



# Coalition Briefs

A SEMI-MONTHLY UPDATE ON COMMUNITY MENTAL HEALTH IN NEW YORK

## Pataki's budget promises support for programs

### *The Community Mental Health Support and Workforce Reinvestment Act*

The Governor's budget contains a number of interesting and important elements for mental health providers and the mental health community. The changes that will take place are found in both the Governor's proposals for changes to the regulations that govern mental health as well as the executive budget proposal.

Officially known as The Community Mental Health Support and Workforce Reinvestment Act, (which we are calling Reinvestment II) the proposal calls for the closing of state hospital facilities at the Hutchings Psychiatric Center and the Middletown Psychiatric Center. Savings from these closings will be reinvested in the community mental health sector.

Furthermore, four currently free-standing children's facilities will be relocated to the grounds of nearby adult facilities where new separate-entrance, age-appropriate facilities will be created. The capital savings that result from the closings and the relocations is expected to be more than \$110 million while the operational savings generated by the closings and relocations will be \$64.1 million over three years. An additional savings of \$6.6 million from the closure of non-geriatric beds will be reapportioned through Reinvestment I. The Governor's proposals involve the reshuffling of more than \$180 million.

Based on these proposals, the state operations and aid to localities will increase by \$71.7 million, of which

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## Coalition endorses Governor's Mental Health budget

"We are pleased and encouraged," said Phillip A. Saperia, Executive Director of The Coalition of Voluntary Mental Health Agencies, about the Governor's proposed budget for Mental Health. "In the seven years I have been with The Coalition, the community mental health sector has never been in a better starting-point in the budget process. We strongly support this proposal."

Indeed, providers throughout New York State are enthusiastic about the governor's proposals for mental health. Invoking the formula of reinvestment which redirects funds from state-run bed closures to the community mental

health sector, the Governor's proposals include a cost of living adjustment, a Medicaid rate increase, substantial rate increases in Supported Housing, and the funding of a new batch of supported employment slots.

"Governor Pataki has really demonstrated his commitment to those who suffer from mental illnesses and those who serve their needs," said Saperia. "The Coalition's membership is very appreciative of the proposed increase, particularly the cost of living adjustment, and the Medicaid and Supported Housing rate increases. These additional dollars will go a long way to strengthen community-

based programs which are the foundation of the service delivery system and which help people with mental illnesses live secure and independent lives. We applaud the Governor, Commissioner James Stone and the entire administration for the strides they have taken in addressing the needs of the Mental Health community."

Dr. Alan Siskind, President of The Coalition and Executive Vice-President of The Jewish Board of Family and Children's Services, added, "We overwhelmingly support this proposal and thank the Governor for addressing our critical mental health needs in a creative and straightforward manner." ©



### Mental Health Managed Care Consumer Advocacy and Ombudsprogram Managed Care Hotline (646) 602-5675

Information about managed care for Medicaid, Medicare and other insurance including exemptions/exclusions, disenrollments, access to care, and grievances. Advice, dispute resolution, representation at Fair Hearings and other administrative hearings as well as educational materials and training seminars. For immediate assistance on managed care issues or to receive a free copy of our pamphlet, *Medicaid Managed Care Health Plans: A Fact Sheet for the Mental Health Community*, please call our Managed Care Hotline at (646) 602-5675.

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## Governor Supports Medicaid Buy-In

In his budget proposal released on January 16<sup>th</sup>, Governor Pataki added his long-awaited support to the Medicaid buy-in program which would allow working people with disabilities to purchase health insurance on a sliding scale. The Assembly passed the proposal last year but it stalled in the Senate with Governor Pataki and Senate Republicans resisting the idea because of the expense.

Supporting the program in this year's budget proposal, Governor Pataki said, "New Yorkers with disabilities will no longer have to choose between going to work or having health insurance. By expanding Medicaid, the working disabled will be able to pursue new or better employment opportunities without losing their health care coverage."

