialization, recreation, respite, information and referral, and other programs.

In New York City, the range and scope of voluntary service providers vary greatly. Some are comprehensive service agencies offering residential, day, and support services; others are limited service agencies offering one or two categories of service. Some agencies serve individuals with a range of developmental disabilities while others serve individuals with a particular disability such as autism and epilepsy. The City Council's Autism Awareness Initiative enhances these efforts.

The Mental Hygiene Developmental Disabilities Program, through the Bureau of Developmental Disabilities, develops, plans, and funds day and support services to individuals with developmental disabilities. The services, provided primarily by voluntary agencies contracting with DOHMH, include work readiness, transitional employment, specialty clinics, socialization/recreation programs for children and adults, and counseling and information/referral programs.

**Mental Hygiene - Developmental Disabilities***Dollars in Thousands*

	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried - Civilian	\$801	\$805	\$913	\$907	\$927	\$14
Other Salaried and Unsalariated	27	43	47	53	47	0
Additional Gross Pay	27	27	15	15	15	0
<b>Subtotal</b>	<b>\$856</b>	<b>\$874</b>	<b>\$975</b>	<b>\$975</b>	<b>\$989</b>	<b>\$14</b>
<b>Other Than Personal Services</b>						
Other Services and Charges	\$478	\$119	\$128	\$128	\$128	\$0
Contractual Services	12,977	11,086	16,040	15,355	11,444	(4,597)
<b>Subtotal</b>	<b>\$13,455</b>	<b>\$11,205</b>	<b>\$16,169</b>	<b>\$15,483</b>	<b>\$11,572</b>	<b>(\$4,597)</b>
<b>TOTAL</b>	<b>\$14,310</b>	<b>\$12,080</b>	<b>\$17,144</b>	<b>\$16,458</b>	<b>\$12,561</b>	<b>(\$4,583)</b>
<b>Funding</b>						
City Funds			\$11,232	\$10,550	\$6,653	(\$4,579)
State			5,612	5,608	5,608	(\$3)
Federal - Other			300	300	300	\$0
<b>TOTAL</b>	<b>\$14,310</b>	<b>\$12,080</b>	<b>\$17,144</b>	<b>\$16,458</b>	<b>\$12,561</b>	<b>(\$4,583)</b>
<b>Budgeted Headcount</b>						
Full-Time Positions	<b>12</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>0</b>

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Fiscal 2018 Preliminary Budget allocates nearly \$12.6 million for the Developmental Disabilities Program, a decrease of \$4.6 million, or 37 percent, when compared to the budget at adoption—a change attributable to a decrease in CTL. Developmental Disabilities funding represents approximately two percent of the Division’s total budget and less than one percent of the Department’s total budget.

## Mental Hygiene – Administration

The Mental Hygiene Administration Program provides Division-wide administrative services to the Division of Mental Hygiene and the Executive Deputy Commissioner’s Office. Services include information management, analysis, and planning and DMH finance and positions.

### Mental Hygiene - Administration

*Dollars in Thousands*

	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
<b>Spending</b>						
<b>Personal Services</b>						
Full-Time Salaried - Civilian	\$12,259	\$12,452	\$14,524	\$10,722	\$15,356	\$832
Other Salaried and Unsalariated	558	401	533	532	514	(19)
Additional Gross Pay	487	396	757	757	757	0
Overtime - Civilian	29,460	42,952	210	216	211	0
<b>Subtotal</b>	<b>\$42,765</b>	<b>\$56,200</b>	<b>\$16,024</b>	<b>\$12,227</b>	<b>\$16,838</b>	<b>\$814</b>
<b>Other Than Personal Services</b>						
Supplies and Materials	\$256	\$54	\$112	\$85	\$252	\$140
Property and Equipment	141	31	78	38	91	13
Other Services and Charges	5,939	7,019	6,304	6,934	7,488	1,185
Contractual Services	515	965	754	1,140	445	(309)
<b>Subtotal</b>	<b>\$6,851</b>	<b>\$8,070</b>	<b>\$7,247</b>	<b>\$8,197</b>	<b>\$8,276</b>	<b>\$1,029</b>
<b>TOTAL</b>	<b>\$49,615</b>	<b>\$64,270</b>	<b>\$23,271</b>	<b>\$20,424</b>	<b>\$25,114</b>	<b>\$1,842</b>
<b>Funding</b>						
City Funds			\$6,652	\$3,584	\$8,641	\$1,989
State			11,846	12,081	11,732	(\$113)
Federal - Other			4,774	4,759	4,741	(\$33)
<b>TOTAL</b>	<b>\$49,615</b>	<b>\$64,270</b>	<b>\$23,271</b>	<b>\$20,424</b>	<b>\$25,114</b>	<b>\$1,842</b>
<b>Budgeted Headcount</b>						
Full-Time Positions	<b>157</b>	<b>164</b>	<b>218</b>	<b>190</b>	<b>207</b>	<b>(11)</b>

