



Testimony

of

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before the

**New York City Council Committee on Health
Jointly with the Committee on Finance and the
Committee on Mental Health, Developmental Disability, Alcoholism,
Substance Abuse & Disability Services**

on the

FY 2018 Executive Budget

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Good afternoon Chairpersons Ferreras-Copeland, Johnson, Cohen and members of the committees. I am Dr. Mary Bassett, Commissioner of the New York City Department of Health and Mental Hygiene. I am joined today by First Deputy Commissioner Dr. Oxiris Barbot and Sandy Rozza, Deputy Commissioner for Finance. Thank you for the opportunity to testify on our Executive Budget for fiscal year 2018.

Our great city has long been heralded as a leader in innovative and progressive public health initiatives, and that has continued this year. We have taken comprehensive steps to curb the opioid epidemic, expanded our groundbreaking effort to address mental health needs for our city's most vulnerable residents, and confronted the emerging outbreak of Zika virus. We have rebranded and expanded services in our Sexual Health clinics and have continued to champion chronic disease prevention efforts. Last month, we learned that the legal challenge to our sodium warning label requirement has ended. And a day later, we testified on a package of tobacco-related bills that will help make substantial gains in reducing tobacco use in the City.

Before I discuss the Department's newly funded efforts in the Executive Budget, I'd like to take a moment to discuss both the State and Federal fiscal climates.

During our Preliminary budget hearing in March, I raised the very concerning issue of proposed State cuts to Article 6 funding. The Governor's executive budget included a \$32.5 million cut to the Department through this vital public health aid mechanism. I am pleased to report that this cut did not come to fruition in the enacted State fiscal year 2018 budget. The Department avoided the need to reduce TB and asthma staff, scale back tobacco and obesity media campaigns, distribute fewer naloxone kits, or close one of our Sexual Health clinics.

In addition, despite the Governor's annual effort to fold School-Based Health Centers into Medicaid Managed Care, the State Department of Health once again provided a one-year extension. We are relieved that these essential programs are protected for fiscal year 2018, but we will continue to push for a permanent carve out for future years. Thank you for your continued support on this issue. Finally, I am pleased that New York has joined 48 other states in raising the age of criminal responsibility. While not specifically a health issue, we know that treating youth as adults in the criminal justice system harms youth economically, educationally and emotionally, and these factors affect health.

Now let me turn to the federal government. While we do not yet have concrete details of the President's fiscal year 2018 Budget, the so-called "skinny budget" released in March, and a separate document released shortly thereafter regarding proposed cuts for fiscal year 2017, make clear that this Administration's public health priorities do not align with our own. Potential cuts to the National Institutes of Health, the Centers for Disease Control and Prevention, the Prevention and Public Health Fund, and the Environmental Protection Agency, as well as other

vital federal entities could have dire implications on the health and well-being of the people in our city.

It is possible that the Department could lose tens of millions in federal funding. This kind of cut would severely hamper our ability to implement effective public health initiatives, and would put the City at increased risk for infectious disease outbreaks and higher chronic disease incidence. Both the President's budget proposal and the House's recently passed American Health Care Act (AHCA) will slash funding for public health preparedness and response, which is irresponsible and dangerous. As I mentioned in my Preliminary Budget testimony, since 2010 we have seen the uninsured rate across all ages drop to a current all-time low of 9.3 percent in New York City. If the American Health Care Act passes through the Senate in its present form, it may reverse this positive trend, leaving millions of New Yorkers without affordable coverage and care. The lives of working poor, pregnant women and new mothers, people with pre-existing conditions, seniors, and those with disabilities, among many others, will be negatively affected by this piece of legislation.

Our nation's immediate fiscal future may be plagued with uncertainty, but we must stand firmly by our City's values. This means we will continue to push back on these funding threats in order to best serve New Yorkers. In addition to potential cuts to our own agency's work, the cross-sector nature of public health makes us extremely concerned about threats to agencies that handle education, social services, emergency preparedness, transportation, housing, and the environment. We do not know what the President's budget will contain, but we will persist in our efforts to protect and promote the health of all New Yorkers.

Budget Highlights

I will now speak to the fiscal year 2018 Executive budget for the Department. Our current operating budget is \$1.5 billion, of which \$643 million is City Tax Levy and the remainder is federal, state and private dollars. This reflects a net increase in spending of \$49 million from the fiscal year 2018 Preliminary budget. I am also pleased to report that our agency has found \$59 million in City Tax Levy savings over two years. These savings will have no impact on services.

The fiscal year 2018 Executive Budget helps to ensure that the Department can continue to provide necessary services, create and enforce effective policy, and implement equitable and evidence-based programs. I will now highlight the major new funding streams that have been added to the Executive budget.