Under the governor's proposal, an individual with a disability may earn up to \$44,000 annually, and \$58,000 for disabled couples, and still maintain Medicaid health care coverage. Premiums would be paid on a sliding scale ranging from \$50 to \$130 per month. Governor Pataki's program is slated to start in January 2002 and would be fully implemented by 2004. It is expected to cost around \$90 million.

While advocates applaud Governor Pataki for his support, they will be working to encourage the Senate and Assembly to ensure that the program takes full advantage of the plan outlined in the Work and Wellness Act. Under the federal law, there is no required salary cap. A similar program in New Jersey took advantage of this feature last year, and passed the Medicaid Buy-In law with no earned income limit. The

proposal passed in the New York Assembly last year had an income cap of \$68,000, with payments ranging from \$480 to \$4,000 (higher than the Governor's proposal). They also included a savings limit of \$40,000 that could be used to purchase a home, car, etc. Advocates will be looking for details in the governor's proposal regarding the savings limit allowed, the presence and reach of the demonstration project, earned income disregards, and a step down period where Medicaid would continue for those who start and stop work.

## Ticket-to-Work Regulations

The Social Security Administration's proposed rules to implement the Ticket to Work and Self-Sufficiency Program, signed into law by President Clinton last year, have been released for public comment. The proposed regulations were published in the Federal Registry on December 28<sup>th</sup> 2000 and are open to public comment until February 26<sup>th</sup> 2001. The Ticket to Work program provides Social Security beneficiaries with a "ticket" to use at an employment network of their choice to obtain employment services, vocational rehabilitation services and other supports. All are strongly encouraged to review and comment in writing on the proposed regulations at [www.ssa.gov/work/ResourcesToolkit/proposedrulemaking2.html](http://www.ssa.gov/work/ResourcesToolkit/proposedrulemaking2.html). The rules are also available to review online at [www.access.gpo.gov/su\\_docs/fedreg/a001228c.html](http://www.access.gpo.gov/su_docs/fedreg/a001228c.html).

## New Work Incentive Rules

As of January 1, 2001 several Social Security final regulations went into effect increasing the earned income level allowed for beneficiaries to test their ability to work without fear of losing their benefits and health care coverage. The amount a disabled individual can earn before deemed to be performing Substantial

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## Governor's budget

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more than \$62.8 million is in aid to localities. The highlights of these increases include:

- A 2.5% COLA for each of the next three years for nearly all line-item mental health funds,
- A one-time 10% Medicaid rate increase,
- An increase of up to \$1080 to the Supported Housing rate,
- 400 new supported employment slots,
- The creation of up to 104 State-run adult transitional beds,
- 40 state-operated children's crisis residence beds,
- Transfer of shared staffing dollars to county control,
- Stipend, staff, and slot increased for Family-Based Treatment,
- Additional Medicaid dollars for children's community residences.

These changes create a new section of the mental hygiene law, section 41.56, and mandate the availability of funds for a COLA and the Medicaid rate increase. The 3-year COLA and the Medicaid rate increase are worth approximately \$64 million—the same as the operational savings.

The Medicaid rate increase is for Article 31 agencies and is not applicable to the COPS supplements, Non-COPS supplements, CSP services, or CDT, Day Treatment, or clinic treatment programs that are dually licensed by OMH and DOH. This Medicaid rate will be increased one-time by 10% and is not eligible for the 2.5% COLA.

The 2.5% COLA will apply to nearly all line-item funds that come from OMH. It will not apply to Medicaid rates, nor will it apply to services that are funded by federal grants that are administered by OMH. It will further not apply to any rate or fees that automatically receive an analogous increase, or are already tied to an inflation index. The COLA will occur in full for each of the next three years for a cumulative increase of approximately 7.7%. If it is instituted, the

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— Help Wanted —

## Governor's budget

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COLA will come into effect on October 1, 2001.

