



Testimony

of

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Commissioner**

and

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New York City Department of Health and Mental Hygiene

before the

**New York City Council Committee on Mental Health, Mental Retardation,
Alcoholism, Drug Abuse and Disability Services**

on

FY 2013 Preliminary Budget

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Good afternoon Chairpersons Koppell and Wills, and members of the Committee on Mental Health, Mental Retardation, Alcoholism and Drug Abuse and Disability Services. I am Dr. Tom Farley, Commissioner of the New York City Department of Health and Mental Hygiene, and I am joined by Dr. Adam Karpati, Executive Deputy Commissioner for Mental Hygiene. Thank you for giving us the opportunity to testify today on the Department's budget and program initiatives.

The Department of Health and Mental Hygiene is responsible for protecting and promoting the physical and mental health of all New Yorkers. The Division of Mental Hygiene oversees programs and policymaking regarding mental health, substance use, and developmental delays and disabilities. We contract with over 1,000 community-based programs, advance policies that benefit the people we serve, and work in collaboration with our City and State partners to prevent or reduce the burden of these conditions and promote improved quality of life. We also administer the Early Intervention program, which contracts with close to 100 providers who conduct evaluations, coordinate services, and provide services such as speech therapy, special instruction, and physical and occupational therapy to infants and toddlers with developmental delays.

Before getting to budget issues, I would like to bring to your attention to a drug use problem that we are increasingly worried about - the ongoing rise of prescription painkiller misuse and its serious health consequences. Approximately 150 New Yorkers are dying each year from overdoses involving these "opioid" drugs, tens of thousands of New Yorkers are dependent on them and the number of prescriptions for these drugs continues to grow. Importantly, much of this problem is attributable to medical practice itself, since we believe that most of these pills originate with a legitimate physician's prescription. Since we last discussed this issue with you, we have released a City Health Information bulletin for medical professionals entitled *Preventing Misuse of Prescription Opioid Drugs*. The bulletin provides guidance on appropriate and judicious prescribing of opioids for the treatment of pain and was developed in collaboration with a group of clinical advisors. We have also published data reports on misuse, morbidity and mortality associated with prescription opioids. Mayor Bloomberg created a task force to examine the issue, and we are working with this group to identify legislative and other ways to address it. There are several bills pending in the legislature, and we are confident that some action will be taken this year.

State Budget

As the state budget continues to make its way through the legislative process, we are closely monitoring and actively advocating for several provisions. The Governor has proposed reforms to the Early Intervention program. The City and State share the expenses of this program, but currently the City is required to pay its portion up front and then bill Medicaid or private insurers for reimbursement. The Governor's plan would change the process so that a fiscal entity designated by the State would contract with and pay providers for all services, then bill insurers and the City for their respective portions of costs. This would significantly reduce the administrative and financial burden on municipalities – something we endorse. We are working with the Governor and the legislature to ensure that we will still have the authority to monitor the program at the local level and maintain sufficient provider capacity in New York City.

Dr. Karpati will now speak about the Division's budget and updates on initiatives we are excited about.

FY13 Budget Outlook

As Dr. Farley said, the Early Intervention program provides services to children under age three with developmental delays and who need developmental intervention. Early Intervention is the single largest expense for the Health Department. Services are authorized and individualized based on clinical, child, and family considerations, such as the child's diagnosis, the child's age, and the ability of the child and family to engage in services.

For FY12, the Department will also save \$3 million in FY12 and \$5.3 million in FY13 by continuing our improved administration and oversight of the program. We will continue to ensure that services are authorized and delivered in a manner that creates opportunities for optimal family learning and involvement in the services delivered to their children. This best-practice approach may in some cases emphasize services delivered less frequently, but for longer duration, and contributes to program savings. We will also continue to carefully review the eligibility of all children referred to the program while ensuring that services are provided to all eligible children in accordance with the standards set forth in Federal and State law, regulation, and program directives.

We are continually reviewing our approach for identifying additional revenue from other sources. By increased claiming of Medicaid salary sharing dollars, the Department will realize an additional \$2 million in FY12 and beyond. Using better data about the size of the Medicaid population and a more inclusive approach to defining the staff and activities eligible for Medicaid salary sharing, we will increase our yield from this revenue source above the level we originally assumed in the budget. We will update and review these data regularly to assess and revise as needed our estimates of Medicaid reimbursement.

Any time we are faced with making reductions, we strive to minimize their impact on services to the greatest extent possible. We are pleased that, as a result of these savings, we were able to avoid cuts to contracted mental hygiene programs. We will continue to review our programs for opportunities to save money without compromising the work we do.

Programmatic Highlights

I would like to highlight just a few areas of mental hygiene work in the Department. As healthcare reform is implemented on the national and state levels, the move towards comprehensive, coordinated care provides opportunities to improve behavioral health services and provide integrated physical and behavioral health care. The implementation of Health Homes and the establishment of managed care for individuals with serious mental illnesses, substance use disorders, and developmental disabilities are ambitious and complex efforts, and we are working with our City and State colleagues to ensure that the new systems are designed to maximize outcomes for NYC residents and minimize adverse disruptions in care.

Earlier this month, we released a report on suicide in New York City. It showed that the City's suicide rate is substantially lower than the national rate, and that our low firearm-associated suicide rate is a major contributor to this encouraging finding. However, there are still over 450 suicides a year in our City, as well as thousands of hospital admissions following suicide attempts. These events highlight the importance of identifying and treating mental illness such as depression, which remains underdiagnosed and often-stigmatized, as well as recognizing the contributing role that alcohol plays – a third of individuals who died from suicide had been drinking around the time of the incident.

Children's mental health is an important area of focus for us. Addressing mental health issues among adolescents requires engaging with teens and educators in the school community and online. In November 2011, the Department launched its new NYC Teen site (www.nyc.gov/teen). The site represents a collaborative effort among four City agencies that serve youth: the Department of Health and Mental Hygiene, the Human Resources Administration, the Department of Youth and Community Development, and the Department of Education. It provides a gateway for information to teens on specific health-related areas and government programs. The mental health component features two distinct areas (Dating and Friends and Feeling Stressed), which feature digital stories that were developed and tested with teens with the goal of reducing stigma; portraying coping skills; and accessing help. In addition to the website, we are developing a tool kit for middle and high school educators. It will contain digital stories and fact sheets, as well as posters, palm cards and a publication that will answer important questions about mental health treatment and support and guide teens through the process of obtaining help.

Thank you for the opportunity to testify. We look forward to continuing our partnership with the City Council. Dr. Farley and I are happy to answer your questions.