

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

JOINT COMMITTEES ON FINANCE, HEALTH, MENTAL HEALTH,  
MENTAL RETARDATION, ALCOHOLISM, DRUG ABUSE & DISABILITY  
SERVICES

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November 20, 2008

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City Hall

B E F O R E:

G. OLIVER KOPPELL, JOEL RIVERA,  
DAVID I. WEPRIN, ANNABEL PALMA  
Chairpersons

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## A P P E A R A N C E S

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Vincent Ignizio  
Letitia James

## A P P E A R A N C E S (CONTINUED)

Dr. Thomas Frieden  
Commissioner  
Department of Health and Mental Hygiene

Daniel Lehman  
Deputy Commissioner  
Division of Finance and Planning  
Department of Health and Mental Hygiene

Louise Cohen  
Deputy Commissioner  
Division of Healthcare Access & Improvement  
Department of Health and Mental Hygiene

Dr. Adam Karpati  
Executive Deputy Commissioner for Mental Hygiene  
Department of Health and Mental Hygiene

Dr. Susan Blank  
Director, Bureau of STD Control  
Department of Health and Mental Hygiene

2 CHAIRPERSON RIVERA: We're going to  
3 start the Health, Mental Health portion of this  
4 hearing today. Good afternoon to everyone who is  
5 here. I want to thank everybody for being patient  
6 and waiting around for this segment of today's  
7 Finance, Health and Mental Health aspect of this  
8 meeting. My name is Joel Rivera. I am the Chair  
9 of the Council's Committee on Health. The topic  
10 of today's joint hearing with the Council  
11 Committees on Mental Health and Mental  
12 Retardation, Alcoholism and Drug Abuse and  
13 Disability Services and Finance, is the Mayor's  
14 fiscal 2008 November plan as it pertains to the  
15 Department of Health and Mental Hygiene. I'm  
16 joined by my colleagues Council Member Oliver  
17 Koppell, Chair of the Mental Health and Mental  
18 Retardation, Alcoholism, Drug Abuse and  
19 Disabilities Services; and Council Member Annabel  
20 Palma; Chair of the Subcommittee on Drug Abuse;  
21 and Council Member David Weprin, right here to my  
22 right, who is the Chair of the Council's Finance  
23 Committee. This Committee is troubled to report  
24 that approximately 10.3 million dollars in fiscal  
25 2009 and 18 million dollars in fiscal 2010 is

proposed to be cut from the Department of Health and Mental Hygiene's operating budget. While the City finds itself in a difficult financial situation and fiscal responsibility should be practiced by the Council, we are still concerned at the number of the proposed DOHMH reductions.

In particular, the elimination of the overall health program that has been in existence for well over 100 years and provides comprehensive dental care to thousands upon thousands of children in New York City public schools and in five free dental clinics citywide. This stands out as a questionable cut. Also, we look forward to hearing from the Department of Health and Mental Hygiene on how it plans to redirect patients and staff of the East Harlem STD clinic, which the Agency proposes to close in fiscal 2010, to achieve a savings of \$273,000. The Committees look forward to hearing the Department's testimony on the before mentioned concerns and also on how the Department and the Council can partner to ensure that while we practice fiscal responsibility, we do not cut public health programs that are crucial to all New York City

residents. This morning we are joined here by the Commissioner of the Department of Health and Mental Hygiene, Dr. Thomas Frieden. But before we take his testimony, I just want to introduce my colleagues who are here. We have Councilwoman Maria del Carmen Arroyo, Councilwoman Diana Reyna, we have Councilwoman Tish James and my three colleagues here with me that are co-chairing today's hearing at this point in time, and Councilmember Gale Brewer as well. At this time I'll hand it over to Council Member Dave Weprin, Chair of the Finance Committee then Oliver Koppell, then Annabel Palma.

CHAIRPERSON WEPRIN: Thank you, Chair Rivera. In the interest of time, I'll keep my remarks to a minimum so we can hear testimony from the Health Commissioner, Tom Frieden. Before we hear from the Commissioner though, I just want to quickly highlight the proposed cuts in the Mayor's November Plan as it relates to the Department of Health and Mental Hygiene. The Department proposes decreasing its mental hygiene contracts in the amount of 2.7 million in fiscal 2010 and the out years by reducing underperforming

contracted mental hygiene services, which he realized through program closures and targeted service reductions. The Department also proposes eliminating the oral health program, which was created in 1903 and is funded in the amount of 2.5 million in fiscal 2010, 3.4 million in fiscal 2011 and 3.5 million in 2012 and the out years. The oral health program provided students dental services at 44 sites and employed 57 fulltime and 35 part time staff that will be laid off as a result of this program to eliminate the gap. This cut is especially harmful because it is likely to be less expensive for taxpayers to keep the oral health program rather than eliminate it and push off all those students to the overburdened public hospital system. Chair Rivera also mentioned the East Harlem STD clinic closing, which we're concerned about. And if the Commissioner, if you could address those either with your testimony or afterwards. Chair Koppell has a statement.

CHAIRPERSON KOPPELL: Thank you, colleagues. I'll be brief. I look forward to hearing from Commissioner Frieden. I want to remind the Commissioner and my colleagues that in

2 a very difficult budget negotiation last summer,  
3 late spring, early summer, the Council actually  
4 reduced its own add to the mental health services  
5 budget by 10 million dollars. And as a result of  
6 that reduction, many individuals' services that  
7 the Council had funded or the Council had  
8 initiated the funding for had to be cut. So it's  
9 disturbing to us to see that there are proposals  
10 to further cut funding for mental health services,  
11 especially in light of the fact that we've already  
12 made a significant contribution to the budget  
13 stringencies by the cuts we made only a few months  
14 ago. In addition, we're concerned about the  
15 proposed reductions to administrative personal  
16 service and other than personal service funds in  
17 the amount of 2 million in this fiscal year and  
18 out years. One of the things that has been of  
19 great concern, and the Commissioner knows this, is  
20 the processing of contracts in the area of health  
21 and mental health, and mental health is  
22 particularly the area that I'm responsible for.  
23 And that's been a tremendous burden on the  
24 providers, as the commissioner well knows. And we  
25 want to be sure that we're not cutting out



2 personnel here and making a problem that's already  
3 a tremendous problem even worse. So I'd like the  
4 Commissioner to particularly address, among other  
5 things, those two issues, the funding of patient  
6 or client services and secondly the processing of  
7 contracts. Because in my area, that is mental  
8 health area, the City is more than anything else  
9 an intermediary rather than a provider, not to say  
10 we don't provide anything, but most of the  
11 provision of services is by private parties and by  
12 the state. So we have to be an efficient middle  
13 person, not a roadblock in that process. And we  
14 don't want to see these cuts make things that are  
15 not terrific to begin with even worse. Thank you  
16 and we're looking forward to hearing from you. I  
17 want to thank the staff of the Committee, our  
18 Counsel, Tracy Udell; Michael Benjamin, who is  
19 Policy Analyst; Rocco D'Angelo, who is an  
20 excellent Financial Analyst and works with the  
21 Committee; and I also want to thank my personal  
22 Counsel who works on Committee Matters, Jaimon  
23 Sewell [phonetic], who has assisted in preparation  
24 and review of matters; and I also want to thank  
25 those members of the Mental Health Committee who

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2 are here today, my colleague Council Member Rivera  
3 already introduced them.

4 CHAIRPERSON PALMA: Thank you, Mr.  
5 Chair. Good afternoon. I'm Council Member  
6 Annabel Palma and I Chair the Council's  
7 Subcommittee on Drug Abuse. The Commissioner, I  
8 look forward to hearing your testimony on how the  
9 reduction in funding of Mental Hygiene programs in  
10 HHC clinics will affect the Department's services  
11 as they pertain to mental health, alcohol,  
12 chemical dependency and mental retardation  
13 services provided in collaboration with HHC. I  
14 would like to voice my concern, as did Council  
15 Member Weprin, Rivera and Koppell, that though we  
16 find ourselves in trying times and we must balance  
17 a fair and equitable budget that takes into  
18 consideration the needs of all New Yorkers, we  
19 mustn't forget New York City residents who suffer  
20 from substance abuse and are in need of alcohol  
21 and chemical dependency programs.

22 THOMAS FRIEDEN: Good afternoon,  
23 Chair people Rivera, Koppell, Weprin, Palma, and  
24 members of the Committees on Health; Mental  
25 Health, Retardation, Alcoholism, Drug Abuse,

2 Disability Services; Finance and Substance Abuse.

3 I'm Dr. Tom Frieden, New York City Health

4 Commissioner. The City's commitment to public

5 health remains strong. This administration's

6 public health initiative and the important support

7 of the City Council have helped New Yorkers live

8 longer and healthier lives than ever. Under

9 Speaker Quinn the City Council has championed

10 public health and mental hygiene, designated more

11 than \$150 million to health organizations since FY

12 '07 and we are working closely together to ensure

13 that this funding is spent efficiently and

14 effectively. The Council's support has been

15 particularly important to our efforts to address

16 colon cancer, HIV, infant mortality and mental

17 health issues for older adults and young children.

18 Together we should feel proud of these

19 accomplishments. We appreciate the Council's

20 commitment to health and look forward to working

21 with you as we navigate these very difficult

22 economic times. New York City is healthier than

23 ever. We have 300,000 fewer smokers, meaning that

24 100,000 people will live longer lives. Our infant

25 mortality rate fell to its lowest rate ever, still

2 too high, but at 5.4 per 1,000 live births; it is  
3 far lower than the national rate. We now have  
4 1,600 first time mothers and their families  
5 enrolled in the Nurse-Family Partnership, making  
6 it the largest such program in the country. Child  
7 lead poisonings have fallen almost 60% in the past  
8 six years. New tuberculosis cases have declined  
9 20% since 2003. We've greatly expanded HIV  
10 prevention and voluntary HIV testing. And New  
11 Yorkers are living longer than ever, 78.7 years,  
12 which is higher than the national average of 77.9.  
13 Despite the worst financial crisis in 70 years, we  
14 will continue to make progress. Our own agency  
15 fiscal context is noteworthy. This PEG comes on  
16 the heels of significant cuts required last year  
17 and recent cuts in state and federal funding.  
18 During the past few years, we have had a more than  
19 \$20 million dollar annual reduction in fender  
20 funding. This has come in the areas of HIV,  
21 tuberculosis control, sexually transmitted disease  
22 control, immunization and emergency preparedness.  
23 The City has also experienced significant losses  
24 in state funding, including grants in several of  
25 the areas just mentioned, but more notably in core

2 state assistance, resulting in a nearly \$7 million  
3 loss in state funds for the current fiscal year.

