



Association for Community Living
99 Pine Street, Suite 202JR
Albany, NY 12207
(518) 426 - 3635

JOINT SENATE/ASSEMBLY
LEGISLATIVE HEARING ON THE 2004 –2005 BUDGET

February 4, 2004

Good Afternoon. My name is Antonia Lasicki and I am the Executive Director of the Association for Community Living (ACL.) ACL represents over 120 not-for-profit community mental health agencies across the state that provide an array of mental health services to people with serious and persistent psychiatric illnesses, including approximately 20,000 housing units with supports.

Thank for this opportunity to speak about the Governor's proposed budget today.

We thank the governor for his continued commitment to building and opening 2,600 new units of housing for people with psychiatric illnesses, and his continued commitment to all other beds in the pipeline. It has been well established that housing with supports for people with severe psychiatric illnesses are crucial to their recovery, but in short supply, and we certainly need more each year.

However, we particularly want to thank the Governor for, and stress the importance of, his recognition that the salaries of the staff people in the housing programs have to be raised so that they can attract and retain staff people who can manage the level of responsibility that is required in the programs today. The addition of \$9.1 million dollars for the licensed Community Residence program is a crucial first step in stabilizing this very important resource, but it is only a first step. These programs need much more for them to adequately fill the needs of the consumers in them, and to fulfill the expectations of the communities in which they reside. In a world where AOT court orders are becoming more common, where medications are more numerous, drug interactions are a concern, and where local and state government turn to residential providers to care for

consumers with multiple and complex needs, the staff qualifications need to be lifted beyond a high school diploma, and every shift should have two, not one, staff person.

These programs operate at the same financial levels as they did in 1995, while the needs of the people in them have increased substantially, as have the demands of the job. Twenty years ago all clients were on the same two medications. Today our clients average nearly eight medications each. It's not uncommon for a staff person to spend two hours of a shift supervising 80 or more medications. In these programs today, over 18% have diabetes, nearly 17% have a variety of infectious diseases including HIV, Hepatitis A, B, and C, nearly 14% have asthma, and nearly 10% have a variety of cardiac conditions. These, as well as severe psychiatric illnesses, financial benefits, dietary needs, medical appointments, general transportation in some areas, dental care, psychiatric rehabilitation, and Medicaid billing for the program have to all be managed by a very small staff who do not make very much money. **We ask that you support the Governor's increase to the community residence program.**

Another program, however, was not included in the Governor's increase. Supported Housing provides a rent stipend and staff supports for clients who need less staff intervention than those in the programs I previously described. When first developed, it promised a permanent home for those who were ready for one. The stipends, however, are not sufficient. For example, New York City providers receive less than \$1,000/month/client, yet rents in New York City are that or more. That same \$1,000 per month per client must pay for rent, staff salaries at 1:15 staff to client ratio, staff transportation, office expenses, telephone, and administration.

A mechanism to automatically increase the program stipends must be developed so that, at a minimum, the rental portion of the Supported Housing program keeps up with actual rents. The attached chart uses a formula that calculates what a reasonable stipend would be in each county of the state. The formula that we used is also attached. I'd be happy to meet in the coming days to explain it in more detail. Suffice it to say that there is a significant shortfall in most counties, and that providers deal with that by providing less and less service to clients. **This program needs at a minimum, an immediate infusion of \$9 million dollars (a 10% increase),** another infusion of similar size next year, and then regular trended increases after that. Even with this level of increase, the state is

getting a very cost effective program. Without it, the state will spend far more on hospitalizations, emergency services, shelters, prisons and jails for this population. Supported Housing keeps those costs down.

Realistically, the state cannot support both a substantial state institutional system as well as a high quality community based system. There are only 4,500 patients left in state institutions down from 93,000 30 years ago, however, we still have 17 state facilities down from 25. There will soon be 31,000 community based beds in the system, the vast majority of which are operated by not-for-profit agencies that have been doing this work for 10 to 30 years. However, a disproportionate share of our mental health dollars still go to state hospitals that care for a relatively small number of patients. We ask a fundamental question, why should the taxpayer tolerate the exorbitant cost of state facilities when cooperation with the not-for-profit sector will yield quality services at reasonable cost? A licensed community residence bed in a not-for-profit costs the state approximately \$14,000/year. An unlicensed Supported Housing bed costs from \$6,000 to \$12,000/year. Compare this to \$150,000 or more for a state institution bed. With proper planning, the state could develop lower cost facilities that would more than adequately care for clients in the spirit of the Americans with Disabilities Act as interpreted by the Supreme Court in the Olmstead decision - that is, that every client should be treated in the least restrictive setting.