*\*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Fiscal 2018 Preliminary Budget allocates \$25 million to Mental Hygiene Administration, an increase of \$1.8 million, or eight percent, compared to the budget at adoption—a change attributable to an increase in City funding. Mental Hygiene Administration funding represents approximately four percent of the Division’s total budget and less than two percent of the Department’s total budget.

## Capital Program

### Capital Budget Summary

The Fiscal 2017 Preliminary Capital Commitment Plan allocates \$393.6 million in Fiscal 2017-2020 to the Department of Health and Mental Hygiene (including City and Non-City funds). This funding represents less than one percent of the City's total \$64 billion Plan for Fiscal 2017-2020. The Department's Preliminary Commitment Plan for Fiscal 2017-2020 is \$600,000 less than the \$394.2 million scheduled in the Fiscal 2017 Adopted Capital Commitment Plan.

<b>DOHMH 2017-2020 Capital Commitment Plan: Adopted and Preliminary Budget</b>					
<i>Dollars in Thousands</i>					
	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>Total</b>
<b>Adopted</b>					
Total Capital Plan	\$137,081	\$152,497	\$63,655	\$40,946	<b>\$394,179</b>
<b>Preliminary</b>					
Total Capital Plan	\$136,929	\$152,045	\$63,655	\$40,946	<b>\$393,575</b>
<b>Change</b>					
Level	<b>(\$152)</b>	<b>(\$452)</b>	\$0	\$0	<b>(\$604)</b>

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. Hence, the Department may roll a significant portion of its Fiscal 2017 Capital Plan into Fiscal 2018, increasing the size of the Fiscal 2017-2021 Capital Plan. Since adoption last June, the citywide total Capital Commitment Plan for Fiscal 2017 has increased from \$19.2 billion in the Adopted Capital Commitment Plan to \$20 billion in the Preliminary Capital Commitment Plan, an increase of \$785 million, or four percent.

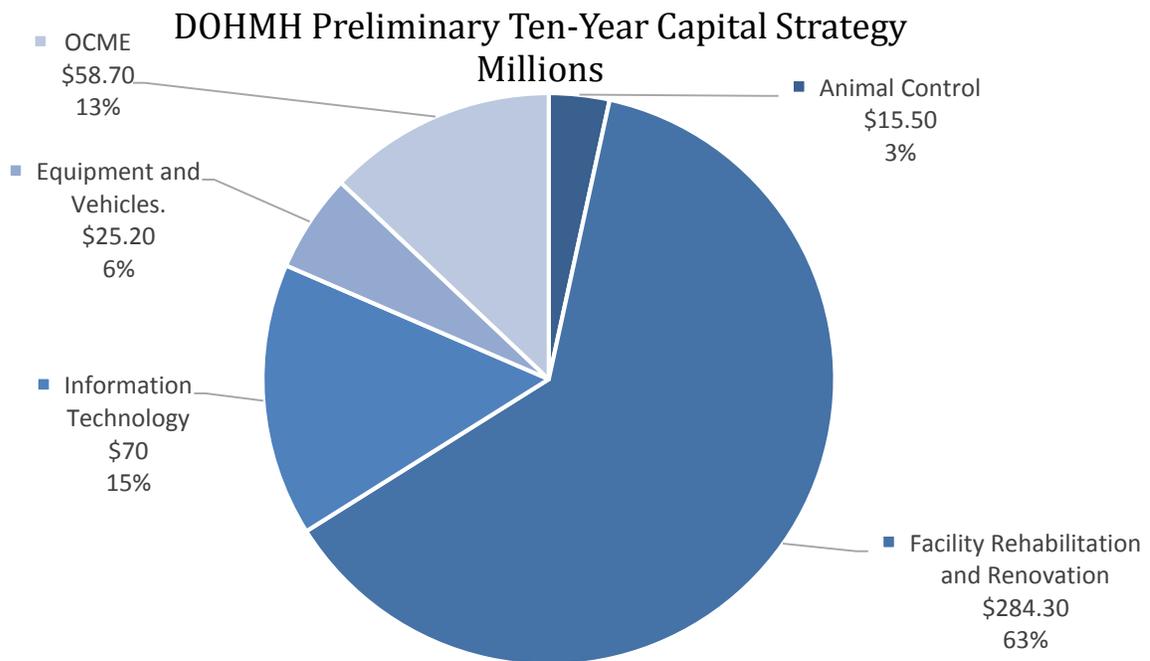
The City funds the vast majority of the Department's capital plan, contributing \$382.4 million of the total \$392.6 million plan. Borough presidents have funded \$36 million, or nine percent, of the City-funded planned commitments, including \$3 million to renovate the Joseph P. Addabbo Family Health Center in Queens. City Council funding for DOHMH capital projects totals \$97.9 million over the Fiscal 2017-20 period, representing 26 percent of the City-funded planned commitments. The largest Council-funded capital project totals \$13.6 million and supports the construction of the Richmond University Medical Center Emergency Room.