4 The combination of increased fiscal pressures  
5 makes it very likely that we will face even larger  
6 state funding reductions in the coming year. One  
7 of our core values as an agency is to be diligent  
8 stewards of public resources, and we work hard to  
9 ensure that every dollar is well spent. Over the  
10 past several years, the Health Department

11 consistently met at least half of its required  
12 savings target and frequently much more than half  
13 with revenue related initiatives, avoiding about  
14 \$110 million in total programmatic and operational  
15 reductions through the current fiscal year, and  
16 roughly \$45 million in avoided services cuts on an  
17 annual basis in FY 10 and beyond. This has been  
18 especially challenging considering that many of  
19 our programs, including vaccinations, STD clinics,  
20 Early Intervention, correctional health, school  
21 health and animal control are all legal mandates  
22 that the Agency is required to support regardless  
23 of the fiscal situation. The Mayor's recent  
24 request for agencies to find savings of 2.5% for  
25 '09 and 5% for 10 and the out years requires us to

2 be creative in finding ways to protect core  
3 services and maintain quality of life while  
4 contributing to the City's overall fiscal  
5 stability. We reviewed our existing programs  
6 rigorously, focusing on programs proven to save  
7 lives or make significant improvements to health  
8 and mental hygiene. To give you one example,  
9 independent analyses as well as our own data, show  
10 that hard-hitting anti-tobacco media campaigns  
11 save lives. The Department's campaigns helped  
12 spark an almost five-fold increase in calls for  
13 311 for quit-smoking assistance, from about 11,000  
14 in '05, the year that preceded the launch of our  
15 anti-tobacco media campaign, to more than 50,000  
16 in '08. As I mentioned earlier, we now have  
17 300,000 fewer smokers, preventing about 100,000  
18 premature deaths in the future. Our media  
19 campaigns have driven a significant portion of  
20 this decline. In fact our own experience is that  
21 without these campaigns, the reduction in smoking  
22 stalled. This is consistent with an article from  
23 the New England Journal of Medicine, which showed  
24 that California's smoking decline stalled when its  
25 comprehensive program was made less effective by

reducing funding and aggressive media campaigns.

Multiple studies, including a recent comprehensive

review by the National Institute of Health

confirmed similar findings in states with

comprehensive tobacco control programs. When

anti-tobacco control programs are weakened by

cutting funding or diluting aggressive messages,

states see a flattening or reversal of smoking

prevalence declines. In making decisions about

how best to save money, we use a three-tiered

process. First, we identify revenues that can

help meet targets, resulting in the need for fewer

service cuts. This often means maximizing federal

or state revenue or improving the collection and

recognition of revenues that we already receive.

We've been able to achieve our entire FY 09 target

and more than 40% of our FY 10 target through

revenue related initiatives. And I should

highlight that because we get a state match, if we

save-- if we're able to increase our revenues by

one dollar, we prevent about a dollar and a half

in cuts. So the first thing that we try to do is

to maximize revenues. Second, we identify

efficiencies to provide the same services at lower

costs. We streamline business processes, trim lower-priority purchases and consolidate activities to ensure that every dollar spent yields the greatest possible public benefit. Our FY 10 budget includes almost \$400,000 in cuts to central administration and other efficiencies, including canceling certain consultant contracts, postponing technology upgrades, reducing vehicle use and transportation costs, scaling back the purchase of supplies and patient incentives. We are also closing the part-time East Harlem STD clinic. And I want to make clear that we see this as primarily an efficiency rather than a service loss. This clinic closure will save about \$273,000 CTL annually. Clinic visits to that clinic accounted for less than 4% of our total STD visits and almost two-thirds of all of the patients who visit that clinic are from outside that catchment area. In other words, they're traveling from their home area where they may be concerned going into a public clinic to seek STD care to another area and there are already nine other STD clinics including nearby sites in Central Harlem, Riverside and Chelsea. Closing



2 East Harlem STD clinic will actually both save  
3 money and allow us to improve services in our  
4 busier clinics where the staff are needed most.  
5 There are no layoffs associated with this action.  
6 Third and most challenging, we identify programs  
7 and operations that however well run can be cut  
8 with the least impact on public health. Instead  
9 of reducing programs across the board, we target  
10 reductions in order to minimize negative public  
11 health impact. These are the most difficult cuts  
12 to make, but unfortunately they are sometimes  
13 inescapable. Reducing or eliminating programs is  
14 never easy. As proposed in the November plan, the  
15 Health Department will no longer provide direct  
16 oral health services, saving the City 2.5 million  
17 in 10 and 3.4 million in FY 11. All sites will  
18 cease operation by the Department at the end of  
19 the Fiscal Year, including our five center-based  
20 clinics and 39 community-based sites, which are  
21 mostly in schools. The Health Department provides  
22 oral health services to approximately 1% of the  
23 city's children. Most free and low-cost  
24 children's dental services are provided through  
25 Medicaid and Child Health Plus, which are

2 available in New York State to children whose  
3 family income us up to 400% of the federal poverty  
4 level. Medicaid as a funding source for oral  
5 health remains underutilized. Only 45% of  
6 children who are in Medicaid managed care, and who  
7 are all covered for dental care, had a dental  
8 visit in the past year. If this percentage  
9 increased to just 50%, that would mean more than  
10 50,000 additional children would receive dental  
11 services, approximately three times the number  
12 currently served by our own oral health program.  
13 The Health Department will work with families to  
14 help them access low-cost dental services. We are  
15 in the process of identifying providers who may be  
16 able to take over services at some or all of our  
17 current locations or to absorb our patients into  
18 their practice. To be clear, we would offer to  
19 providers to use our facilities and to have  
20 essentially free rent and free use of the  
21 equipment. We will also help families make a  
22 smooth transition to a new provider either through  
23 Medicaid, Child Health Plus, HHC or through  
24 federally qualified health centers. Unfortunately  
25 closing our oral health program requires us to lay

2 off 92 employees including dentists, dental  
3 hygienists, dental assistants. Our human  
4 resources department is committed to helping  
5 employees who will be laid off with job skills  
6 training and outplacement help. We would very  
7 much prefer not to have to make this service  
8 reduction. By finding oral health providers in  
9 the community to serve these children, linking the  
10 children to care and doing everything we can to  
11 smooth the transition for affected employees, we  
12 will work to minimize this cut's impact. Mental  
13 hygiene cuts will achieve a total savings of \$4.4  
14 million in FY 10. While the great majority of  
15 these savings will come from revenue, claiming and  
16 efficiency measures, some may have program impact.  
17 The savings are from program closures that have  
18 been initiated by the service providers  
19 themselves, as well as closures that have been  
20 initiated because programs are under performing  
21 and have repeatedly failed to meet contractual  
22 commitments for the number of people served or  
23 other key contractual obligations. These have had  
24 multiple bad audits and failed to correct their  
25 performance. In all cases, consumers will be

2 redirected to remaining programs and no one who is  
3 currently receiving services will be denied  
4 services. Also, funding will be reduced for six  
5 HHC clinics and nine community based programs  
6 serving individuals with developmental  
7 disabilities and for two HHC programs serving  
8 children and families affected by HIV; these are  
9 clinics, which have other sources of funding. The  
10 Health Department will also reduce a limited  
11 number of contracted mental hygiene services by 2%  
12 or less, asking programs, as we all are doing, to  
13 identify efficiencies. We believe that the vast  
14 majority of these reductions will be offset  
15 through efficiencies or by maximizing other  
16 available sources of public funding such as  
17 Medicaid. Funding for Animal Care and Control, or  
18 AC&C, will be reduced by \$434,000 or approximately  
19 5% of the projected FY 10 budget. This is the  
20 first reduction in AC&C's budget in more than five  
21 years and is in line with the overall reduction in  
22 our Department's budget. Had AC&C not been  
23 protected from recent budget reductions, it would  
24 have faced millions of dollars in additional cuts.  
25 We will work closely with AC&C in the coming

2 months to minimize the impact on animal welfare  
3 and public health. The November plan also  
4 includes funding reductions for a wide range of  
5 other programs, services and administrative  
6 operations. Let me highlight in response to  
7 Chairperson Koppell's comment that there are no  
8 reductions in either the contracting office or our  
9 rollout of our electronic contracting system. We  
10 recognize the need to preserve and strengthen our  
11 service provision in that area. Other funding  
12 cuts include a reduction of funds to purchase Plan  
13 B emergency contraception pill packs, reducing the  
14 number of safe house apartments used to house  
15 families whose homes are undergoing lead  
16 abatement, a reduction in training sites and  
17 sessions for a fitness program and small  
18 reductions in education and surveillance for  
19 children suffering from asthma. We're facing  
20 tough financial times that will, without a doubt,  
21 get worse. We will work hard to continue the  
22 progress we've made over the past seven years.  
23 Decisions to reduce or eliminate programs are not  
24 made lightly and are proposed only when we've  
25 exhausted all of the other options available to

us. I appreciate the Council's support for Health and Mental Hygiene in New York City and look forward to our continued work together. I'm happy to answer your questions.

CHAIRPERSON WEPRIN: Thank you, Commissioner. We've been joined by some colleagues, and if I am not sure I know who was introduced, who wasn't. But I know we've been joined by Councilman Jim Gennaro, Council Member Rosie Mendez, Council Member Albert Vann and Council Member Inez Dickens and Council Member Helen Sears, Council Member Simcha Felder, Council Member Kendall Stewart, Council Member John Liu, Council Member David Yassky. I believe the others were introduced. Council Member Robert Jackson. You referred in your testimony to the eliminating of the oral health, which I referred to in my opening statement. And we were a little concerned about the reduction of employees as well. And we appreciate that you're going to make attempts to relocate them through your human resources department. The question though and the statement I made in my opening statement was, isn't it possible that there will, you know, be an

2 additional cost to the City, which won't result in  
 3 any savings in the fact that the Health and  
 4 Hospitals Corporation may end up picking up some  
 5 of that elimination on the oral health and as a  
 6 result there will be an additional cost to that  
 7 system, which won't result in an overall savings  
 8 to the City?

9 THOMAS FRIEDEN: We think this will  
 10 actually result in a net savings to the City. We  
 11 are in discussions with other providers. We hope  
 12 we'll be able to find a provider to take at least  
 13 some of the services, both the fixed site and the  
 14 school-based sites. But the children who are in  
 15 managed Medicaid, who account for a significant  
 16 portion of our clinical services, those insurance  
 17 companies are already being paid to give them  
 18 dental care, but for whatever reason they're not  
 19 receiving the dental care through their Medicaid  
 20 managed care plan. So, that would not result in  
 21 any increase in Medicaid or other costs. The  
 22 City's costs and Medicaid of course, have been  
 23 capped or kept to a flat increase. So I don't  
 24 think that there would be losses elsewhere in  
 25 terms of increased fiscal costs. We have been in

2 discussions with the Health and Hospitals  
 3 Corporation about whether they would be interested  
 4 in taking over one or more of these clinics. They  
 5 would have to really do good due diligence to  
 6 understand whether they could do that without  
 7 taking a financial loss, and they would only do it  
 8 if they could do it without taking a financial  
 9 loss.

10 CHAIRPERSON WEPRIN: Okay. And  
 11 Chair Rivera in his opening statement referred to  
 12 the closing of the East Harlem STD clinic in the  
 13 amount of about \$273,000. Where will those  
 14 patients be going and how do we have assurance  
 15 that they'll all be able to be serviced by other  
 16 clinics?

17 THOMAS FRIEDEN: Actually I really  
 18 think of this as an efficiency. The clinic is  
 19 relatively-- utilized at a relatively low rate.  
 20 63% of the patients who come to that clinic live  
 21 outside of the catchment area. We have three  
 22 other clinics in Manhattan as well as one nearby  
 23 in the Bronx, one in Chelsea, one in Riverside and  
 24 one in Central Harlem. And we will relocate the  
 25 staff to those clinics so they will be able to



2 more rapidly serve the higher volume of patients  
3 at the other clinic. So we think this is actually  
4 a way of providing more efficient services for a  
5 little bit less money.