The last twenty five years has seen the development of an extensive, highly skilled, mature not-for-profit sector that delivers all levels of psychiatric care to Medicaid clients with the most severe disabilities. Tax-free status is granted to encourage the development of a not-for-profit sector that will provide services that the for-profit sector will not provide because there is minimal to no profit in it, and because the government can only provide those services at exorbitant cost to the taxpayer. This is the philosophical and practical underpinnings of the policy of not-for-profit status in our society. In a perfect world, the state and counties would realize that now is the time to step aside and turn the provision of community based services over to this now mature not-for-profit sector. However, this is not a perfect world, and we realize that the system needs to provide a role for public employees in the mental health system. **So, we whole-heartedly support the development of a Bi-Partisan Commission** that will listen to the voices of all stakeholders and that will develop a plan for the future of the state hospital system. **We**

also support the extension of Re-Investment to 2010 with the provision that 50% of the savings are used to re-deploy the state workforce into the community. However, as the state inevitably develops more community-based programs that re-deploy the state workforce, **it must also adequately fund the not-for-profit sector.** (Please see the attached chart that compares state operated community residence costs to not-for-profit community residence costs. These programs operate under the exact same conditions, and serve the same population.)

We also support the restoration of the \$7.7 million dollars that will be cut from Aid to Localities. The community mental health system is in the midst of major changes with the new OMH PROS initiative. We still don't know how that initiative will affect the system, so now is not the time to cut local programs. It would be wise to wait and see the impact of PROS before making any other changes to local systems of care.

In the aftermath of the Adult Home scandals, we have tried to get a handle on how many community based beds will be needed in the next 10 years. It is, as you can imagine, very difficult. **We ask that you create, through legislation that was proposed last year, a statewide housing wait list so that the system can adequately plan housing development into the future.**

It has long been ACL's position that there is a fairly consistent baseline number of citizens in New York State who have a severe and persistent psychiatric disability, who are functionally impaired, and who are poor, that must be a priority for the state. Until there is a cure for mental illness, the state's commitment to this core group must remain the highest priority, much as it is for people with mental retardation and developmental disabilities. Members of both groups are not personally responsible for their illness or condition.

In summary, we ask that you support the Governor's proposal that provides immediate relief to the community residence program. We ask that you match the Governor's proposal by adding the same amount for Supported Housing that are just as much in need. We ask that you support the extension of Re-Investment, the Bi-Partisan Commission to study hospital closures, the creation of a statewide housing wait list, and that you restore the \$7.7 million in proposed Aid to Localities cuts. Thank you.