The majority of the Department's Fiscal 2018 capital funding supports improvements to healthcare facilities, including \$127.3 million to renovate the Public Health Laboratory. The Laboratory provides a variety of clinical and environmental laboratory testing services in areas including microbiology, virology and immunology, environmental sciences and toxicology and tests more than two hundred thousand specimens each year.

### Preliminary Ten-Year Capital Strategy

DOHMH maintains public health facilities in all five boroughs, operates the Public Health Laboratory, and provides community-based services through District Public Health Offices, immunizations clinics, tuberculosis test centers, and sexual health clinics. The Preliminary Ten-Year Capital Strategy aims to identify, prioritize, and support immediate needs for code compliance and other renovations at these public health facilities and to invest in technology essential for providing critical public health services.

The City’s Ten-Year Capital Strategy for Fiscal 2018-2027 totals \$89.6 billion in all funds. For the DOHMH, the Preliminary Ten-Year Capital Strategy provides \$453.7 million, including \$284.3 million for Facility Rehabilitation/Renovation; \$70 million for Information Technology; \$25.2 million for Equipment and Vehicles; and \$15.5 million for Animal Control. The Department’s Ten-Year Capital Strategy also includes funds for the Office of the Chief Medical Examiner (OCME) totaling \$58.7 million.



**Facility Rehabilitation and Renovation.** Demonstrating a commitment to assessing, maintaining, and improving conditions through the agency’s facilities portfolio, the Preliminary Ten-Year Capital Strategy provides \$177.5 million for laboratory improvement and renovation, including \$95.4 million for the renovation of various city-owned public health facilities.

**Information Technology.** The Preliminary Ten-Year Capital Strategy provides \$70 million to purchase technology to maintain and improve services, including \$28 million to gradually replace the agency’s personal computers and network services.

**Equipment and Vehicles.** The Preliminary Ten-Year Capital Strategy provides \$25.2 million for the purchase of equipment and vehicles to maintain and improve public health services.

**Animal Care and Control.** The Preliminary Ten-Year Capital Strategy provides \$15.5 million to improve animal welfare, including \$10 million for land acquisition and the construction of two new full-service animal shelters in the Bronx and Queens.

**Office of the Chief Medical Examiner.** The Preliminary Ten-Year Capital Strategy provides \$58.7 million for OCME projects, including IT upgrades and laboratory equipment.

**DOHMH Ten-Year Capital Strategy by Category**

DOHMH <i>Dollars in Thousands</i>	2018	2019	2020	2021	2022
<b>Animal Care</b>					
City	\$11,000	\$0	\$0	\$4,000	\$0
<b>OCME</b>					
City	\$17,614	\$17,099	\$6,518	\$4,463	\$2,010
<b>IT</b>					
City	\$10,177	\$4,779	\$2,589	\$3,500	\$4,060
State	\$2,799	\$1,763	\$967	\$1,500	\$1,740
<b>Equipment, Vehicles</b>					
City	\$13,203	\$6,654	\$1,780	\$700	\$0
State	\$290	\$300	\$0	\$300	\$0
<b>Laboratories</b>					
City	\$75	\$0	\$0	\$0	\$0
<b>Clinic Ren &amp; Rehab</b>					
City	\$96,887	\$33,060	\$29,092	\$24,659	\$30,268
<b>Project by Source</b>					
City	\$148,956	\$61,592	\$39,979	\$37,322	\$36,338
State	\$3,089	\$2,063	\$967	\$1,800	\$1,740
<b>TOTAL</b>	<b>\$152,045</b>	<b>\$63,655</b>	<b>\$40,946</b>	<b>\$39,122</b>	<b>\$38,078</b>