6 CHAIRPERSON WEPRIN: And there  
7 won't be a reduction in staff you're saying?

8 THOMAS FRIEDEN: No.

9 CHAIRPERSON WEPRIN: Okay. Then  
10 just finally, as you know, the City Council  
11 working with you and your Agency, has proposed a  
12 number of new initiatives of the last few years.  
13 I know Chair Rivera and Chair Koppell had a  
14 number, I had my Autism Initiative; will any of  
15 these cuts, proposed cuts, affect any of the City  
16 Council initiatives that we've instituted over the  
17 last couple years?

18 THOMAS FRIEDEN: We, as far as I  
19 know, have no proposals to reduce Council-funded  
20 initiatives in the current PEG.

21 CHAIRPERSON WEPRIN: Okay, thank  
22 you.

23 THOMAS FRIEDEN: For the current  
24 fiscal year. I'd have to think about whether any  
25 of them reflect additions over the past few years.

2 But there's nothing that was added in the current  
3 year that's proposed to be reduced in the current  
4 year.

5 CHAIRPERSON WEPRIN: Okay. Chair  
6 Rivera?

7 CHAIRPERSON RIVERA: Thank you very  
8 much. Commissioner, thank you for being patient  
9 and waiting a couple of hours to actually sit with  
10 us here today. The Committee on Health has been  
11 for the past couple of years talking about the  
12 Oral Health programs, because that has been  
13 something that we have been passionate about. We  
14 know that dental care of our children is probably  
15 one of the best ways to ensure that our children,  
16 you know, can get good quality dental care in the  
17 schools. They have worked. I mean obviously  
18 we've had issues with utilization, but we have  
19 seen thousands upon thousands of visits, as has  
20 been indicated by the returns on, you know, the  
21 information we received from the schools  
22 themselves. And those are from students who get  
23 easy access to good quality dental care in the  
24 school, who for the most part have parents who  
25 work at fulltime jobs and they may not be able to

2 take a day off to take their child to the dentist.  
3 And the reason why we've been passionate about  
4 this program is obviously for the same reasons,  
5 you understand, is that it's a program that works  
6 and it's a program that we should, you know,  
7 increase enrollment, increase participation and  
8 make sure that gets, you know, fully utilized.  
9 It's been in existence for over 100 years. And  
10 when we talk about the tough economic times, we  
11 have to be fiscally prudent and we have to find  
12 ways to be cost effective, but we have to also try  
13 and not cut direct services. You know, that has  
14 been the position this body has taken, you know,  
15 for quite some time. You know, there are two  
16 goals within the Department of Health, one is to  
17 provide direct services, you know, to the  
18 residents of the City of New York to make sure the  
19 quality of health is up there, and then there's  
20 the goals of doing things such as reducing  
21 smoking, you know, fighting obesity, things of  
22 that nature, which we also have been aligned on.  
23 I have a question pretty much, it's very simple  
24 actually, it just states how much do we spend in  
25 advertising the anti-smoking campaign and all the

2 other, you know, advertisements we do, and can we  
 3 find a way to shave off a small percentage from  
 4 that advertising budget, which I believe is  
 5 upwards of about \$100 million a year, in  
 6 advertisement. You're nodding your head no, so  
 7 maybe that would not be the accurate amount. But  
 8 it's a substantial advertising budget. Would we  
 9 be able to shave off a small percentage of that to  
 10 salvage these dental clinics inside the schools to  
 11 make sure our children can get good quality dental  
 12 care and to keep the STD clinic open?

13 THOMAS FRIEDEN: The exact  
 14 advertising budget we would have to get you. It's  
 15 nowhere near that.

16 CHAIRPERSON RIVERA: Okay.

17 THOMAS FRIEDEN: I don't want to  
 18 give a number that may be incorrect, but it's  
 19 nowhere near that. Even at the highest point of  
 20 our advertising it was somewhere around \$10  
 21 million or less or \$8 million at the very highest.  
 22 And that's matched by-- that includes state funds  
 23 as well. So it's probably about \$5 million City.  
 24 We start with the issue that we want to save as  
 25 many lives as possible. And so we look at every

program that we run and we prioritize what we're going to do based on having the maximal impact.

We were not convinced that anti-tobacco advertising was something worth spending money on, so we didn't do it for a few years. And we saw the decline in smoking in New York City stall. We then did hard-hitting advertising and we saw a strong decline, particularly in the target audiences where we were doing the programs. So when the Renaldo ads went up with Renaldo, who has a tracheotomy, the decline was greatest among Latino males. Similarly in California, they had a similar experience a few years back where they stopped doing their hard-hitting ads. They saw a stall in the reduction of smoking. They started them again; they saw a resumption in the reduction of smoking. The National Institute of Health, the National Cancer Institute just convened a huge panel to review all of the evidence on this and conclude that media campaigns are highly effective. So, we certainly have reduced the amount we spend on it, but there'd be no way we could make up \$3.5 million of CTL without literally doing things that would result in more

2 deaths in the future.

3 CHAIRPERSON RIVERA: Okay. Now,  
4 there's a question that I had proposed earlier in  
5 reference to why don't we get reimbursed for the  
6 dental visits that the kids, you know, take part  
7 in in schools? Why is that the situation? If the  
8 children qualify for, under the Medicaid managed  
9 care program, why don't we get reimbursed for  
10 providing those services? And if we don't get  
11 reimbursed, how can we start getting reimbursed  
12 and keep the program alive?

13 THOMAS FRIEDEN: So just to finish  
14 my earlier answer, I would also comment that the  
15 CDC recommendation for spending on-- Centers for  
16 Disease Control and prevention recommendation for  
17 spending on anti-tobacco mass media is \$3.42 per  
18 person, that would be \$28 million for New York  
19 City. We're less than a third of that currently  
20 as it is, so just to be clear on what we spend.  
21 In terms of Medicaid reimbursements, we do attempt  
22 to reclaim money for--

23 [Pause]

24 THOMAS FRIEDEN: And let me just  
25 introduce the people with me here at the table at

2 this moment. Dan Lehman is Deputy Commissioner  
3 for Finance, and Louise Cohen is Deputy  
4 Commissioner for Healthcare Access and  
5 Improvement.

6 LOUISE COHEN: Thank you. Council  
7 Member, we do bill for every child who we are  
8 aware of who is on public health insurance. And  
9 not only that, we do match information from when  
10 the school-- the school health form may have  
11 information about a child's health insurance. And  
12 we take that and we try to bill. But having said  
13 that, we really-- so about 30% of our patients we  
14 know to be in Medicaid, Medicaid managed care, and  
15 we're able to bill for those. However we don't  
16 require insurance information in order to provide  
17 services and it is on the consent form. If a  
18 parent does not fill it out, and this is also true  
19 for a school entry form, if a parent does not fill  
20 it out, we do not require them to do so. So we  
21 have about 60% of the people who come into our  
22 clinics that we do not have insurance information  
23 on. It is possible we could do a better job at  
24 collecting, but it still would not cover-- we  
25 still would not cover our costs.

2                   CHAIRPERSON RIVERA: My question,  
3 because pretty much my statement revolves around  
4 the premise that we have a \$1.6 billion budget in  
5 the Department of Health and Mental Hygiene and  
6 we're talking about \$3.5 million dollars. If we  
7 can maximize revenue generating like the  
8 Commissioner stated, you know, that you're trying  
9 to maximize the amount of revenue you can generate  
10 through the Agency, why-- this seems like an area  
11 that we can get reimbursed either by the public  
12 managed care programs; why are we not aggressively  
13 seeking that? It may not recover 100% of what the  
14 potential is, but even if it recovers 50%, 60%,  
15 and then we find cost efficiencies in other areas,  
16 then we can keep a program alive that's been  
17 around for a very long time and we know has a  
18 direct impact on the quality of dental care a  
19 child receives. Because we know that if a family  
20 is working two or three jobs to not have the time  
21 to take off, and their children do not get dental  
22 care, it is going to translate in other issues  
23 when it comes to the child's education. You know,  
24 there's a lot of studies that have shown that, you  
25 know, if a child is not focused in class because



2 has a severe toothache or needs to get a tooth  
3 extraction, things of that nature, now that child  
4 has the potential of failing in class. And good  
5 quality dental care has been shown, you know, to  
6 benefit a child's, you know, educational  
7 experience. So that's why we have been passionate  
8 about this. I know my Council Colleague, Tish  
9 James, has been very passionate about this. And  
10 all of us, you know, trying to salvage this  
11 program. So if we can maximize revenue generating  
12 aspects on the reimbursement side and then shave  
13 off a couple of dollars elsewhere, I think it's a  
14 program that we should definitely try to salvage.

15 THOMAS FRIEDEN: The fact is that  
16 we do everything we can to maximize revenue. We  
17 have people to enroll children in Medicaid if  
18 they're not enrolled. We collect the data on  
19 whether or not they're in Medicaid. We specially  
20 modify the managed care contracts so that we can  
21 bill the managed care companies for the care  
22 that's given, because they should be getting the  
23 care there. And we've been able to generate  
24 almost \$800,000 in revenue most recently from that  
25 initiative. But we still are left with a large

fiscal gap. And we wish we didn't have to make this proposal. We agree with you that children's dental services are important. When we look at all of the things that we as an agency do, this is the one that the reduction of would have the least negative impact on the public's health. We also want to emphasize that while we can't be certain, we're hopeful that we'll be able to get some providers to take over at least some of these sites. We're hopeful that with a focus on the managed care companies and getting them to increase the number of children who they're responsible for providing medical care and dental care to, but aren't providing dental care, if we can increase that number even two percent, from 45% to 47%, that would be more children than are in this entire \$3.5 million budget whole that we're trying to address. So, I agree with the Council. This is the most painful part of our November plan for the Health Department. We did not make this proposal lightly. We wish we didn't have to make this proposal. But compared with all of the other options, we see it as the least bad.

CHAIRPERSON RIVERA: Okay. That

2 being said, the administration and City Council  
3 are partners in the overall budget process that we  
4 put forward. And I know we have a very limited  
5 time clock we're working with to get things done.  
6 So my question is, if we can find alternative cuts  
7 with the Department of Health, would you be  
8 willing to take a look at those cuts and see if we  
9 can implement those instead of, depending of  
10 course what the cuts would be? Would you be  
11 willing to sit down with us and decide to identify  
12 alternative cuts?

13 THOMAS FRIEDEN: We would certainly  
14 be willing to consider any suggestions for  
15 revenues or cuts that would have little or no  
16 impact on the public's health. We would take as  
17 our benchmark for judging these what will this  
18 mean for the health of New Yorkers. At the same  
19 time I think we have to be frank that we're going  
20 to be facing another large budget hole in the  
21 City. We're going to be facing an even larger  
22 budget hole in the state. As I mentioned in my  
23 testimony, we've already lost \$20 million annual  
24 recurring in federal dollars, \$7 million annual  
25 recurring in state dollars and I have to tell you

2 that literally once a week I get another letter  
 3 from the state telling us about another reduction.  
 4 A few hundred thousand dollars here, a few hundred  
 5 thousand dollars there, and what's going to play  
 6 out in Albany where they have very, very large  
 7 deficits and where they account for a significant  
 8 portion of our funding, is very concerning. So I  
 9 think that even if we are able to preserve the  
 10 program in this round, it's unlikely unless things  
 11 turn around in a way that nobody I think expects  
 12 them to economically, that we would be able to do  
 13 that for long.