	RENT	RENT PAID BY RESIDENTS	TOTAL PROPERTY COST TO AGENCY	CONTINGENCY FUNDING	O.T.P.S.	CASE MANAGER	SUPERVISOR	A&OH at 12%	ADEQUATE SUPPORTED HOUSING RATE	CURRENT SUPPORTED HOUSING RATE	SHORTFALL
ALBANY	6,060	2,280	3,790	500	1,200	2,360	698	714	9,262	7,872	1,390
ALLEGANY	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	7,169	1,324
BRONX	10,488	2,280	8,208	500	1,000	2,714	803	753	13,978	10,912	3,066
BROOME	4,956	2,280	2,676	500	1,200	2,360	698	714	8,148	6,419	1,729
CATTARAUGUS	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	7,169	1,324
CAYUGA	5,688	2,280	3,408	500	1,500	2,360	698	759	9,225	6,419	2,806
CHAUTAUQUA	4,956	2,280	2,676	500	1,200	2,360	698	714	8,148	7,169	979
CHEMUNG	4,956	2,280	2,676	500	1,200	2,360	698	714	8,148	7,169	979
CHENANGO	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	6,419	2,074
CLINTON	4,956	2,280	2,676	500	1,500	2,360	698	759	8,597	6,419	2,178
COLUMBIA	5,796	2,280	3,516	500	1,500	2,360	698	759	9,333	7,872	1,461
CORTLAND	5,268	2,280	2,988	500	1,500	2,360	698	759	8,805	6,419	2,386
DELAWARE	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	6,419	2,074
DUTCHESS	9,480	2,280	7,200	500	1,200	2,360	698	714	12,672	7,872	4,800
ERIE	5,556	2,280	3,276	500	1,200	2,360	698	714	8,748	7,169	1,579
ESSEX	5,016	2,280	2,736	500	1,500	2,360	698	759	8,553	6,419	2,134
FRANKLIN	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	6,419	2,074
FULTON	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	6,419	2,074
GENESEE	6,180	2,280	3,900	500	1,200	2,360	698	714	9,372	7,169	2,203
GREENE	5,712	2,280	3,432	500	1,500	2,360	698	759	9,249	7,872	1,337
HAMILTON	5,304	2,280	3,024	500	1,500	2,360	698	759	8,841	6,419	2,422
HERKIMER	4,956	2,280	2,676	500	1,200	2,360	698	714	8,148	6,419	1,729
JEFFERSON	5,592	2,280	3,312	500	1,500	2,360	698	759	9,129	6,419	2,710
KINGS	10,488	2,280	8,208	500	1,000	2,714	803	753	13,978	10,912	3,066
LEWIS	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	6,419	2,074
LIVINGSTON	6,180	2,280	3,900	500	1,200	2,360	698	714	9,372	7,169	2,203
MADISON	5,688	2,280	3,408	500	1,500	2,360	698	759	9,225	6,419	2,806
MONROE	6,180	2,280	3,900	500	1,200	2,360	698	714	9,372	7,169	2,203
MONTGOMERY	6,060	2,280	3,780	500	1,200	2,360	698	714	9,252	6,419	2,833
NASSAU	12,096	2,280	9,816	500	1,200	2,714	803	783	15,816	10,054	5,762
NEW YORK	10,488	2,280	8,208	500	1,000	2,714	803	753	13,978	10,912	3,066
NIAGARA	5,556	2,280	3,276	500	1,200	2,360	698	714	8,748	7,169	1,579
ONEIDA	4,956	2,280	2,676	500	1,200	2,360	698	714	8,148	6,419	1,729
ONONDAGA	5,688	2,280	3,408	500	1,200	2,360	698	714	8,880	6,419	2,461
ONTARIO	6,180	2,280	3,900	500	1,200	2,360	698	714	9,372	7,169	2,203
ORANGE	7,764	2,280	5,484	500	1,200	2,360	698	714	10,956	7,872	3,084
ORLEANS	6,180	2,280	3,900	500	1,200	2,360	698	714	9,372	7,169	2,203
OSWEGO	5,688	2,280	3,408	500	1,500	2,360	698	759	9,225	6,419	2,806
OTSEGO	5,208	2,280	2,928	500	1,500	2,360	698	759	8,745	6,419	2,326
PUTNAM	10,488	2,280	8,208	500	1,200	2,360	698	714	13,680	7,872	5,808
QUEENS	10,488	2,280	8,208	500	1,000	2,714	803	753	13,978	10,912	3,066
RENSSELAER	6,060	2,280	3,780	500	1,200	2,360	698	714	9,252	7,872	1,380
RICHMOND	10,488	2,280	8,208	500	1,000	2,360	698	753	13,978	10,912	3,066
ROCKLAND	10,488	2,280	8,208	500	1,200	2,714	803	783	14,208	9,506	4,702
SARATOGA	6,060	2,280	3,780	500	1,200	2,360	698	714	9,252	7,872	1,360
SCHENECTADY	6,060	2,280	3,780	500	1,200	2,360	698	714	9,252	7,872	1,360
SCHOHARIE	6,060	2,280	3,780	500	1,200	2,360	698	714	9,252	7,872	1,360
SCHUYLER	5,076	2,280	2,796	500	1,500	2,360	698	759	8,613	7,169	1,444
SENECA	5,052	2,280	2,772	500	1,500	2,360	698	759	8,589	7,169	1,420
ST.LAWRENCE	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	6,419	2,074
STEUBEN	5,184	2,280	2,904	500	1,500	2,360	698	759	8,721	7,169	1,552
SUFFOLK	12,096	2,280	9,816	500	1,200	2,714	803	783	15,816	10,054	5,762
SULLIVAN	6,408	2,280	4,128	500	1,500	2,360	698	759	9,945	7,872	2,073
TIOGA	4,956	2,280	2,676	500	1,200	2,360	698	714	8,148	7,169	979
TOMPKINS	6,192	2,280	3,912	500	1,500	2,360	698	759	9,729	7,169	2,560
ULSTER	7,524	2,280	5,244	500	1,200	2,360	698	714	10,716	7,872	2,844
WARREN	5,748	2,280	3,468	500	1,200	2,360	698	714	8,940	7,872	1,068
WASHINGTON	5,748	2,280	3,468	500	1,200	2,360	698	714	8,940	7,872	1,068
WAYNE	6,180	2,280	3,900	500	1,200	2,360	698	714	9,372	7,169	2,203
WESTCHESTER	11,784	2,280	9,504	500	1,200	2,714	803	783	15,504	9,506	5,998
WYOMING	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	7,169	1,324
YATES	4,956	2,280	2,676	500	1,500	2,360	698	759	8,493	7,169	1,324

