



MENTAL HYGIENE



Mental Hygiene agencies and associated community-based programs provide services to individuals living with intellectual and developmental disabilities, mental illness, and addiction. These agencies include the **Office for People With Developmental Disabilities (OPWDD)**, the **Office of Mental Health (OMH)**, and the **Office of Addiction Services and Supports (OASAS)**. The **State Council on Developmental Disabilities (CDD)** advocates for people with developmental disabilities and their families, and funds grants to support the goals of the State Plan, while the **Justice Center for the Protection of People with Special Needs (Justice Center)** supports and protects the health and safety of people with special needs and disabilities. These agencies support services for more than one million individuals, including approximately 900,000 people with mental illness, 731,000 individuals in substance use disorder or problem gambling programs, and over 138,000 people with developmental disabilities.

CARING FOR NEW YORK'S VULNERABLE CITIZENS

The State's Mental Hygiene system provides or oversees care and services for individuals in State-operated and voluntary-operated programs that help individuals live in the most integrated setting possible and lead full and productive lives. These services include prevention, harm reduction, residential, outpatient, clinic, habilitative, treatment, and recovery programs, and institutional and research facilities.

The Executive Budget reflects the Governor's priority to expand available services, improve access to care, and protect vulnerable individuals. Proposed actions for the Mental Hygiene agencies build on prior investments in mental health, targeted efforts to address the opioid crisis, and continued support for community-based services including residential programs. The Executive Budget proposals result in Mental Hygiene system spending of \$10.7 billion in FY 2026, reflecting annual spending growth of \$3.6 billion (33.2 percent). This includes \$2.3 billion shifted from the DOH budget to the OPWDD and OMH budgets for the Medicaid local share.

Summary of All Funds Mental Hygiene Spending				
CATEGORY	FY 2025 (\$ in millions)	FY 2026 (\$ in millions)	DOLLAR CHANGE (\$ in millions)	PERCENT CHANGE (%)
OPWDD*	5,054.61	7,631.06	2,576.46	51.0
OMH*	4,716.85	5,574.51	857.66	18.2
OASAS	901.20	1,027.70	126.50	14.0
Justice Center	54.66	57.22	2.56	4.7
CDD	4.20	5.70	1.50	35.7
SUBTOTAL	10,731.51	14,296.20	3,564.69	33.2
Adjustments - OPWDD**	(426.99)	(1,258.31)	(831.32)	194.7
TOTAL	10,304.52	13,037.89	2,733.37	26.5

*OPWDD and OMH FY 2026 spending includes \$2.2 billion and \$138.4 million, respectively, in funding shifted from DOH for Medicaid local share.

**OPWDD Adjustments reflect Mental Hygiene Stabilization Fund expenses that will be funded outside of the DOH Global Cap through use of additional Financial Plan resources. This shift has no impact on OPWDD service delivery or operations.

PROPOSED FY 2026 BUDGET ACTIONS

The Executive Budget makes necessary investments in infrastructure across the Mental Hygiene portfolio; continues to expand mental health services; combats the overdose epidemic through investments in prevention, treatment, harm reduction, and recovery programs; and fund initiatives to promote access to care and supportive services. The Budget expands community-based care and continues investments in the direct care and clinical workforce to ensure that individuals receiving Mental Hygiene services are in the most integrated, appropriate, and cost-effective setting possible.

Supporting People with Developmental Disabilities and Their Families

Governor Hochul's commitment to improving the overall quality, availability, and cost-effectiveness of community-based, person-centered services for individuals with intellectual and developmental disabilities (I/DD) is demonstrated by targeted investments in OPWDD to address critical needs; support for important policy reforms; and the modernization of aging infrastructure.

Specifically, the Executive Budget will:

Continue Funding Rate Enhancements for Not-for-Profit Providers. The Executive Budget will continue investments to support updated reimbursement rates for OPWDD providers that began during FY 2025. The budget includes almost \$850 million in gross annualized funding to help OPWDD not-for-profit providers increase wages for their frontline workforce.