Intensive Mobile Treatment (IMT) Teams

We launched NYC Safe in August of 2015 to provide behavioral health support to the small subset of New Yorkers who have both displayed or threatened violence against the public

and struggle with a mental illness and/or substance use disorder. We know that NYC Safe is working – as of March 2017, 96% of participants have not been charged with a violent offense since being referred to the program. After a year and a half of operational experience, we have a better understanding of the needs of the target population and how best to meet our goals. To this end, we are adding \$1.1 million in fiscal year 2018 and \$4.4 million in the out-years to the Intensive Mobile Treatment – or IMT – program.

IMT was launched as a demonstration project in January 2016 with three teams serving up to 25 clients each. The teams work with people who raise concerns about violent behavior and have had recent and frequent contact with the mental health, criminal justice and homeless systems, and for whom traditional treatment models have proven ineffective. The teams include peer specialists, master’s level behavioral health professionals, nurses, and psychiatrists who engage clients across multiple settings 24 hours a day, seven days a week. There is no time limit for this support. This new funding will enable IMT to add four more teams, and increase capacity to reach more New Yorkers. We currently have teams in Brooklyn, Manhattan and the Bronx, and we will extend services to Staten Island and Queens.

HealingNYC

We are pleased to have an additional \$8.2 million allocated to the Department for HealingNYC, our plan to reduce opioid overdose deaths by 35% over 5 years. Overdose deaths from opioids, which include both opioid analgesics and heroin, are a public health crisis in New York City. In 2016, we have seen 1,268 confirmed overdose deaths, with 80% involving opioids and are on track to see this number exceed 1,300 when data are finalized. This disturbing increase parallels the entry of fentanyl in the city’s street drugs. Approximately half of the confirmed drug overdose deaths from July to mid-December 2016 involved fentanyl. We can confidently say that fentanyl is driving the increase in overdose death rates in the New York City. These overdose deaths are preventable.

This new funding will allow the Department to expand its multipronged approach, increasing naloxone distribution, buprenorphine training, judicious prescribing, public awareness campaigns, and introducing a rapid assessment and response capacity. More specifically, in fiscal year 2018, the city will distribute nearly 62,000 naloxone kits. The Department will distribute approximately 48,000 of these kits, and other City agencies will distribute the remainder. In addition to increasing the number of naloxone kits available, this new funding will help us increase the number of patients who receive buprenorphine treatment from 38,000 to 58,000 over the next five years. Funds will also be used to increase public awareness through media campaigns and outreach. These efforts are critical, and we remain steadfast in our commitment to curbing this epidemic.

Other budget highlights

I also want to touch briefly on a few additional funding changes in the Executive Budget. The Department will receive \$1.3 million in funding for the provision of mental health services to additional residents at the Center for Urban Community Services – or CUCS – for fiscal year 2018 and beyond. Previously, CUCS was a 43-bed transitional living community for homeless women with mental illness, and in early 2017, they moved to a larger space. This funding adjustment will cover the on-site rehabilitation services for the Center, including an additional 32 beds in the new space.

There is an adjustment in the budget to account for the shifting of funds for the NYC 15/15 Supportive Housing initiative, from Department of Social Services (DSS) to the Health Department. Supportive housing is affordable, permanent, and independent housing for individuals and families coming from a period of homelessness, hospitalization or incarceration. The program provides support for tenants within a neighborhood and community, and offers programming on various topics, including mental health services, financial independence and community integration. The NYC 15/15 initiative aims to fund and develop 15,000 new units of supportive housing in New York City over a period of 15 years. This funding shift will allocate \$26.5 million to the Department in fiscal year 2018, \$50.3 million in fiscal year 2019, and \$74.4 million in fiscal year 2020 to administer the program in partnership with DSS and HPD. The Department is responsible for contract management, budget management, program development, technical assistance, program monitoring and evaluation.

I'd also like to point out the Service Provider Wage Adjustment in the budget, which will support our social service provider workforce with another round of Cost-of-Living Adjustment increases. In recognition of the critical role that these providers play in New York City, the Executive Budget allots \$6.3 million in fiscal year 2018, \$12.4 million in fiscal year 2019, and \$18.9 million in fiscal year 2020 for this adjustment. Lastly, we received an additional \$79 million in the capital plan for animal shelter construction and renovation.

Conclusion

We have had an exciting and productive year at the Department. I am grateful that the City budget for fiscal year 2018 provides funding to advance our priorities. Thank you again for the opportunity to testify, and for your support of the Department's work. We are pleased to answer any questions.