Testimony of Joshua Rubin on behalf of the

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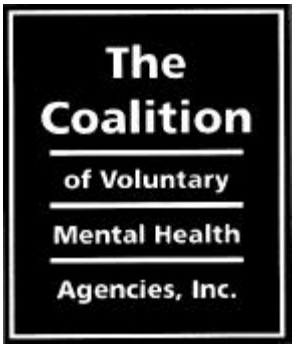

For the Joint

Senate Finance Committee and

Assembly Ways and Means Committee

on the Proposed Fiscal Year 2001

New York State Budget

January 26, 2000

Chairman Stafford, Chairman Farrell, distinguished Committee members, good morning and thank you for this opportunity to speak with you. My name is Joshua Rubin and I represent The Coalition of Voluntary Mental Health Agencies, Inc. New York City's advocacy organization representing a network of over 100 nonprofit community based providers of mental health services. Taken together, The Coalition's member agencies serve more than a quarter of a million clients and deliver the entire continuum of mental health care in practically every neighborhood and community of our very diverse City.

I am testifying today on behalf of my colleague Norman Council, Director of the New York Work Exchange, an initiative sponsored by The Coalition and funded by the New York State Office of Mental Health and New York City Department of Mental Health, Mental Retardation and Alcoholism Services. The Work Exchange exists to help providers of mental health and rehabilitative services in New York City to improve employment outcomes. We provide resources, information, training and technical assistance to bring practices to mental health providers that will better enable them to foster meaningful social and vocational integration for people with mental illness. I would like to draw your attention today to an investment we feel you should make in the future of citizens of New York.

There may be no better return on investment than the allocation of funds to support activities and services that help people with mental illness return to work. Studies indicate that, using state-of-the-art employment support practices, employment rates for people with mental illness can reach between 45% and 65%, a vast improvement over the current employment levels SOMH reports of between five and fifteen percent. A 1998 Harris survey indicated that 72 percent of people with disabilities want to work and estimates of the level of interest among people with mental illness range from 70% to 85%, so it is clear that we could be using our human resources more wisely.

For those who join or rejoin the labor force there is measurable and mutual benefit for both the person and the State. People with psychiatric disabilities who are working are more compliant with their medical regimen, more likely to attend their appointments and take their medications and less likely to need expensive hospitalization, crisis intervention or court-orders. And, despite the fact that the work many of these individuals are doing is frequently the least rewarding of entry-level positions, quality of life measures indicate significant improvements when people are gainfully employed.

In addition to these benefits for the individual, there are significant and long-term benefits for the State. Most importantly, when people with psychiatric disabilities join the labor force, their status changes from tax user to tax payer. In addition, with the potential for an income that rises above simple subsistence levels these working people also become consumers of goods and services, making their own positive impact on the economy.

A broader and, we believe, more important outcome of integration of people with mental illness into the labor force is a lessening of the harsh stigma with which the public at large regards people with mental illness. Research and experience both indicate that prejudice, preconception and fear, the components of stigma, all decrease significantly with exposure to that person or group which is reviled by the larger culture or society. If we wait for periodic public education campaigns to reduce stigma, it will be with us forever. It is only by working side by side with people with mental illness, seeing their productivity, ambition, humor and compassion, all common traits of human beings, that individuals can learn that people with mental illness are just like them, and vice-versa.

Clearly, the broad scale integration of people with mental illness into the labor force offers the best chance yet to finally accomplish the goals of social and community integration established in the Community Mental Health Act of 1963.

However several things stand in the way of accomplishing this worthy objective.

The most effective way to bring about a large scale integration of people with mental illness into the labor force is to fully integrate employment services into the existing mental health services network. Meta-analyses conducted by leaders in the mental health services research field indicate clearly that, when employment services are integrated into the broad array of symptom management and rehabilitative services offered at mental health or rehabilitation settings, they are much more effective than if segregated as off-site, referral based, “adjunct” services.

Wouldn’t it be wonderful for New Yorkers with mental illness to have access to a relationship with a mental health care provider that would not only address the symptoms that torture them, but would also help them to recover from the impact of those symptoms on their working life, and provide them a pathway back to the labor force.