Invest in New Service Opportunities. The Executive Budget invests new State resources (\$30 million in FY 2026, \$60 million annualized) to fund OPWDD priority program reforms and new service opportunities that enable individuals to receive the support they need. This includes individuals who are entering the OPWDD service system for the first time and individuals already receiving services, but whose needs have changed. These State funds leverage Federal resources for a gross increase of \$120 million annually.

Modernize Research in Developmental Disabilities.

The Executive Budget includes a five-year capital investment of \$75 million to renovate the Institute for Basic Research in Developmental Disabilities (IBR) campus, including the development of a Genomics Core facility to allow for the customized identification of genetic imperfections underlying an individual's developmental disability and creation of space for a Willowbrook learning center. This investment will renovate existing buildings and consolidate space to a more focused footprint, while also modernizing equipment needed to help advance IBR's research goals.

Create Regional Disability Clinics. The Executive Budget includes \$25 million in capital funding to support the development of Regional Disability Clinics. These resources will support one-time costs for building modifications and/or equipment designed to increase accessibility and improve quality of healthcare for people with developmental disabilities who access services in clinics licensed by Article 28 of the Public Health Law and Article 16 of the Mental Hygiene Law.

Renovate Sunmount Campus. The Budget invests \$18 million across four years to renovate the Sunmount campus in Tupper Lake through a variety of health and safety projects benefitting residents and staff. This capital investment will support roof replacements, exterior repairs, kitchen and bathroom renovations, and paving of roadways and parking lots.

Commit an Additional \$15 Million to Develop Housing. The FY 2026 Executive Budget continues to expand independent living opportunities for individuals with I/DD. These funds are distinct from, and in addition to, resources that are available from the five-year, \$25 billion affordable and supportive housing plan, which is also helping support the development of residential opportunities for people with I/DD.

Promoting Mental Health

OMH has continued to strengthen its service offerings in recent years by expanding supported housing units throughout the State, providing additional peer support services, and developing new services such

as mobile crisis teams. Since FY 2015, the expansion in community-based services has resulted in more than 222,000 previously unserved individuals receiving services. The Budget advances efforts that improve quality and expand services in the community. Specifically, the Budget will:

Pilot an Aging in Place Program. The FY 2026 Executive Budget provides \$1.6 million to introduce a pilot program to help older adults who need assistance with activities of daily living (ADLs). This initiative focuses on providing support to individuals in existing Community Residence Single Room Occupancy (CR-SRO) units. This investment will help promote independence, safety, and quality of life for aging New Yorkers.

Expand Teen Mental Health First Aid for High School Students. OMH will utilize a new \$1.5M investment to expand its teen Mental Health First Aid (tMHFA) training. Specifically, these funds will be used to train both teens and adults who work with teens to identify, understand, and respond to signs of mental health and substance use challenges, including the impacts of bullying and school violence.

Improve Maternal Mental Health. The FY 2026 Executive Budget provides \$1.5 million to expand maternal mental health services. OMH will integrate behavioral health services into OB-GYN practices in underserved communities, ensuring accessible and comprehensive care for mothers.

Create Comprehensive Clinical Assessment Hubs. The FY 2026 Executive Budget supports the creation of clinical assessment hubs staffed by multidisciplinary clinicians with an investment of approximately \$1 million. These hubs will provide specialized evaluations for children with complex behavioral and clinical needs, ensuring accurate diagnoses and connecting them to individualized services without requiring hospitalization.

Expand Clubhouses and Youth Safe Spaces. The FY 2026 Executive Budget commits \$10 million to establish up to seven new clubhouses and four Youth Safe Spaces across New York State. Clubhouses are member-driven programs that provide individuals with serious mental health conditions access to social

support, life skills training, employment resources, and a sense of community. Youth Safe Spaces provide a place for young people to access behavioral health wellness resources, foster positive relationships with their peers, and receive support in a comfortable setting, alongside friends and community members.