14 CHAIRPERSON RIVERA: Thank you,  
 15 Commissioner. I know my Council Colleague, Oliver  
 16 Koppell has some questions.

17 CHAIRPERSON KOPPELL: Yes. Thank  
 18 you. I'm pleased to hear that you've recognized  
 19 that you shouldn't cut your contracting personnel,  
 20 and I certainly endorse that decision. I don't  
 21 know whether you misspoke, but I listened very  
 22 carefully when you talked about cutting Council  
 23 initiatives. And what you said, as I recall it,  
 24 I'm not going to ask the stenographer to read the  
 25 record, but what I understood you to say was that

2 you weren't going to cut any new Council  
3 initiatives. But we had very new Council  
4 initiatives in Fiscal Year '09. They were all old  
5 Council initiatives that were repeated. Now, if  
6 you meant to say you weren't going to cut any  
7 Council initiatives at this time, that's fine.  
8 But you didn't say that, you said new Council  
9 initiatives. So I'd like you to clarify that.

10 THOMAS FRIEDEN: I was just trying  
11 to make sure that I was exactly precise. Since we  
12 have to make funding in the out years and since  
13 the Council initiatives don't appear in the out  
14 years, there's no funding cuts possible or  
15 entertained by that. I was being careful because  
16 I wanted to look at all of the little details of  
17 what we've cut to see if any were Council  
18 initiatives from a few years ago that have been  
19 baseline since. And we do propose some small  
20 reductions in HIV, in tuberculosis, in maternal  
21 and infant health, and in vector control. But  
22 these are basically baseline funds, which have  
23 relatively small, in all of those cases that I  
24 mentioned, reductions. But to be unambiguous,  
25 nothing that the Council put in this year is

2 proposed for a reduction either this year or in  
3 the out years, since it couldn't be in the out  
4 years.

5 CHAIRPERSON KOPPELL: In the out  
6 years it hasn't been proposed yet.

7 THOMAS FRIEDEN: Yes.

8 CHAIRPERSON KOPPELL: So, none of  
9 the initiatives that we added in June--

10 THOMAS FRIEDEN: [Interposing]  
11 Correct.

12 CHAIRPERSON KOPPELL: Are going to  
13 be reduced.

14 THOMAS FRIEDEN: That's correct.

15 CHAIRPERSON KOPPELL: That's good.  
16 That's certainly good to know. And I think it  
17 would be helpful for us to know the others that  
18 you mentioned, because just the fact that they're  
19 baseline doesn't mean that we're not interested in  
20 them. So I think if we could get a schedule,  
21 maybe the Committee, I think both Health and  
22 Mental Health, if we could get a schedule of that  
23 within the next, let's say 48 hours.

24 THOMAS FRIEDEN: Sure.

25 CHAIRPERSON KOPPELL: So we could

2 review it, because as the Chair indicated, there  
3 are going to be some negotiations. And there may  
4 be some of these areas that we want to negotiate  
5 over. So if we could get a schedule, I think it  
6 would be very helpful. Two other points. Number  
7 one, on the tobacco, on the anti-tobacco, anti  
8 smoking ads; doesn't the City get money out of the  
9 overall national tobacco settlement for that?

10 THOMAS FRIEDEN: The Department  
11 gets no money from either the settlement or the  
12 federal government for tobacco control. The City  
13 itself does of course receive some MSA funds,  
14 Master Settlement Agreement, as well as some tax  
15 money. But that's already accounted for in the  
16 general revenues.

17 CHAIRPERSON KOPPELL: So the City  
18 gets the money but the Department doesn't get it?  
19 What does the City do with it?

20 THOMAS FRIEDEN: I guess they pay  
21 everyone's salary and they fund all of the  
22 budgets. It's not specifically earmarked for  
23 tobacco control.

24 CHAIRPERSON KOPPELL: So what  
25 you're saying to me is that the tobacco settlement

2 money, part of which was intended to provide for  
3 anti-tobacco advertising is not used for that. Is  
4 that what you're saying?

5 THOMAS FRIEDEN: The Master  
6 Settlement Agreement Funds are not earmarked for  
7 any specific purpose including not for tobacco  
8 control.

9 CHAIRPERSON KOPPELL: I see.  
10 That's interesting. So it's sort of that money is  
11 being used for budget balancing rather than-- I  
12 mean I guess some of it you could say is used for  
13 tobacco advertising because you do it. So one  
14 could say the City is using some of it for that  
15 purpose. But I want to-- I'm not questioning the  
16 efficacy of the advertising. It may be  
17 efficacious. But in the panoply of priorities,  
18 and I recognize that we're going to probably be  
19 not as effective as we could be in this public  
20 health area, but I would, frankly, one might say  
21 that in times of fiscal stringencies, people have  
22 to be more responsible for themselves than in  
23 times when we can help them. So in this instance  
24 I would say people have to be more responsible  
25 about cutting down on smoking and we can't help



2 them with frightening ads so much.

3 THOMAS FRIEDEN: I might agree with  
4 you, if there was a complete ban on advertising,  
5 marketing and promotion by the tobacco industry.

6 CHAIRPERSON KOPPELL: I would vote  
7 for that.

8 THOMAS FRIEDEN: But last year, or  
9 the most recent year for which we have data, the  
10 tobacco industry spend \$13 billion on marketing  
11 and promotion. So what we're doing is really a  
12 drop in the bucket, but a very effective  
13 intervention. There is no doubt in my mind that  
14 if we were to significantly reduce our mass media  
15 for anti-tobacco, more people would die.

16 CHAIRPERSON KOPPELL: While I'm not  
17 questioning that, I again say that this is  
18 something we may have to put on the responsibility  
19 of the individual at this time, and we can't use  
20 public dollars, at least not as many. And the  
21 last thing I would mention is this, commissioner,  
22 and you know this very well; especially, and I'm  
23 not questioning that anybody else is committed,  
24 but Council Member Brewer and I have been very,  
25 very adamant about trying to increase the number

2 of school health clinics, not only for dental but  
3 for regular health and particularly for mental  
4 health. And I'm sure that these mental health  
5 services that we've been particularly focused on,  
6 because that's my responsibility, to some extent  
7 could be provided in the private area. But we  
8 think it's important to be in the schools. And I  
9 think the same thing is true of dental.

10 THOMAS FRIEDEN: School-based,  
11 particularly dental sealant application, is a best  
12 practice. We've spent the last few years trying  
13 to increase the use of mobile clinics in the  
14 school to apply dental sealants. The prevent  
15 cavities in the future for children. We have been  
16 able to do it. It's been limited by the  
17 difficulty in getting parental consents back and  
18 other things. But we agree that this is useful  
19 and that doing services, mental health and dental  
20 and healthcare in the schools is the most likely  
21 way to get kids to go.

22 CHAIRPERSON KOPPELL: I don't know  
23 that you've had the opportunity that I've had to  
24 visit. We have several in my district. They're  
25 terrific and everybody in the school thinks

2 they're terrific, these school-based health  
3 services. We shouldn't be cutting them.

4 THOMAS FRIEDEN: We do fund school-  
5 based health services through the Department,  
6 although most are state funded and most of the  
7 funding is actually Medicaid carve out funding.  
8 We have not proposed any reduction in school-based  
9 health services. In fact, we've expanded them in  
10 recent years for primary medical care. There is a  
11 bigger issue with school-based health services,  
12 which is that the Medicaid rate that they receive  
13 does not fully reimburse their payment. And we  
14 would hope the state would address that issue.

15 CHAIRPERSON WEPRIN: Chair Palma  
16 had a few questions?

17 CHAIRPERSON PALMA: Just two.  
18 Thank you. Commissioner, how much of the mental  
19 hygiene cuts will come from the funding HHC  
20 clinics receive?

21 THOMAS FRIEDEN: So let me  
22 introduce Dr. Adam Karpati, who's become our  
23 executive deputy commissioner for mental hygiene.

24 CHAIRPERSON RIVERA: Just since we  
25 arrived?

2 THOMAS FRIEDEN: In the past two  
3 weeks.

4 ADAM KARPATI: Thank you. HHC  
5 reductions represents about a third of the total  
6 mental hygiene reductions by 1.7 million.

7 CHAIRPERSON PALMA: 1.7. And do  
8 you have a listing of those HHC Clinics that will  
9 be affected by this reduction?

10 ADAM KARPATI: We can provide you  
11 with that.

12 CHAIRPERSON PALMA: That would be  
13 helpful to us. And I'm also interested in  
14 knowing, would this reduction affect any of the  
15 community-based organizations that contract with  
16 the Department?

17 ADAM KARPATI: Indeed it will. We  
18 are currently reviewing the portfolios of  
19 contracted agencies to identify those-- our first  
20 goal would be to identify those to say where  
21 programs are closing. Second, as Commissioner  
22 Frieden mentioned, to identify programs that have  
23 had compliance issues, underperforming programs.  
24 But third, to make relatively small, though not  
25 insignificant, but less than 2% cuts to a broader

2 sections of programs and ask them to find  
3 efficiencies the way that the Department is. So  
4 we hope to minimize the broadest types of cuts, to  
5 focus them on programs that are underperforming.  
6 But indeed, there will be some cuts on the  
7 contracted side.

8 CHAIRPERSON PALMA: When do you  
9 anticipate having that information?

10 ADAM KARPATI: As Commissioner  
11 Frieden mentioned, we're anticipating further cuts  
12 from the state budget. And our goal is to really  
13 align what we do with what we're going to be  
14 hearing from the state over the next month. We  
15 anticipate being able to inform our programs early  
16 in the New Year so as to give them sufficient time  
17 to make their adjustments before the beginning of  
18 next fiscal year. So I would say January at the  
19 latest.

20 CHAIRPERSON PALMA: And then you  
21 mentioned in your testimony some of the programs  
22 that are not fulfilling their contractual  
23 obligations. Can you share with us as well those  
24 programs who are not meeting their obligations?  
25 Thank you.

2 CHAIRPERSON WEPRIN: Thank you.

3 Council Member Arroyo?

4 COUNCIL MEMBER ARROYO: Thank you  
5 Mr. Chair. Good afternoon, Commissioner. I'm way  
6 over here. I just wanted to follow up on Council  
7 Member Palma's question regarding the mental  
8 health programs that are, well some of the savings  
9 will be from closures. And they're  
10 underperforming programs that have repeatedly  
11 failed to meet contractual commitments for the  
12 number of people served. And that indicates  
13 people-- opportunities for people to receive  
14 services have gone-- it's just a waste of  
15 resources. How long has this been going on? It's  
16 a three-part question. How long has it been going  
17 on? What efforts has the Department undertaken to  
18 help these providers come up to snuff? And where  
19 are these programs located? The full details we  
20 could get you in writing afterwards. In general  
21 there are a couple of programs, which decided to  
22 close for one reason or another. When thy close  
23 our partial funding or whole funding of their  
24 operations is a potential savings. So from that  
25 standpoint, whether or not we include it as a

2 budget saving, it's going to be saved. So that's  
3 relatively pain free in the sense that it's going  
4 to happen anyway, no matter what we do in the  
5 budget. But we can recognize the savings in those  
6 areas, and there's one such program in the public  
7 hospitals and one such program in the voluntary  
8 sector. For the other programs it's a program-by-  
9 program basis. So there are some programs for  
10 which the problem has been going on for years.  
11 There are others that its more recent. There's an  
12 even larger number of programs, which had problems  
13 that we've been able to address with them and so  
14 they're not on this list and they don't appear in  
15 that.