DOHMH <i>Dollars in Thousands</i>	2023	2024	2025	2026	2027	Total
<b>Animal Care</b>						
City	\$500	\$0	\$0	\$0	\$0	\$15,500
<b>OCME</b>						
City	\$2,059	\$2,128	\$2,198	\$2,266	\$2,336	\$58,691
<b>IT</b>						
City	\$3,065	\$4,480	\$4,900	\$6,094	\$6,717	\$50,361
State	\$1,313	\$1,920	\$2,100	\$2,612	\$2,879	\$19,593
<b>Equipment, Vehicles</b>						
City	\$700	\$0	\$700	\$0	\$0	\$23,737
State	\$300	\$0	\$300	\$0	\$0	\$1,490
<b>Laboratories</b>						
City	\$0	\$0	\$0	\$0	\$0	\$75
<b>Clinic Ren &amp; Rehab</b>						
City	\$14,000	\$14,387	\$13,890	\$14,000	\$14,000	\$284,243
<b>Project by Source</b>						
City	\$20,324	\$20,995	\$21,688	\$22,360	\$23,053	\$432,607
State	\$1,613	\$1,920	\$2,400	\$2,612	\$2,879	\$21,083
<b>TOTAL</b>	<b>\$21,937</b>	<b>\$22,915</b>	<b>\$24,088</b>	<b>\$24,972</b>	<b>\$25,932</b>	<b>\$453,690</b>

## Appendix A: DOHMH Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
<b>DOHMH Budget as of the Adopted 2017 Budget</b>	<b>\$697,236</b>	<b>\$827,049</b>	<b>\$1,524,285</b>	<b>\$670,651</b>	<b>\$823,315</b>	<b>\$1,493,966</b>
<b>New Needs</b>						
Cure Violence Expansion	\$0	\$0	\$0	\$3,125	\$1,375	\$4,500
HUD Continuum of Care	335	0	335	0	0	0
Lease Adjustment	175	75	250	175	75	250
<b>Subtotal, New Needs</b>	<b>\$510</b>	<b>\$75</b>	<b>\$585</b>	<b>\$3,300</b>	<b>\$1,450</b>	<b>\$4,750</b>
<b>Other Adjustments</b>						
<b>Fiscal 2017 November Plan</b>	<b>\$667,076</b>	<b>\$909,814</b>	<b>\$1,576,889</b>	<b>\$668,026</b>	<b>\$840,784</b>	<b>\$1,508,810</b>
Admin OTPS Reduction	0	0	0	(471)	(199)	(670)
Article 6 Adjustment	0	233	233	0	0	0
Audit Service Contracts	0	0	0	(177)	(147)	(324)
CC Member Items	(240)	0	(240)	0	0	0
Contract Insourcing	0	0	0	(1,558)	(243)	(1,801)
Eat Well Play Hard	0	282	282	0	158	158
H+H Transfer Chronic Dis	1,979	1,113	3,093	0	0	0
H+H Transfer HIV Services	516	290	806	0	0	0
Health Promotion	75	1,944	2,019	75	772	847
Health Research Transfer	0	2,166	2,166	0	2,166	2,166
Hepatitis	0	61	61	0	93	93
HIV Grants, Other	0	1,050	1,050	0	0	0
HIV/AIDS Surveillance	0	591	591	0	56	56
Mental Health	0	2,516	2,516	0	0	0
Nurse Family Partnership	0	2,732	2,732	0	0	0
OASAS State Aid	0	257	257	0	257	257
OCME	0	48	48	(68)		(68)
OMH State Aid	0	41	41	0	(1,178)	(1,178)
Parachute Grant	0	(497)	(497)	0	(497)	(497)
Project PrIDE	0	1,832	1,832	0	192	192
PS/OTPS Shifts	0	475	475	0	560	560
Vacancy Reductions	0	0	0	(1,484)	(703)	(2,187)
Various Federal	0	7	7	0	(191)	(191)
Various Intra City	0	2,674	2,674	0	0	0
<b>Subtotal, Other Adjustments</b>	<b>\$2,330</b>	<b>\$17,816</b>	<b>\$20,146</b>	<b>(\$3,684)</b>	<b>\$1,096</b>	<b>(\$2,588)</b>
<b>TOTAL, All Changes</b>	<b>\$2,840</b>	<b>\$17,891</b>	<b>\$20,731</b>	<b>(\$384)</b>	<b>\$2,546</b>	<b>\$2,162</b>
<b>DOHMH Budget, as of Preliminary 2018 Budget</b>	<b>\$669,915</b>	<b>\$927,705</b>	<b>\$1,597,620</b>	<b>\$667,642</b>	<b>\$843,330</b>	<b>\$1,510,972</b>