Obviously this type of large-scale shift in policy and practice would cost a good deal of money if it were attempted through policy and regulatory change alone. The cost of such an initiative is beyond the scope of this or any other single budget year. There are however ways to accomplish integration of employment supports. It can largely be done by eliminating existing barriers and disincentives to working.

One of the most consistent barriers to employment listed by recipients of mental health services is the fear of losing benefits. The recently passed Work Incentives Improvement Act (WIIA), provided several opportunities to eliminate these barriers. In keeping with the opportunities provided by the Act the State should establish a Medicaid buy-in option for people with psychiatric disabilities to enable them to continue to take medication and receive supportive services after they earn enough to cease receiving cash benefit payments. As you know, SSI recipients already have the

capacity to maintain benefits up to a certain wage level under section 1619(b), but those on SSDI are at great risk of losing benefits if they are successful in the work place. Recent advances in pharmacology have enabled the production of medications that greatly enhance the functioning of people with mental illness, but these medicines are often expensive. New Yorkers should never be forced to make the choice between taking their rightful place as taxpaying citizens and controlling the symptoms of their disability.

A second barrier that exists is that current law and regulation greatly restrict what providers of mental health services can do to help a person with mental illness get a job. HCFA specifically excludes activities such as job development and job coaching from payment though Medicaid. The exceptionally tight budgets under which most community based providers of mental health services work prohibit them from dedicating person-hours to services that do not generate reimbursements, though many attempt to do so anyway.

In particular, employment services research indicates that people who work need ongoing support on an as-needed basis. The need for support varies throughout a person's career but in order to form a continuous attachment to the labor force, support must be available when needed. Providers need a funding system that enables them to make this type and level of support available.

To facilitate this the State should establish a system though which providers of mental health services can be paid for the provision of employment services. Currently, there can be no large scale focus on employment in the mental health system because providers can get paid for providing such services only under specialized programs that are limited in nature. At the same time VESID cannot, by virtue of the size of the pool of people who have mental illness and want to work and the lack of professional expertise in working with the psychiatrically disabled, provide the necessary supports. The State

Office of Mental Health is currently working with VESID and providers of mental health services to develop and test a performance-based contracting system that would pay providers to help people with mental illness form a continuous attachment to the labor force. This effort should be a priority funding initiative for the legislature.

One large problem is that people with mental illness are not aware of the work incentives that exist and have just recently been enhanced in the WIIA. To complicate matters, the work incentive regulations are sufficiently complex that any individual contemplating employment must do the math for themselves to understand how the incentives affect their particular disability and employment situation. Correcting this problem will require the State to design and implement a system to disseminate information to potential users of work incentives and help those who wish to use them determine what the impact of working will be on their unique situation. Other states have experimented with using the Internet to handle a significant portion of this activity, thereby reducing personnel requirements to those necessary to handle problems not resolved with automated mechanisms.

Finally, one significant barrier is the confusion regarding the level of priority the State places on helping people with psychiatric disabilities form a continuous attachment to the labor force. The confusion arises from the natural flux of the behavioral health care marketplace and possibly from the fact that, to date, the conversations regarding the importance of the issue have not resulted in a funding mechanism to support it. Whatever the cause, the legislature must clear up the message and state clearly that the employment of people with psychiatric disabilities is a priority issue in New York. You must then direct to that position the resources necessary to support its implementation.

If New York were to implement the proposed initiatives it would create an atmosphere that would foster not only integration of people with mental illness into the competitive

labor force, but also integration of employment supports into the existing array of mental health services. It would do this by creating a market for such integrated services and encouraging service providers to participate in that market.

Funding for these initiatives need not all be drawn from state coffers. The WIIA provides numerous opportunities for the state to use Federal funds to implement aspects of the Act, or to prepare themselves to implement the Act. I strongly urge the legislature to respond to and take advantage of those opportunities. The result will be exceptionally beneficial for New Yorkers with mental illness.

In conclusion, We are grateful for the interest of this committee and the legislature in competitive employment for people with mental illness. We are gratified to be a part of the movement that is changing the future shape of New York's mental health care delivery system, but we need your help. The Coalition and the New York Work Exchange look forward to working with these committees and your colleagues to craft a mental health care delivery system that is responsive to the desires and needs of people with mental illness who wish to work. Thank you.