16 ADAM KARPATI: I would just add  
17 that it' s an ongoing process of review, audit  
18 attempts to work with the program, improve  
19 performance. So it's really at the end of that  
20 process that a decision like this would be made.  
21 And that's something that goes on throughout the  
22 year.

23 COUNCIL MEMBER ARROYO: I  
24 appreciate that. It's also the time when programs  
25 start to call our offices to complaint that you're

targeting them for reduction. It would certainly help us help you do what you do better understanding there's a concern or a problem with a given program in advance, so that we're not reacting to somebody's phone call that you're targeting them for reduction, and certainly serve as a vehicle to help or to assist in improving performance. On the dental services reduction in school programs, I'm really concerned about the notion that managed care providers can pick up the slack, or HHC. Having a background in healthcare management, I know that dental clinics in the public facilities are usually-- experience long waiting lists for patients to acquire services. Do we know how many dentists outside of the public hospital system are managed care contracted, whether they have the capacity to absorb or are they willing to take managed care patients?

THOMAS FRIEDEN: It's the managed care companies that have a legal obligation to ensure that the enrollees that they have, have easy access to dental care. There are about 3,000 dentists contracted by various providers that have been paid by Medicaid in the City. And we think



2 that by intensively monitoring and supervising the  
3 managed care companies, we can get them to  
4 increase that percentage that I mentioned earlier  
5 of only 45% of the kids who are in managed care  
6 see a dentist at least once a year, to get that  
7 up. And that actually could have a larger impact  
8 than the sites that we operate. The sites that we  
9 operate, I have to say, don't have long waiting  
10 lists and have quite low productivity ratios.

11 COUNCIL MEMBER ARROYO: We've had  
12 this dental health school program dialogue for  
13 about two years. So that we've gone back and  
14 forth on that. And my concern is that there's an  
15 assumption that there's a system out there that  
16 can absorb or provide the services. And I'm  
17 concerned that that may not be correct. And you  
18 indicated that you're in the process of  
19 identifying providers who may be able to take over  
20 the services. Where are you with the process and  
21 when do you think you'll be completed in terms of  
22 identifying those providers, who patients who you  
23 have engaged in care already can be transferred  
24 to?

25 LOUISE COHEN: I apologize. I was

2 asked to step out for a minute. And I think I  
3 understand your question, which is, is there  
4 enough dental capacity in the community and who  
5 are we speaking to, if that's accurate?

6 COUNCIL MEMBER ARROYO: Well, I'm  
7 referring to the Commissioner's testimony on page  
8 4, the third paragraph. You're in the process of  
9 identifying providers who may be able to take over  
10 services at some or all of the current locations.  
11 So what's the status of that process? When do you  
12 anticipate completing it?

13 LOUISE COHEN: As you know, the  
14 good news, to the extent that there is any, is  
15 that this program is not shutting down  
16 immediately, that it is ending at the end of the  
17 school year. So we have approximately six months  
18 to effectuate a transition to other service  
19 providers. Obviously the first place that we have  
20 gone to talk to is HHC, and there is particularly  
21 one, in one borough, there is great interest in  
22 potentially working at two of our sites. There is  
23 also some potential for thinking about adding  
24 dental operatories to federally qualified health  
25 centers who may not currently provide dental care

but would be interested. And we'd be glad to work with them to give them the equipment including the operatory, the chair, the x-ray equipment, the other accoutrements that go along with that, which is obviously a capital expense which would otherwise have to be incurred by an organization. I've been personally in touch with the directors of several federally qualified health centers and intend to meet with as many of them as possible to try to see if there is any interest in expanding their services along those lines. And the third place that we're looking is that there are an existing set of providers who provide services in schools, school-based health clinics. And we have already sent a letter out to all of the directors of all of the school-based health clinics, asking them if they are interested in taking our equipment and either using it in the sites that we now have that we would negotiate with the Department of Education on their behalf, and with them, or in their own current sites, so that equipment would be used to add dental services in a school that might not currently have it at this time. I can think of some other, you know,

2 potential places that might be interested, but  
3 those are the three main areas that we're looking  
4 at at this time.

5 COUNCIL MEMBER ARROYO: So  
6 hopefully in the very near future you'll have a  
7 very concrete plan and provide information to the  
8 Committee on what the outcome is.

9 LOUISE COHEN: We would be glad to  
10 do so.

11 COUNCIL MEMBER ARROYO: Thank you.

12 CHAIRPERSON WEPRIN: We're a couple  
13 hours behind schedule, so if I could ask everyone  
14 to limit their question to one question. We have,  
15 two, three, four, five, six more council members  
16 signed up for questions. Council Member Brewer?

17 COUNCIL MEMBER BREWER: Dr.  
18 Frieden, you're okay, but we like Dr. Cohen, just  
19 so you know. We like her, she's fabulous.  
20 Extremely out of the box thinking, school-based--  
21 I call it the Barbara Minch [phonetic] Health  
22 Clinics, that's a good idea. We're for that. So  
23 that would make a big difference with the health,  
24 oral health issues. And then I think if that  
25 happens then we would all be very happy. Thank

2 you for thinking outside the box. With these  
3 animals, it's a recession, so everybody is turning  
4 in their animals. How are you going to handle all  
5 that? Not that-- I mean, the animal people are  
6 upset.

7 THOMAS FRIEDEN: Actually, we have  
8 not seen an increase in intake at Animal Care and  
9 Control, although it's--

10 COUNCIL MEMBER BREWER:  
11 [Interposing] Maybe they don't go to you because  
12 they like to go to the other ones. But there are  
13 animals being--

14 THOMAS FRIEDEN: [Interposing]  
15 Well, Animal Care and Control is by far the  
16 largest intake facility and is the only one that  
17 has to take every animal available. Also, any  
18 stray would generally come to Animal Care and  
19 Control. So we haven't seen an increase. We do  
20 think that there are probably ways to economize on  
21 some of the services. We're very grateful for the  
22 partnership of both the ASPCA and the Mayor's  
23 Alliance for Animals--

24 COUNCIL MEMBER BREWER:  
25 [Interposing] They like that. They like Jane

2 Hoffman.

3 THOMAS FRIEDEN: --as well as other  
4 organizations, which are taking on some of the  
5 costs that had been borne by Animal Care and  
6 Control for some of the care of the animals and  
7 some of the spay/neuter activities, which are  
8 really very important. Because in the long run we  
9 are going to reduce euthanasia of animals by  
10 increasing spay/neuter so there will be fewer  
11 animals coming in. So, we have not seen an  
12 increase to date. But we'll be tracking that very  
13 carefully.

14 COUNCIL MEMBER BREWER: You  
15 mentioned vector. Is that something that, just in  
16 terms of cuts, is there something specific there?

17 THOMAS FRIEDEN: There's a couple  
18 of things, the primary one is to make the  
19 larvicide that we use for West Nile a less  
20 expensive-- to get a less expensive cost for it.  
21 We don't think that will have any significant  
22 impact.

23 COUNCIL MEMBER BREWER: Okay. I  
24 want to thank Council Member Oliver Koppell, we're  
25 all very concerned about help in the schools, and

2 I know that's something that Velmanette Montgomery  
3 has spent years working on. We heard in an earlier  
4 hearing, unfortunately, I don't know how this is  
5 going to turn out, that some of the Life Programs,  
6 which are where children and parents come together  
7 in the high schools may be cut from ACS funding.  
8 So I just would like a lot of attention to the  
9 school-based health programs. And wherever  
10 programs can be moved into the schools, it makes a  
11 big difference. We do talk about it, but there  
12 aren't a lot of programs if you add them all up.  
13 And so are you really thinking about that with the  
14 Great Dr. Platt?

15 THOMAS FRIEDEN: We provide  
16 extensive services in the schools--

17 COUNCIL MEMBER BREWER:  
18 [Interposing] Not enough.

19 THOMAS FRIEDEN: -- as you know.

20 COUNCIL MEMBER BREWER: It's not  
21 enough. Not enough.

22 THOMAS FRIEDEN: Agreed not enough.  
23 There's not enough of a lot of things we'd like to  
24 do.

25 COUNCIL MEMBER BREWER: But

2 particularly in the schools not enough.

3 THOMAS FRIEDEN: We think some of  
4 the particular gaps in the schools are in the high  
5 schools and middle schools.

6 COUNCIL MEMBER BREWER: Correct.

7 THOMAS FRIEDEN: Which lack school  
8 based health centers.

9 COUNCIL MEMBER BREWER: \$3 million  
10 dollars for mental health would take care of it.

11 THOMAS FRIEDEN: The needs are  
12 large and we hope to be able with New York State  
13 to improve the Medicaid reimbursement of those  
14 services so that they would be sustaining in the  
15 long run.

16 COUNCIL MEMBER BREWER: I mean, I  
17 think 311 is going to have to think about--  
18 because when you call 311 to get on Family Health  
19 as opposed to Child Health, it's a challenge. And  
20 I just think that's something to think about,  
21 because I know you need as many children and  
22 parents as possible to be signed up for whatever  
23 reimbursement you could possibly find. So that's  
24 another thing to look at. People are complaining  
25 that it's hard to sign up. Thank you.



2 CHAIRPERSON WEPRIN: Thank you,  
3 Council Member. Council Member James?

4 COUNCIL MEMBER JAMES:  
5 Commissioner, I am limited to one question, so I'm  
6 just going to sort of summarize. Have you  
7 considered generating revenues by increasing fees  
8 for birth certificates, death certificates and  
9 enforcing the City health code as well as-- well,  
10 have you considered increasing fees in those  
11 areas?

12 THOMAS FRIEDEN: We have proposed  
13 for many years, including this year, increasing--

14 COUNCIL MEMBER JAMES:  
15 [Interposing] In violations, yes.

16 THOMAS FRIEDEN: --increasing the  
17 birth certificate fee. It is currently \$15. We  
18 would like to see it increased to either \$25 or  
19 \$30. We think that wouldn't be an undue burden.  
20 The first birth certificate is provided free, and  
21 I think that's an appropriate thing to do. People  
22 pay taxes and when your child is born, you should  
23 get one free. But for a replacement birth  
24 certificate, we'd like to see that increased.  
25 That would provide significant fiscal relief, but

2 it requires action in Albany, so we can't count on  
3 it at this point. In terms of fines and  
4 violations, a significant part of our PEG this  
5 time around was made up by actually not an  
6 increase in fines and violations, but a  
7 recognition that we've been collecting more in  
8 fines and violations than had been planned. So we  
9 have actually increased that.

10 COUNCIL MEMBER JAMES: So you're  
11 engaged in an effort to focus more on collection?

12 THOMAS FRIEDEN: Yes.

13 COUNCIL MEMBER JAMES: And this  
14 disaster related crisis-counseling service  
15 through-- you have apparently 1,000 contracted  
16 programs for disaster crisis counseling. How much  
17 does that cost?