Establish Hospital-Based Peer Bridger Services and Expand INSET. New York will commit \$4 million to create a hospital-based peer bridger program and fund expansion of Intensive and Sustained Engagement Teams (INSET). Research has shown that peers with lived experience are effective in engaging individuals with mental illness and can help service recipients manage crucial transitions of care. The hospital-based peer bridger program will operate in Article 28 hospitals and help facilitate the transition of individuals leaving inpatient care and transitioning back into the community. INSET provides voluntary, peer-led support to individuals on their recovery journey via 24/7 multidisciplinary teams, led by peer specialists, which offer trauma-informed, culturally responsive care tailored to individuals' unique needs.

Add Street Medicine and Street Psychiatry to SOS Teams. The Budget invests \$2.8 million for OMH to add street medicine and street psychiatry to Safe Options Support (SOS) teams across the State. This enhancement will allow SOS teams to provide immediate medical and psychiatric care to unsheltered individuals, improving the effectiveness and timeliness of outreach services.

Bolster Involuntary Commitment and Assisted Outpatient Treatment (AOT). The FY 2026 Executive Budget designates \$16.5 million to counties to enhance county-level implementation of Assisted Outpatient Treatment (AOT) programs across the State and \$2 million for additional OMH staff to increase reporting and monitoring, enhance statewide training, and provide additional support for counties and providers. This will improve statewide consistency and effectiveness of AOT services while also offering enhanced voluntary service packages for individuals who wish to access enhanced intensive services. The Budget also includes amendments to Mental Hygiene Law to expand standards for involuntary commitment and to strengthen the AOT statute.

Create 24/7 Welcome Center Model. The FY 2026 Executive Budget commits \$6.5 million to support the creation of spaces within five New York City subway stations for mobile outreach teams to better connect and coordinate services for unhoused individuals. This funding will support one-time start-up and ongoing operating costs.

Support Community-Determined Wellness in Historically Marginalized Neighborhoods. The Executive Budget funds a \$2 million grant program to support wellness initiatives in marginalized communities that have faced decades of underinvestment, violence, and systemic inequities. Drawing from the grassroots healing efforts in East Buffalo that were developed in the aftermath of the 2022 Tops Supermarket shooting, which included barbershop talks, father-son outings, and cultural healing circles, this program will fund community-driven, culturally relevant wellness activities.

Expand Forensic Inpatient Capacity. The FY 2026 Executive Budget includes \$160 million for the creation of a new 100-bed forensic inpatient unit on Wards Island. The additional inpatient capacity will help OMH meet the increasing demand for restoration services for incarcerated individuals deemed incompetent to stand trial. Additionally, the Budget provides \$21.2 million (\$28.3 million fully annualized) for the agency to increase clinical and direct care staffing at its four forensic facilities to reduce staff to patient ratios, improving safety and quality of care.

Enhance the Capital District Psychiatric Center Crisis Unit. The Budget provides \$2.4 million (\$7 million fully annualized) to update the Crisis Unit at the Capital District Psychiatric Center to include an 8-bed acute care unit and expand the Mobile Integration Team to improve safety and quality of patient care.

Establish Commercial Compliance Monitoring. The FY 2025 Enacted Budget established a new requirement that commercial insurers reimburse behavioral health services at or above the Medicaid rate effective January 1, 2025. The FY 2026 Executive Budget provides \$1 million for additional staff to monitor compliance with the new law. OMH will provide network monitoring and surveillance, and will

work with DFS and DOH on compliance enforcement through citations and/or fines.

Continue Support for Existing Residential Programs. Consistent with legislation enacted in the FY 2024 Budget that extended property pass through provisions to include OMH's non-licensed residential programs, the Executive Budget includes \$11.9 million to increase stipends for nearly 18,000 OMH Supported Housing units to keep pace with rising property costs.

Addressing the Overdose Epidemic

Under Governor Hochul's leadership, OASAS is taking significant steps to address the overdose epidemic by improving access to addiction services, removing barriers to treatment, developing new and innovative treatment models, and incorporating life-saving harm reduction principles across the care continuum, including New York State's network of community-based providers.