SUPPORTED HOUSING SHORTFALL CHART FORMULA

Add Column 1	The HUD Fair Market Rent
Subtract Column 2	The amount contributed by the client
Sub-total Column 3	Subtotal of column 1 minus column 2
Add Column 4	Contingency fund for storage, repairs, etc.
Add Column 5	Other than Personal Services, i.e.. telephones, office supplies, staff travel, etc.
Add Column 6	Direct Care person: 1:15 staff to consumer ratio
Add Column 7	Supervisor - 1:75 staff to consumer ratio
Add Column 8	Administration and Overhead - 12% only on services not on property
Sub-total Column 9	Total of Columns 3 through 8
Subtract Column 10	Actual Supported Housing rate paid now
Total Column 11	The difference between an adequate rate and the actual rate for that county.

ASSOCIATION FOR COMMUNITY LIVING (ACL)

**SALARY COMPARISONS BETWEEN STATE OPERATED
AND VOLUNTARY OPERATED 12 BED CONGREGATE RESIDENCES**

Downstate STATE OPERATED COMM. RES.				Upstate				
Position	Grade	# of staff	Salary	Voluntary Community Residence			Voluntary Community Residence	
				Position	# of staff	Salary	# of staff	Salary
Residential Program Manager	19	1	\$ 57,600	Supervisor	1	\$21,845†	1	\$28,761†
Residential Program Counselor	16	1	\$57,481*	Senior Counselor	1	\$21,382†	1	\$28,719†
Residential Program Assistant	13	1	\$42,102*	None comparable	0	N/A	0	N/A
Residential Aides	9	4.56	\$35,583*	Residential Counselors	5.1	\$16,905†	5.1	\$19,504†
Sub-Total without fringe		7.56	\$319,488*	Sub-Total without fringe	7.1	\$129,442†	7.1	\$156,950†
		% of salary			% of salary		% of salary	
Fringe Benefits		Approx 30%*	\$95,846*	Fringe Benefits	19%†	\$24,593†	21.3%†	\$33,430†
TOTAL			\$415,334*			\$154,035†		\$190,380†

*2000 ACTUAL AVERAGE SALARY obtained through a FOIL request of the NYS Comptroller's office. It was assumed that any individual salary lower than the starting salary for the grade was not full-time for that year, and was eliminated from the average. It can also be assumed that the overall actual salaries are higher in 2003 as a result of 2001, 2002, and 2003 COLA's, and so these differences are conservative. (Currently the starting salaries for Grade 9 state employees is \$25,749 – Grade 13 is \$32,442 – Grade 16 is \$38,479 - Grade 19 is \$45,428)

†VOLUNTARY AGENCY REIMBURSEMENT RATE FOR 2003. We compare the actual state salaries to the reimbursement rate for the voluntaries because they are both reflective of what the **state** pays.

STATE OPERATED Average Salaries + Fringe	UPSTATE VOLUNTARY Reimbursement for Salaries + Fringe	DOWNSTATE VOLUNTARY Reimbursement for Salaries + Fringe	CASH DIFFERENCE	PERCENTAGE DIFFERENCE
\$415,334	\$154,035		\$261,299	169% HIGHER
\$415,334		\$190,380	\$224,954	118% HIGHER