18 THOMAS FRIEDEN: I'm not quite sure  
19 what you're looking at there.

20 COUNCIL MEMBER JAMES: Are there no  
21 contracts for disaster services?

22 THOMAS FRIEDEN: We have a health  
23 benefit, mental health benefit for people affected  
24 by WTC and continuing to suffer from that. That  
25 is a single contractor who pays the mental health

2 provider of the patient's choice. But we also  
3 have a volunteer program where mental health,  
4 mental hygiene providers volunteer to be active in  
5 the event of a crisis.

6 COUNCIL MEMBER JAMES: Okay. I  
7 applaud you on your low sodium effort. I've  
8 contacted your office. I contacted Chris, I think  
9 last year or the year before, on focusing on  
10 diabetes and engaging in a low sodium campaign  
11 throughout the City of New York to address the  
12 diabetes epidemic, particularly in communities of  
13 color. And so my question to you is, your  
14 advertising campaign and your advertising budget,  
15 I believe you mentioned that it was 28 million.  
16 No? What's your advertising budget for the agency  
17 as a whole?

18 THOMAS FRIEDEN: I don't have an  
19 exact figure for you. What I said was that the  
20 CDC, the Center for Disease Control recommendation  
21 for tobacco for our population in New York City  
22 would be \$28 million dollars a year and that we  
23 spend less than one third of that currently.

24 COUNCIL MEMBER JAMES: So you spend  
25 one third of that. So there are some funds that

2 might be available that are still in that budget,  
3 that advertising?

4 THOMAS FRIEDEN: No.

5 COUNCIL MEMBER JAMES: No?

6 THOMAS FRIEDEN: No.

7 COUNCIL MEMBER JAMES: No. Do you  
8 get reimbursed by the federal government?

9 THOMAS FRIEDEN: No.

10 COUNCIL MEMBER JAMES: Do you get  
11 any money from the federal or state government in  
12 any area?

13 THOMAS FRIEDEN: We get a state  
14 match. So if we spend a \$1.50 we get .50 from the  
15 state government, basically.

16 COUNCIL MEMBER JAMES: Are you  
17 anticipating--

18 THOMAS FRIEDEN: [Interposing] In  
19 addition, just to finish answering your question,  
20 we do sometimes get specific money from the state  
21 government for a mental health advertising  
22 campaign or a lead poisoning prevention  
23 advertising campaign or other specific media  
24 efforts.

25 COUNCIL MEMBER JAMES: Have you

2 ever engaged in an advertising campaign to promote  
3 the dental clinics?

4 THOMAS FRIEDEN: We have spent some  
5 money on outreach. We think the most effective  
6 way, actually, to increase utilization of dental  
7 clinics is to put them into the schools and  
8 increase parental consent form. And we've been  
9 doing that over recent years.

10 LOUISE COHEN: We haven't done an  
11 extensive Citywide media campaign because we don't  
12 have services in every part of the City ourselves.  
13 But we have actually engaged in very significant,  
14 and we think quite cost effective and efficient  
15 outreach mechanisms. We have publicized in the  
16 neighborhood around each clinic. We have included  
17 signage in each one of our health centers and in  
18 the schools. We have had fliers available. We  
19 have worked closely with principals and the parent  
20 coordinators in each one of the schools to get  
21 parent consents, which we work very hard to do.  
22 And we have worked with a whole variety of  
23 community-based organizations in the various  
24 neighborhoods surrounding our health clinics. SO  
25 this is not something that lends itself to a

2 citywide campaign.

3 COUNCIL MEMBER JAMES: Because of  
4 time constraints, let me close by saying the  
5 following: According to a primary care initiative  
6 report, almost 50% of survey respondents indicated  
7 that they had trouble finding--

8 CHAIRPERSON WEPRIN: [Interposing]  
9 That's a long one question, Council Member.

10 COUNCIL MEMBER JAMES: It's a  
11 comment; it's not a question. I'm going to  
12 conclude by this statement. Finding dental care  
13 in their neighborhoods. And there appears to be,  
14 as you know Commissioner, an unmet need for oral  
15 health services in low-income and underserved  
16 communities all throughout the City of New York.  
17 And when individuals go to HHC clinics, there is a  
18 waiting list and or at least a three-month  
19 timeframe to get an appointment. And so clearly  
20 closing these dental clinics is a major concern  
21 and I would obviously oppose it and would urge  
22 that you consider some other alternatives such as  
23 looking at your advertising budget. Thank you.

24 CHAIRPERSON WEPRIN: Okay. Please  
25 try to confine your question to one question.

2 Council Member Dickens?

3 COUNCIL MEMBER DICKENS: Thank you,  
4 Chair. And thank you Commissioner.

5 CHAIRPERSON WEPRIN: And half a  
6 comment.

7 COUNCIL MEMBER DICKENS: Hello,  
8 Chris. As it relates to the healthcare cuts, what  
9 is the reduction in care that will be for the  
10 incarcerated in City jails? How will that be  
11 impacted?

12 THOMAS FRIEDEN: We have not  
13 proposed any reduction in correctional health  
14 services. The great majority of those services  
15 are legally mandated. In addition we have some  
16 programs which we think are extremely important  
17 not just for the individuals there, but for the  
18 broader communities, since virtually everyone  
19 there will be going back out into the community.  
20 So programs that diagnose and treat HIV and other  
21 sexually transmitted infections, programs to  
22 ensure that people with mental illness are  
23 appropriately treated and linked to community  
24 care, which is also a legal mandate, these are  
25 things that we continue. So we haven't proposed

2 any reductions.

3 COUNCIL MEMBER DICKENS: All right.

4 Now the East Harlem Clinic, is that going to be  
5 closed totally or just certain programs?

6 THOMAS FRIEDEN: Only the STD  
7 clinic there and the oral health clinic there,  
8 actually. There's a small oral health clinic.

9 COUNCIL MEMBER DICKENS: Now this  
10 list is of the school-based dental clinics. I was  
11 looking at the number and in all sites except one  
12 it seems that there's been a significant reduction  
13 in utilization. Can you tell me why that is?  
14 It's such a disparity.

15 LOUISE COHEN: I'm not sure what  
16 exactly that you're looking at.

17 COUNCIL MEMBER DICKENS: I'm sorry,  
18 I didn't hear you. I beg your pardon.

19 THOMAS FRIEDEN: We're not sure  
20 which paper you're looking at.

21 COUNCIL MEMBER DICKENS: I'm  
22 looking at in all of our districts it gives the  
23 schools that the dental clinics will be closed.  
24 So I was just wondering, there's such a disparity  
25 in usage, except in my district, where it went up,



2 by the way.

3 THOMAS FRIEDEN: We don't know the  
4 source of that information. We'll have to check  
5 it and we'll certainly get back to you.

6 COUNCIL MEMBER DICKENS: All right.

7 THOMAS FRIEDEN: As a general  
8 comment though, what we've tried to do is shift  
9 over the last few years, we've had a series of  
10 efforts to make the program, to increase  
11 utilization and effectiveness of the program.  
12 We've been also expanding services in some  
13 schools, reducing them in schools that had very  
14 low utilization rates. But we can get you  
15 detailed information.

16 COUNCIL MEMBER DICKENS: All right.  
17 Because I'm just very concerned, because of dental  
18 care for our young people, it's primary and it is  
19 preventive, and with diabetes being on the rise in  
20 Black and Latino communities, and it does impact  
21 upon our teeth, with no dental facilities in our  
22 schools and the use of the HMOs, the managed  
23 cares, that I don't think will be able to absorb--  
24 I'm very concerned about that. But my last  
25 question is about the health clinic on Sydenham

2 Health clinic, where the lease is about to be up.

3 And since we're having all these closing and these

4 cutbacks, and that is a clinic that is

5 overburdened now; where are we at on the leasing

6 of that, because that's about to expire. Chris,

7 you're familiar with that.

8 THOMAS FRIEDEN: This is something

9 that the Community provider has been aware of for

10 years. They've gone to court. They've not paid

11 their back rent. We've been very clear, the

12 building needs to be renovated. We've offered

13 them space in the clinic when the renovation is

14 done. We've offered them swing space nearby

15 during the renovation. But we anticipate that

16 renovation going ahead as planned.

17 COUNCIL MEMBER DICKENS: All right.

18 Because I understand they--

19 THOMAS FRIEDEN: [Interposing] We

20 may be talking about something else.

21 COUNCIL MEMBER DICKENS: Yes.

22 THOMAS FRIEDEN: Sorry.

23 [Pause]

24 THOMAS FRIEDEN: Which facility?

25 COUNCIL MEMBER DICKENS: 215 West

2 125th Street, to be very specific, is the address  
3 that I'm referring to.

4 THOMAS FRIEDEN: I believe that's  
5 an HHC clinic.

6 COUNCIL MEMBER DICKENS: Yes, it  
7 is. But there's a lease that's about to expire  
8 for that clinic.

9 THOMAS FRIEDEN: This is an HHC  
10 issue. You'd have to take it to them.

11 COUNCIL MEMBER DICKENS: All right.  
12 So you don't really--

13 THOMAS FRIEDEN: [Interposing] No.  
14 It's their clinic. It's their lease. All right.  
15 Thank you.

16 CHAIRPERSON WEPRIN: Thank you,  
17 Council Member. Council Member Felder?

18 COUNCIL MEMBER FELDER: Just to  
19 clarify, I had asked and then cancelled my request  
20 and then renewed it, so I'm willing to wait my  
21 turn to the very end. I apologize.

22 CHAIRPERSON WEPRIN: Council Member  
23 Stewart.

24 COUNCIL MEMBER STEWART: Thank you.  
25 Commissioner, you stated included in your

2 statements here that you have fewer smokers, fewer  
 3 infant mortality and child lead poisoning,  
 4 etcetera. But when you came to HIV and AIDS, you  
 5 did not give any think about whether it went up,  
 6 down or whatever. Instead you just say that we  
 7 are putting more resources into it, but you're not  
 8 saying whether we're having a control over that.  
 9 Could you comment on that? Because I only have  
 10 one question. I also want to ask you about the  
 11 fact that in the schools, are there any special  
 12 efforts to register the students into some form of  
 13 insurance? And also, in the prisons, are you  
 14 really paying any special attention in terms of  
 15 billing for the services, the health services that  
 16 you provide in the prisons? That's my one  
 17 question.

18 CHAIRPERSON WEPRIN: I think Hydra  
 19 was the three-headed--

20 COUNCIL MEMBER STEWART:  
 21 [Interposing] 1-A, 1-B, 1-C, so it's really one  
 22 question.

23 CHAIRPERSON RIVERA: Very quickly  
 24 before you answer, Commissioner, we actually have  
 25 a health and education hearing right next door,

are going to be taking place simultaneously as this hearing, so I'm going to step out and anybody else on the Health Committee that wants to go into the Health and Education outside can go inside and then come back and forth. So we'll be right back.