The most recent overdose data are indicating a reduction in deaths in New York State. While cautiously optimistic, this year's Executive Budget will continue to support OASAS' efforts to ensure access to critical services and supports across the State.

The Executive Budget continues the historic investments made since FY 2023, which included significant increases in operating and capital support for addiction prevention, treatment, harm reduction, and recovery programs which serve people with addiction throughout the State, their families, and their communities.

The Executive Budget sustains New York State's commitment to critical initiatives, including:

Addressing the Overdose Epidemic Using a Patient Centered Approach. OASAS oversees one of the nation's largest substance use disorder care systems with approximately 1,700 prevention, treatment, harm reduction, and recovery programs serving over 731,000 individuals per year. As the State's opioid treatment authority, OASAS will continue to coordinate State-federal relations in addiction services and increase evidence-based practices

proven to support individuals contemplating or new to recovery and prevent overdoses. At Governor Hochul's direction, OASAS has made access to life-saving medication and supplies simple and affordable, including the first-in-the-nation public access portal to allow free ordering of naloxone and test strips. Since August 2022, OASAS has distributed over 255,000 naloxone kits and nearly 22 million fentanyl and xylazine test strips to individuals and organizations across the State.

Opioid Settlement Fund Investments. Since 2021, the State of New York has reached settlement agreements with and received payments from opioid manufacturers and distributors. Through these agreements, the State and local municipalities are expected to receive more than \$2 billion through 2040. Over \$570 million in payments related to those settlement agreements will have been deposited in the State's Opioid Settlement Fund through FY 2026. These funds are being used to support addiction programming and services throughout the State. OASAS, as the lead agency and administrator of the fund, is collaborating with other State agencies including DOH and OMH to develop strategies and initiatives to provide individuals the care and support they need. The State is being guided by the Opioid Settlement Fund Advisory Board, which is charged with making recommendations on the allocation of these funds. The Board issued its third annual report on November 1, 2024. New York State is continuing to lead the nation at making these funds available to the community to support outreach and engagement harm reduction services; workforce initiatives like scholarships, fellowships, and internships; non-medical transportation; transitional safety units; naloxone; fentanyl and xylazine test strips; expanding comprehensive integrated treatment; and medication assisted treatment.

Opioid Stewardship Investments. The FY 2023 Enacted Budget appropriated \$200 million to invest monies owed to the State retroactive to 2017 and 2018, after the Opioid Stewardship Act was upheld by the U.S. Supreme Court. The Executive Budget reappropriates these funds to allow OASAS to continue using these resources, in collaboration with DOH, to pursue harm reduction initiatives, including a grant program supporting street outreach and

other community-based harm reduction programs throughout the State, medication and treatment affordability programs, and the development of a harm reduction training program for personnel from law enforcement agencies, correctional facilities, and the court system.

Information Technology Investments. The FY 2026 Executive Budget provides \$10 million as part of a five-year \$50 million investment to upgrade OASAS's data collection, reporting, and information technology systems. This upgrade will enable OASAS to utilize additional performance metrics, decrease administrative burden on providers, and meet the needs of the growing system of substance use disorder services. This Executive Budget also provides \$5 million in annual funding to support increased IT costs and other incremental improvements to OASAS' systems.

Reimagined Vocational Services. The FY 2026 Executive Budget includes \$11.4 million to reprocurer vocational, job placement, and day services for those with substance use disorders. Vocational services that are targeted to the specific needs of people with substance use disorder are essential to supporting the individuals served throughout the OASAS continuum of services. This will ensure that the funds are being used as effectively and efficiently as possible, and that there is access to these important services throughout the State.

Expand Access to Opioid Medications. The FY 2026 Executive Budget provides \$2.5 million to expand the number of Mobile Medication Units (MMUs) that provide medication and other clinical services to those with opioid use disorders. The MMUs will serve regions of the State that currently do not have access to opioid treatment medications. These funds will cover one-time startup capital costs for vehicles and ongoing operating costs.