There is also an increase in the rate for Supported Housing that will go into effect on April 1, 2001. The rate will increase by between \$180 and \$1080—an amount similar to that made available to providers for beds in the RFP issued early November 2000. The state has made available \$5.2 million for this increase. Across the 5100 Supported Housing beds, this translates into an average increase of \$1020. The new base will also be eligible for the 2.5% COLA.

Among the other highlights are a \$900,000 appropriation for 400 supported employment slots and a boost of \$7.45 million for children's services (Family-Based Treatment, Home and Community-Based Waivers, and Family Support Services).

Finally, the proposal also calls for the creation of up to 104 state-run transitional beds as well as up to 40 children's crisis residence beds. These will be funded through HCRA funds.

For more information on the Governor's budget, contact David Bergman at x102 or [dbergman@cvmha.org](mailto:dbergman@cvmha.org).

## The Works

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Gainful Activity (SGA), and therefore ineligible to receive benefits, has increased from \$700 a month to \$740 a month. SGA affects individuals who are applying for Social Security benefits and for those already receiving Social Security Disability (SSD) benefits.

The second rule states that an individual receiving SSD can earn up to \$530 a month (up from \$500) before it is counted as a Trial Work Period month. The Trial Work Period (TWP) is a nine-month period (not necessarily consecutive) that allows an SSD beneficiary to his or her ability to work with an unlimited amount of income and still receive benefits. After the trial work period is completed, the SGA rules apply.

The third new rule increases the earned income exclusion for students receiving SSI and returning to work from \$400 a month to \$1290 a month. The maximum annual exclusion increased from \$1620 to \$5200. An exciting and important facet to these regulations is that increases in the SGA level, Trial Work period amount and earned student income exclusion are tied to the national wage index and will be adjusted annually. ©

Managed Care Associate: The **Puerto Rican Family Institute** is seeking a Managed Care Associate to assist the Director of Managed Care. Successful candidate must be a self-starter with strong interpersonal and organization skills. Grant writing and data analysis skills needed. Experience in a health care setting and the managed care field a plus. A Masters degree with 2-3 years work experience. Salary commensurate with work experience. Please FAX cover letter, salary requirement and resume to Heather Nahas at (212) 691-5635. ©

**Brooklyn Bureau of Community Service** seeks a F/T Social Worker. Responsibilities include: Provide culturally competent individual and group therapy, case management for mentally ill and MICA adults. Participate in program meetings and committees with interdisciplinary team. Requirements: CSW or MSW with experience working with consumers who are mentally ill, MICA, and some PTSD. CONTACT: Ken Corbin, CSW at (718) 310-5815 or by fax at (718) 858-2967. ©

Supervising Social Worker: **Lenox Hill Neighborhood House** seeks MSW social worker to supervise master's-level social workers and social service specialists. Min. 3 years exp. with mentally ill and/or homeless populations; one-year supervisory and administrative experience preferred. EOE. Lenox Hill values a diverse workforce. Fax resume to: S. Nayowith at (212) 570-1758. ©

Occupational Therapist of Certified Rehab Counselor: **Riverdale Mental Health Center** seeks OTR or CRC for adult O.P. CDT program. Program development and coordination; ADL, Social and pre-vocational programs. 28 hrs/week. Flexible schedule, excellent benefits. Supervision and in-service training provided. On-site parking AA/EOE. Fax resume to Richard Meador, CRC at (718) 548-1161. ©

P/T Credentialing Coordinator: The **Puerto Rican Family Institute** is seeking a part-time Credentialing Coordinator to work 20 hours per week. Good organizational and writing skills. Knowledge of managed care organizations a plus. Proficiency in Excel and WordPerfect needed. \$12 per hour. Please Fax cover letter and resume to Heather Nahas at (212) 691-5635. ©

## Save the Date

### Tuesday June 5, 2001

### 5-8 pm

The Coalition of Voluntary Mental Health Agencies  
Celebrates the 17<sup>th</sup> Annual Mental Health Awards

at

Pfizer World Headquarters

For tickets and information,  
call Judeth Podell at (212) 742-1600 x104.