THOMAS FRIEDEN: In response to question 1-A about HIV, Council Member, that's an excellent question and we in some areas are seeing real progress. So the number of deaths from AIDS has fallen in the past few years from around 1,500 to 1,700 a year to around 1,100 or 1,000. So we've had fewer people dying from AIDS. We've had a big reduction in HIV spread by injection drug use, in significant part because of the availability of clean needles and syringes. We've also had a significant reduction in the maternal to child transmission related to almost universal testing and treatment of pregnant women. We have not had significant success reducing the rate of HIV infection in the community of men who have sex with men. And in fact, we're seeing continued increases in syphilis; syphilis is almost entirely among men who have sex with men. The increase that we're seeing is almost entirely among men who

2 have sex with men. And we, following that, are  
 3 seeing an increase in new HIV infections among  
 4 young, under the age of 30, men who have sex with  
 5 men. So we're working hard to try to reduce that  
 6 through condom distribution, public education and  
 7 testing programs. But I think this is certainly  
 8 an area that we have not had the kind of success  
 9 that we would very much like to have. Second, in  
 10 terms of schools, we do quite a bit to enroll  
 11 people in Medicaid. There's close coordination  
 12 with the Human Resources Administration. It is  
 13 actually not possible for us to bill for  
 14 prisoners. That's against federal law. So all of  
 15 the costs for that are paid for by the City and  
 16 state for the prison health program.

17 COUNCIL MEMBER STEWART: But you  
 18 could bill the state for a portion of it, right?

19 THOMAS FRIEDEN: We do.

20 CHAIRPERSON WEPRIN: Thank you,  
 21 Council Member. Council Member Mark-Viverito.

22 COUNCIL MEMBER MARK-VIVERITO:  
 23 Thank you, Mr. Chair. And considering that I have  
 24 this clinic closing in my district, I have a  
 25 couple of additional questions, not just one.

2 CHAIRPERSON WEPRIN: You mean a  
3 multi-part question?

4 COUNCIL MEMBER MARK-VIVERITO: A 1,  
5 part A, part B, yes. Exactly. You know,  
6 obviously I'm very concerned for all, as we've all  
7 been expressing. I've got four school-based  
8 dental health clinics that are closing, talking  
9 about the STD clinic closing. Last year we had  
10 four schools closing in East Harlem, I mean a  
11 community can only take so much without it being  
12 seriously impacted. But with regards to the East  
13 Harlem Clinic in particular, I understand that in  
14 the overall context of the number of people  
15 served, you look at percentages and 3.9% you're  
16 saying is really low. But you're talking about  
17 4,400 individuals that did seek service at this  
18 clinic. And that is a concern. These are people  
19 that yes, maybe the majority don't live in the  
20 immediate vicinity, but these are people that  
21 specifically sought out this clinic to get service  
22 and chose that site. And that concerns me,  
23 obviously. I don't understand if you're not  
24 reducing the number of staff, you're reallocating  
25 them to another center, I want to understand one,

2 where specifically do you see the efficiencies,  
3 how are they achieved, one, and then with regard  
4 to the facility in which the clinic is based, now  
5 you're freeing up this space so to speak, what's  
6 going to happen with that space? And then I might  
7 just have one additional question, but.

8 THOMAS FRIEDEN: So there are a few  
9 aspects of that question. As I mentioned earlier,  
10 almost two-thirds of the patients who use that  
11 clinic are not from that area. In our STD  
12 clinics, we've been expanding services in recent  
13 years, including a big increase in HIV testing.  
14 So we usually test around 30,000 people a year in  
15 the clinics. This year we'll test about 70,000  
16 people in the clinics.

17 COUNCIL MEMBER MARK-VIVERITO: In  
18 the STD clinics?

19 THOMAS FRIEDEN: Yes. That  
20 requires additional staff. It's on the spot  
21 testing, so it's labor intense. Wait times are  
22 too long in our clinics. By reallocating staff to  
23 nine instead of ten clinics, we'll be able to  
24 provide a better service at the remaining clinics.  
25 Dr. Blank?



2 SUSAN BLANK: My name is Susan  
3 Blank. I'm the Director for the Bureau of STD  
4 Control. And the shift of staff really is in part  
5 just to replace some of the staff that have been  
6 lost through attrition and retirements and other  
7 much more heavily trafficked sites. So that's  
8 where some of the efficiency and ability to better  
9 serve the people in those high volume sites is,  
10 that's what it's based on.

11 COUNCIL MEMBER MARK-VIVERITO: So  
12 the efficiencies are not, per se, coming out of  
13 the closing of that clinic, it's just that you're  
14 improving the capacity or the efficiency of the  
15 existing ones?

16 SUSAN BLANK: Correct.

17 COUNCIL MEMBER MARK-VIVERITO: Now  
18 you mentioned that you're going to be sending  
19 referrals, you're going to encourage people to use  
20 the other existing clinics. You talk about the  
21 River Bank Clinic. My understanding it that that  
22 clinic is due for renovation and will be closed  
23 down. That's not accurate?

24 THOMAS FRIEDEN: Yeah, the  
25 Riverside Clinic will be renovated. During that

2 time patients will be seen during the Central  
3 Harlem clinic.

4 COUNCIL MEMBER MARK-VIVERITO: So  
5 then you're basically going to be increasing, you  
6 know, the need or, I don't know, you're going to  
7 need the capacity. I don't know. You're putting  
8 a lot more burden then on the remaining clinics.  
9 So how is that helpful?

10 THOMAS FRIEDEN: Any time there's a  
11 renovation of a clinic; it does increase the  
12 stress on other nearby clinics. We currently have  
13 four out of ten STD clinics out of a ten total  
14 Citywide; we have four STD clinics in Manhattan.  
15 We have unmet needs for STD clinical services in  
16 Queens, where our Corona Clinic is only three days  
17 a week. Is that--?

18 SUSAN BLANK: Two days.

19 THOMAS FRIEDEN: Two days. And  
20 utilization is high. And we've been expanding the  
21 services that we provide. So we would like to  
22 expand STD services, but with our existing money  
23 we feel we can see more patients more efficiently  
24 at nine larger sites than ten.

25 COUNCIL MEMBER MARK-VIVERITO: But

2 give us an understanding of this, you know, the  
3 renovation of the Riverside, when is the  
4 implementation of the closing of East Harlem, do  
5 they overlap or is it staggered so that they-- you  
6 know, give us a sense of what your plan here is.

7 THOMAS FRIEDEN: It's a good  
8 question. I don't have the details. We'll have  
9 to get back to you.

10 COUNCIL MEMBER MARK-VIVERITO: So  
11 then with regards to the freeing-- as to the  
12 question about the freeing up of space; when you  
13 do these efficiencies whether it's this STD clinic  
14 or anything else, when you're freeing up space  
15 within your existing centers, what are you doing  
16 with that freed up space?

17 THOMAS FRIEDEN: We currently spend  
18 millions of dollars a year renting commercial  
19 office space. So if we can bring staff in house  
20 to city owned buildings, that saves us significant  
21 money in terms of rent in the future.

22 COUNCIL MEMBER MARK-VIVERITO: So  
23 what's the plan with the East Harlem STD Clinic?

24 THOMAS FRIEDEN: We don't have a  
25 detailed plan at this point. It's also only a

2 part time clinic.

3 COUNCIL MEMBER MARK-VIVERITO: I  
4 would like to see the details with regard to the  
5 Riverside versus the East Harlem, how they'd  
6 overlap, what's the timeframe that we're talking  
7 about. Implementation of the closing is as of  
8 July 1st, 2009? Or is it immediate?

9 THOMAS FRIEDEN: I'll have to get  
10 back to you on that.

11 COUNCIL MEMBER MARK-VIVERITO:  
12 Okay. And then the last thing I want to say is  
13 that, you know, I actually, my office is actually  
14 the one that informed your intergovernmental staff  
15 about the possible closing of this clinic. I got  
16 wind of this about three months ago. I got a call  
17 in my office saying that we're getting wind that  
18 the STD Clinic is closing. I called Chris  
19 Manning, he had no idea about it and he had to  
20 inquire. Obviously this is something that was in  
21 the works for a while, and the thinking was in  
22 place for a while. And yet, my office was never  
23 contacted, we were never outreached. I think that  
24 I would really encourage a more proactive  
25 relationship where maybe we can sit at the table

2 and have conversations about these plans, that a  
3 community can prepare for this, maybe the  
4 communities can give some form of input that would  
5 be helpful, maybe thinking outside the box. I  
6 really encourage proactive dialogue and decision-  
7 making and I think that that is something that is  
8 lacking. And in this case it was lacking. And so  
9 I would hope that we can move forward and look at  
10 it in that way. So thank you, Mr. Chair.

11 CHAIRPERSON WEPRIN: Thank you.

12 Council Member Yassky?

13 COUNCIL MEMBER YASSKY: Thank you,  
14 Commissioner, Dr. Frieden. I may be of a little  
15 bit of a different tack my question, not  
16 questions, my question, which is, I see every  
17 likelihood that the City's economic and budget  
18 picture will worsen rather than get better. And  
19 you know, if the state does deal with its budget  
20 problem, that will only shift some of their  
21 problem-- in some ways their inaction is okay.  
22 But when they act, it will hurt our budget, as you  
23 know. So my question is, if you had to cut an  
24 additional \$10 million, let's say, from your  
25 Agency budget, what would you do?

2 THOMAS FRIEDEN: Well we're  
3 actively engaged in that. For the last seven  
4 years running the Agency, I've always tried to  
5 think one or two budget steps ahead. We're  
6 looking very hard at some revenue initiatives that  
7 may take longer to implement. We're not able to  
8 do them at this time, but some things require  
9 large reworks, and we're looking at that  
10 carefully. We're also looking very carefully at,  
11 at least one of the programs, the Early  
12 Intervention program is a program that has more  
13 than \$400 million of services; it's an important  
14 program that serves infants and toddlers with  
15 developmental delays and disabilities. We have  
16 found in that program over recent years a  
17 significant financial savings. We think there may  
18 be more. Everything that we've been able to find  
19 and identify is already accounted for in the  
20 current financial plan, including some of the  
21 current PEG, but these are two areas that we would  
22 look hard at. We also have begun a process of  
23 reviewing literally line by line every staff  
24 person in many of our units to see if there's ways  
25 that we can be more effective. We're at a very,

2 very difficult point, to be frank. Because we've  
3 had, in 2002 we had to lay off staff. That was a  
4 very difficult decision. That was coming off of  
5 relatively flush financial times. And so there  
6 was some slack in the agency budget. This is a  
7 very different context. We have large structural  
8 deficits within our own budget as well as within  
9 the City's budget. So I can't predict what we do  
10 next, but we'll look at every opportunity for  
11 either revenue increases or cost reductions.

12 COUNCIL MEMBER YASSKY: Well I  
13 would--

14 THOMAS FRIEDEN: [Interposing] I'm  
15 sorry, just clarify. That the Early Intervention  
16 program savings that I mentioned--

17 COUNCIL MEMBER YASSKY: That PEG  
18 looks like it's a revenue thing rather than--

19 THOMAS FRIEDEN: [Interposing]  
20 There's no service reduction.

21 COUNCIL MEMBER YASSKY: Right.  
22 That looked to me like it was a-- that's  
23 collecting more revenue if I understand it, rather  
24 than--

25 THOMAS FRIEDEN: [Interposing] Yes.

2 COUNCIL MEMBER YASSKY: --spending  
3 restraint. And I guess I'd ask if you could  
4 follow up with me with what really your next \$10  
5 million of cuts would be. And I'll tell you why  
6 I'm asking, is you know, were being asked to raise  
7 taxes in the middle of this year, as you know.  
8 We're being asked to ratify the Mayor's proposal  
9 to reduce the size of the police force by another  
10 1,000 officers. I think that we have to-- our  
11 responsibility and due diligence requires that we  
12 look at what every alternative option is to those  
13 highly unpalatable options. We're in a world  
14 where we're going to have to choose some  
15 unpalatable options, but I'd like to know what the  
16 other options are that are out there before we do  
17 that. But if you would, I know you're-- so I  
18 don't want to put you on the spot here, but I'd  
19 like to know what the next \$10 million would be.  
20 Fair enough?