Addiction Treatment Centers Evaluation. The FY 2026 Executive Budget provides \$500,000 in one-time funds to conduct an analysis of the twelve State-operated Addiction Treatment Centers (ATCs). This assessment will help to enhance critical services provided through the ATCs, and ensure that OASAS is best serving unmet needs in communities across the State.

Technical Assistance Center for Opioid Treatment.

The FY 2026 Executive Budget includes \$300,000 in annual funding to provide technical assistance to Opioid Treatment Programs (OTPs) throughout the State. This technical assistance will aid OTPs in understanding both State and federal laws and regulations that impact their programs. Changes to federal rules provide a unique opportunity to change how people access medication in OTPs. This funding will provide the assistance needed for providers to adapt programming to safely implement the flexibility allowed by the new rules.

Expand Support for Street Outreach Teams.

The FY 2026 Executive Budget adds \$3M to the OASAS budget for expansion of street outreach teams, including integration with OMH's Safe Options Support (SOS) teams in high need areas. This collaboration will help individuals with more comprehensive needs who currently are not connected to care and supports.

Agency Staffing and Operating Investments. The FY 2026 Executive Budget includes approximately \$3 million for additional staff and operating costs at OASAS. These staff will support various critical functions in the agency, including data analyses on opioid settlement funding, implementing cannabis use disorder programs, enhancing patient care at the ATCs, and support of critical OASAS operational functions.

Protecting Vulnerable People

To protect the health and safety of vulnerable people under the State's care or oversight, the Justice Center has primary responsibility for receiving, investigating and/or reviewing abuse and neglect allegations at certain facilities and programs that are operated, certified, or licensed by the following six agencies: OMH, OPWDD, OASAS, DOH, OCFS, and SED. The Justice Center is responsible for ensuring the safety and well-being of the approximately one million adults and children who, due to physical or intellectual disabilities, or the need for services or placement, are receiving care from one of the approximately 3,500 facilities or service providers overseen by the six State agencies. The Budget honors the State's pledge to protect vulnerable populations.

Multi-Agency Budget Actions

Targeted Inflationary Increase. The Executive Budget includes a Targeted Inflationary Increase of 2.1 percent to voluntary operated providers of services for OPWDD, OMH, OASAS, Office of Children and Family Services (OCFS), Office of Temporary and Disability Assistance (OTDA), and the State Office for the Aging (SOFA). For Mental Hygiene agencies, the Targeted Inflationary Increase provides an additional \$195.4 million (\$328.3 million including Federal matching funds) for OPWDD, OMH, and OASAS programs in FY 2026, and will provide fiscal relief to providers to address rising operating costs and enable them to offer more competitive wages to their staff.

Minimum Wage. The Executive Budget invests an additional \$53 million in State funds to support minimum wage increases for staff at programs licensed, certified, or otherwise authorized by OPWDD, OMH, and OASAS.

Council on Developmental Disabilities State Budget.

The FY 2026 Executive Budget includes \$1.5 million to provide General Fund support for the Council on Developmental Disabilities' (CDD) staffing costs. This will allow the agency to focus Federal funds exclusively on programming for individuals with developmental disabilities and their families across the State.

Interpreter for the Interagency Coordinating Council for Services to Persons who are Deaf, Deafblind, or Hard of Hearing. The Budget includes additional funding to support an interpreter for the Interagency Coordinating Council for Services to Persons who are Deaf, Deafblind, or Hard of Hearing, within the Office of the Chief Disability Officer (CDO).

Medicaid Local Share Costs. To align agencies' budgets with program area spending, the Executive Budget includes a Financial Plan neutral shift of funding for Medicaid local share costs from DOH to other State agencies. For OPWDD and OMH, this results in increased funding and appropriations of \$2.2 billion and \$138.4 million in their respective budgets, offset by an equal decrease in the DOH budget.