



## NEW YORK STATE FY 2018-2019 ENACTED BUDGET SUMMARY

The [New York State FY 2018-2019 Final Budget](#) passed before dawn on Saturday, March 31 before the statutory deadline and the weekend of religious holidays. The budget approves a \$168.3 billion spending plan and closes a \$4.5 billion budget deficit. Important to closing the budget were changes to the insurance law which allow for the creation of a “HEALTH CARE TRANSFORMATION FUND” from the sale of Fidelis Care, a Medicaid managed care organization, to Centene, a publicly traded company. The objective is to create a fall back against potential federal actions to Medicaid. Further explanation can be found in [State Reaches \\$2B deal for Fidelis-Centene Sale](#).

Additional information and details are included in the [Final Budget Overview](#) from Malkin & Ross. Please note, however, that details are still emerging and it may be considered a preliminary analysis which we will update if necessary. The Coalition has provided a link to our [FY 19 Executive Budget Preliminary Overview](#) for comparison between the Executive and Final Budgets, as well as The Coalition’s [SFY 2019 Budget Recommendations: Preserve and Strengthen Community Based Behavioral Health Programs](#).

You can also read [Governor Cuomo Announces Highlights of The FY 2019 State Budget](#) and results of our budgetary advocacy below.

### SFY 2018-2019 RECOMMENDATION RESULTS

#### *Workforce Investments Result in High Quality Care*

##### **CLINICAL PRACTICE EXEMPTION (Social Work Exemption) Article VII, Part Y**

- ✓ The current practice exemptions will continue for at least a two-year period, and up until guidance and regulations are issued by SED with input from the “O” agencies.
- ✓ Any employees hired during the two-year exemption period, would be permanently grandfathered and exempt for as long as they work for your agency or a similar program.
- ✓ Staff with limited permits will be allowed to practice so long as they are supervised by staff with relevant Master’s degrees.

##### **WORKFORCE SUPPORTS FOR DIRECT CARE AND CLINICAL STAFF**

- ✓ The budget agreement makes good on the 3.25% increase in SFY2018 budget to OMH, OASAS and OPWDD.
- ✓ \$6.6M was included for direct costs and fringe benefits related to the minimum wage for OMH and \$7M for OASAS.
- × The budget did not act on the enhancement requested by the human services sector.

**ALERT!** There was much discussion by the community as to whether extending the increases or requesting the statutory COLA which has repeatedly been deferred. Watch for community activity in the upcoming months.

## *Investments in Infrastructure Facilitates Transformation*

### **STATEWIDE HEALTH CARE FACILITIES TRANSFORMATION**

- ✓ The total allocation for the transformation fund was increased to \$525M from \$425M proposed in the Executive Budget.
- ✓ \$60M was set aside for community based health care providers, including mental health and substance use clinics, primary care providers, home care providers, D&TCs and added developmental disability providers and hospice care.

### **NON-PROFIT INVESTMENT CAPITAL INFRASTRUCTURE FUND**

- ✓ NICIP was unfunded, however, Statewide Health Care Facilities Transformation is made available to RFTs; OMH (\$50M) and OASAS (\$25M) received capital funding; and children's behavioral health capital needs (\$10M).

## *Access to Behavioral Health Services Leads to Consumer Wellbeing*

### **DELAYED IMPLEMENTATION OF THE CHILDREN'S TRANSITION**

- ✓ Up to \$30M (state and federal match) will be available to pay for the 6 new state plan services for children for the next two years.
- ✓ \$2.9M will support the efforts of the **First 1000 Days on Medicaid** program.

### **HEALTH HOMES**

- ✓ The budget restores \$85M for health homes, despite the \$100M cut proposed by the Senate.
- ✓ The agreement calls for criminal background checks for employees serving individuals with developmental disabilities or children under 21.
- ✓ Managed Care Organizations and Health Homes are "encouraged" to work collaboratively to meet enrollment targets. Penalties can be assessed if there is a failure of good faith efforts.

### **MENTAL HEALTH HOUSING – BRING IT HOME**

- ✓ Provides \$10M to preserve access to existing supported housing and single residence occupancy programs.
- ✓ Provides \$50M for developing facilities for the purpose of developing residential crisis programs.
- ✓ Provides \$10M for children's behavioral health capital needs.

### **COMBATING THE OPIOID EPIDEMIC**

- ✓ The final budget includes \$200 for a variety of programs to combat the epidemic plus and additional \$26M.
- ✓ Establishes the Opioid Stewardship Act and Opioid Stewardship fund which expects to realize \$100M from a charge to manufacturers and distributors based on the percentage of the total amount of morphine milligram equivalent sold by the entity.
- ✓ Fines can be imposed if a payer tries to pass the payment onto the end user.
- ✓ The budget establishes Independent Substance Use Disorder and Mental Health Ombudsman program budgeted at \$1.5M.

### *Other Important Budget Actions*

#### **PRESCRIBER PREVAILS**

- ✓ Prescriber prevails has been reinstated.

#### **INTEGRATED CLINIC LICENSURE**

- ✓ Art. 28, Art.31 and Art. 32 providers can provide integrated primary care, mental health and substance use services without having to obtain additional licensure.

#### **EXPANSION OF TELEHEALTH AND TELEPSYCHIATRY**

- ✓ Originating sites for telehealth have been expanded to include client residences/locations.
- ✓ Expands behavioral health professionals who can offer telehealth.

**ALERT!** Providers should contact OMH to ensure the program is up and running

#### **VITAL ACCESS PROVIDERS**

- ✓ The budget includes \$50M to cover previous commitments for behavioral health VAP.

**For more information, please contact Christy Parque [cparque@coalitionny.org](mailto:cparque@coalitionny.org) or Doug Berman [dberman@coalitionny.org](mailto:dberman@coalitionny.org) at The Coalition.**