21 THOMAS FRIEDEN: Yes.

22 DANIEL LEHMAN: Well, just to  
23 comment on the next \$10 million cuts, savings we'd  
24 have to realize. What we discussed earlier about  
25 an increase in birth certificate fees would get us



2 more than half of the way there, perhaps almost  
3 all the way there, if we came up to the level that  
4 New York State charges, which is \$30 a  
5 certificate. And even \$25 would get us a long  
6 ways there and perhaps even provide some resources  
7 for us to look at enhancing customer service for  
8 birth certificates, which is one of the most  
9 critical public facing services that the  
10 Department provides.

11 COUNCIL MEMBER YASSY: Okay. Thank  
12 you. And just, Commissioner, I'm asking this of  
13 every Commissioner, not just the Health  
14 Department. I just think that's what we have to--  
15 that's the choice we have to look at. Thank you.

16 CHAIRPERSON WEPRIN: Thank you,  
17 Council Member. Council Member Felder?

18 COUNCIL MEMBER FELDER: I was  
19 wondering, you mentioned earlier about the fine  
20 that the Health Department issued. I don't know  
21 what amount exists or if there is a significant  
22 amount. Have you ever considered some sort of  
23 amnesty to try to collect a lot of it?

24 DANIEL LEHMAN: The Department  
25 collects fines from a wide range of Health Code

2 violations in the area of Food Services, in the  
 3 areas of Pest Control. And yes, we're actively  
 4 looking at how we can do a better job of improving  
 5 our collections, looking at new collections  
 6 strategies. We also have to be looking at what's  
 7 our scoring system. We have to be looking at our  
 8 process for adjudicating fines. So that's  
 9 certainly something that we're looking hard at.  
 10 There definitely, especially in the area pest  
 11 control there are some significant challenges,  
 12 because many times they're doing control on a  
 13 vacant lot. So that can be a challenge to do the  
 14 collection. But you know, those are clearly areas  
 15 that we want to look at, because those are funds  
 16 that are ultimately due the Department, that  
 17 should be our first option for looking to close  
 18 some of our budget challenges.

19 COUNCIL MEMBER FELDER: I  
 20 understood what you said, but do you have any idea  
 21 about how much is outstanding?

22 DANIEL LEHMAN: We'd have to get  
 23 back to you on the specifics on amounts of fines  
 24 outstanding. And we can provide that information  
 25 to you separately and we can give you some idea of

2 how that falls out across various sectors.

3 COUNCIL MEMBER FELDER: Okay. The  
4 other thing I wanted to say is that some of my  
5 colleagues mentioned about increasing certain  
6 fees. I'm finding a lot of my constituents are  
7 very anxious about the real estate tax rebate, the  
8 real estate tax increase, the shopping bag issue.  
9 I don't want you charging dead people more money  
10 for death certificates or giving people anxiety  
11 about dying. At least, you know, they should feel  
12 comfortable that they're not going to have to pay  
13 extra money to get a death certificate. Can I get  
14 a commitment out of you on that?

15 THOMAS FRIEDEN: Our proposal was  
16 only to increase the fees for birth certificates.

17 COUNCIL MEMBER FELDER: Thank you.

18 THOMAS FRIEDEN: And not for the  
19 first one issued.

20 COUNCIL MEMBER FELDER: Thank you.

21 CHAIRPERSON WEPRIN: Thank you,  
22 Council Member. And clean up for one short  
23 question, Council Member Gerson.

24 COUNCIL MEMBER GERSON: So just  
25 first of all I want to underscore the sentiments

2 reflected earlier by others about the importance  
3 of oral health and the oral health programs and  
4 urge you to collaborate with the Department of  
5 Education to make sure schools do what they used  
6 to do when I was a kid at PS 41 and that is to  
7 make sure at the beginning of the school year  
8 every kid has a dental exam and follow up as  
9 needed. But I want to direct my question 1-A and  
10 1-B to the part of your testimony which referred  
11 to reductions in a wide range of other programs.  
12 So the other programs, and I want to ask  
13 specifically about two; A, as you know the  
14 Department in a move for which I have yet to  
15 receive what I consider a satisfactory  
16 explanation, took in house an acclaimed Hepatitis  
17 B pilot program that was funded by the Council  
18 through a collaboration of Universities and  
19 providers. And at the time the assurance by the  
20 Department was that you would continue the same  
21 level of service, outreach, you know, monitoring  
22 and research. Can you tell us today, can you  
23 reiterate that same assurance that with these  
24 budget cuts the Hepatitis B program will remain at  
25 the same level and sometime in the near future

2 we'll be getting updated statistics on the  
3 prevalence of it?

4 THOMAS FRIEDEN: We have an active  
5 program to address Hepatitis B and Hepatitis C.  
6 Recently we've been quite busy because there have  
7 been an increased number of documented exposures  
8 in medical facilities resulting in infections.  
9 The initiative that the Council Member spearheaded  
10 over the last couple of years, a few years, was  
11 not in this year's budget. And we did not assert  
12 that we would replace all of those services to my  
13 knowledge.

14 COUNCIL MEMBER GERSON: Well, the  
15 Department did assert that it would, except for  
16 certain aspects of research, that it would sustain  
17 in effect the same level of service. That was  
18 clearly stated. So whether or not you asserted  
19 it, let's not-- we could have that discussion  
20 another time. Whether or not you asserted it,  
21 will the Department sustain the same level of  
22 service? As you know, there are communities which  
23 have an exceptionally high level of Hepatitis B,  
24 which without intervention, as you know, is fatal.  
25 The Asian-American communities, the Haitian

2 communities, certain Sub-Saharan African  
3 communities, certain Eastern European communities,  
4 which this program had targeted or was scheduled  
5 to target, is the Department going to continue to  
6 target those services in effect at the same level?

7 THOMAS FRIEDEN: We are not--

8 COUNCIL MEMBER GERSON:

9 [Interposing] Excuse me, target those communities  
10 in effect at the same level?

11 THOMAS FRIEDEN: Sure. We are not  
12 reducing Hepatitis B services. There is--

13 COUNCIL MEMBER GERSON:

14 [Interposing] From what the program provided?

15 THOMAS FRIEDEN: Right. From what  
16 the program provided, from what our program has  
17 always provided.

18 COUNCIL MEMBER GERSON: My question  
19 though is are you reducing it from what the  
20 Council initiative had provided, which you took in  
21 house?

22 THOMAS FRIEDEN: I am not familiar  
23 with any claim that we would take over the  
24 functions that were being done by that initiative  
25 in house. I will say that in the additional \$2

2 million of reductions, there is about a quarter of  
 3 a million dollars in the immunization program that  
 4 is all in efficiency, relating to less paperwork  
 5 and data entry, because our immunization registry  
 6 has gone quite well. But programs like the peri-  
 7 natal Hepatitis B immunization program, which as  
 8 you correctly say, is a life saving program, if  
 9 you prevent the Hepatitis B infection in a child,  
 10 you're preventing that child from growing up to be  
 11 an adult who is at very high risk of getting  
 12 cirrhosis and liver cancer. There's no reduction  
 13 in those services.

14 COUNCIL MEMBER GERSON: Well Mr.  
 15 Chair, clearly, and I appreciate that part of the  
 16 testimony. But Mr. Chair, clearly the testimony  
 17 indicates we need to have a follow up oversight  
 18 hearing on Hepatitis B services delivered by the  
 19 City of New York. B, the rodent abatement  
 20 program, if it was not already covered, are we  
 21 continuing at the same level of rodent abatement?  
 22 And in an effort to achieve cost saving synergies,  
 23 let me suggest and you can let me know what work  
 24 is done with respect to this suggestion, of  
 25 greater coordination with the Parks Department,

2 with the Department of Transportation, its  
3 requirements of street excavation related rodent  
4 abatement. Because we've seen too often-- the  
5 Parks Department interventions with rodent  
6 infestations side by side with Health Department  
7 and or other departments, maybe it could be better  
8 synergized to save money.

9 THOMAS FRIEDEN: We agree that  
10 rodent control is a very important issue. When we  
11 talk to community groups it's one of the things  
12 that's of most concern to people. We've been  
13 working hard to improve services, as you may have  
14 seen. We released within the past month Rodent  
15 Information Portal, a website which allows people  
16 to track violations, see if they've been  
17 corrected, see where the worst violators are.  
18 That was an effort that we appreciate the  
19 Council's support for in the past. As you know,  
20 one of the things that didn't get adjusted to the  
21 budget this year with the Council additions was  
22 the rodent control activities. We do not have any  
23 plans to reduce them from the current level. We  
24 are now beginning, we're almost through our first  
25 year of the Bronx pilot, which is a pilot of what



2 we think is a new and better approach to rodent  
3 control. And some of the preliminary results of  
4 that seem to be very encouraging. So we hope to  
5 be able to preserve the program and make it much  
6 more effective.

7 COUNCIL MEMBER GERSON: And  
8 hopefully expand it. Thank you very much, Mr.  
9 Chair. Thank you Commissioner.

10 CHAIRPERSON WEPRIN: Thank you,  
11 Council Member. And Commissioner, can you follow  
12 up with the Committee on those items that we had  
13 requested that you said you were going to get back  
14 to us on?

15 THOMAS FRIEDEN: Certainly. It  
16 would help if you would highlight to us in a  
17 letter what the most important ones are, so that  
18 we can prioritize our time working on them.

19 CHAIRPERSON WEPRIN: Okay. We'll  
20 provide that to you.

21 CHAIRPERSON KOPPELL: I think most  
22 important, at least from my point of view, is a  
23 list of the specific programs that you're going to  
24 be either eliminating or cutting so that we could  
25 look at that risk.

2 THOMAS FRIEDEN: In the mental  
3 hygiene area or generally?

4 CHAIRPERSON KOPPELL: Yes, well I  
5 think the health area to, but that's not my  
6 bailiwick, so. You know, maybe the chair of the  
7 Finance Committee would ask for the one for the  
8 Health. I can't ask for that, but you could ask  
9 for it.

10 CHAIRPERSON WEPRIN: Yeah, all of  
11 those items if you could.

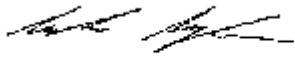
12 THOMAS FRIEDEN: Thank you very  
13 much.

14 CHAIRPERSON WEPRIN: Okay. Finance  
15 is going to adjourn until tomorrow morning at  
16 10:00, when we'll be joint with the Housing  
17 Committee and The Public Housing Subcommittee.  
18 And we will be hearing from Chairman Tino  
19 Hernandez of the New York City Housing Authority  
20 at 10:00 a.m. tomorrow.

21

C E R T I F I C A T E

I, Erika Swyler certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature  \_\_\_\_\_

Date December 5, 2008 \_\_\_\_\_