

MENTAL HYGIENE

OVERVIEW

The mental hygiene agencies and associated community-based programs provide services to individuals living with developmental disabilities, mental illness, and addictions. These agencies include the **Office for People With Developmental Disabilities (OPWDD)**, the **Office of Mental Health (OMH)**, the **Office of Addiction Services And Supports (OASAS)**, the **State Council on Developmental Disabilities (CDD)**, and the **Justice Center for the Protection of People with Special**

Needs (Justice Center). The mental hygiene agencies support services for more than 1 million individuals, including approximately 900,000 people with mental illness, 731,000 individuals in substance use disorder or problem gambling programs, and nearly 135,000 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, rehabilitative, 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

| Summary of All Funds Mental Hygiene Spending | | | | |
|--|--|--|---|-----------------------|
| CATEGORY | FY 2024 (MILLIONS OF DOLLARS) | FY 2025 (MILLIONS OF DOLLARS) | DOLLAR CHANGE (MILLIONS OF DOLLARS) | PERCENT CHANGE (%) |
| OPWDD | 4,811.65 | 5,050.81 | 239.16 | 5.0 |
| OMH | 4,254.07 | 4,823.91 | 569.84 | 13.4 |
| OASAS | 997.68 | 1,005.42 | 7.74 | 0.8 |
| Justice Center* | 52.01 | 49.38 | (2.63) | (5.1) |
| CDD | 4.20 | 4.20 | 0.00 | 0.0 |
| SUBTOTAL | 10,119.61 | 10,933.72 | 814.11 | 8.0 |
| Adjustments - OPWDD** | 2,091.20 | (1,855.45) | (3,946.65) | (188.7) |
| TOTAL | 12,210.81 | 9,078.27 | (3,132.54) | -25.7 |

*Justice Center spending decrease reflects a decrease in projected federal reimbursement.

**OPWDD Adjustments reflect OPWDD-related local share 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.

Mental Hygiene system spending of \$10.9 billion in FY 2025, reflecting annual spending growth of \$814 million (8.0 percent).

PROPOSED FY 2025 BUDGET ACTIONS

The Executive Budget continues to expand mental health services; combat 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 Executive 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 developmental disabilities is demonstrated by targeted investments in OPWDD to address critical needs and support important policy reforms.

The Executive Budget honors the State's pledge to support individuals with developmental disabilities in the most appropriate community-based settings. Specifically, the Executive Budget will:

Support Access to Employment. The Executive Budget will include a \$6.7 million investment to support New York's commitment to becoming an Employment First state as it pertains to people with disabilities. This effort will offer New Yorkers with disabilities employment opportunities first before recommending alternative supports and services, through a multi-agency collaboration led by OPWDD.

Support Access to More Independent Living Settings. The Executive Budget includes legislation that would allow greater flexibility for the performance of certain nursing tasks by unlicensed employees of providers certified by OPWDD in non-certified community-based settings, such as a person's private home or apartment. This would allow more people

with developmental disabilities to remain in or transition to more independent settings, decreasing the reliance on certified residential settings, like group homes or intermediate care facilities (ICFs).

Commit an Additional \$15 Million to Develop Housing.

The FY 2025 Executive Budget continues to expand independent living opportunities for individuals with intellectual and developmental disabilities. Since FY 2016, the State has invested \$125 million in capital resources to develop safe and accessible residential opportunities, and the Executive Budget raises this investment to a total of \$140 million. 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 intellectual and developmental disabilities.

Invest in New Service Opportunities. The Executive Budget invests new State resources (\$30 million in FY 2025, \$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.

Expand Special Olympics NY (SONY). The Executive Budget includes a \$1 million annual funding increase to SONY in FY 2025. SONY not only provides inclusive sports training, skill building, and competition, it also offers free health screenings and health education to individuals with intellectual disabilities.

Promoting Mental Health

The Executive Budget demonstrates Governor Hochul's commitment to enhancing and expanding access to mental health services to ensure people receive the support they need in the most appropriate and effective setting. 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 143,000 previously unserved individuals receiving services. The Budget advances efforts that improve quality and expand capacity of services in the community. Specifically, the Budget will:

Increase Support for Existing Residential Programs.

The FY 2025 Executive Budget includes \$43 million to increase stipends for over 17,000 OMH Supported Housing units to keep pace with rising property costs. This is consistent with the legislation enacted in the FY 2024 budget that extended property pass through provisions to include OMH's non-licensed residential programs.

Ensure Access to Care through Workforce

Initiatives. The FY 2025 Budget includes five new initiatives to address recruitment and retention in the mental health workforce. These initiatives aim to expand the mental health workforce through job marketing, the creation of a job bank, and the creation of a Behavioral Health Fellowship Program. The initiatives will meet the unique needs of rural communities by providing rural governments with funding to develop targeted workforce investments. OMH also will develop new avenues for credentialing mental health paraprofessionals to bolster recruitment and retention for the voluntary mental health workforce.

Strengthen the 988 Crisis Hotline through Maternal

Mental Health Training. The 988 Crisis Hotline, which was established in FY 2023 to connect individuals in crisis to a variety of community-based crisis intervention programs, will be increased by an additional \$100,000 to create a specialized maternal mental health training program for providers. This investment will connect pregnant and postpartum New Yorkers to counselors properly trained to help navigate maternal mental health challenges.

Expand Maternal Mental Health Training. The FY 2025 Executive Budget includes \$1.5 million annually to expand Project TEACH (Training and Education for the Advancement of Children's Health) through specialized support for mental health and substance

use treatment for individuals during pregnancy and postpartum. This funding will enhance provider education, consultation, and awareness of mental health and substance use resources for: therapists; lactation consultants; Women, Infant and Children (WIC) staff; home visiting nurses; and other frontline practitioners working directly with the perinatal population.

Establish Loan Forgiveness Program for Mental

Health Clinicians Serving Children. Similar to the successful OMH loan forgiveness program, established by Governor Hochul in FY 2023, the FY 2025 Budget provides \$4 million specifically for licensed mental health clinicians serving children and families in OMH and Office of Children and Family Services licensed settings.

Youth ACT Teams. The FY 2025 Executive Budget

includes \$9.6 million to create 12 new youth Assertive Community Treatment (ACT) teams. ACT is an evidenced-based practice that offers treatment, rehabilitation, and support services, using a recovery-based approach, to individuals that have been diagnosed with serious mental illness. By FY 2027, the statewide total will increase from 30 to 42 specialized teams for children and youth. These additional youth teams will help address the needs of children who are at risk of needing, or returning home from, high end services.

Peer-to-Peer Youth Programs. The FY 2025

Executive Budget continues the State's commitment to peer-driven recovery models by expanding the reach of youth-driven and youth-centered programs. An annual investment of \$2 million will expand peer-to-peer supports, including Teen Mental Health First Aid and safe spaces outside of the home and school where youth can meet with peers, provide support to each other, and utilize established connections to professionals and trained adults to better address mental health and wellness challenges.

Partial Hospitalization Program (PHP). The Executive

Budget will expand access to high-intensity services through \$2.8 million invested annually to enhance PHP children's services rates by 25 percent and develop several new PHP programs.

Specialized Children's Community Residence Programming.

The FY 2025 Executive Budget bolsters mental health services for children and families by investing \$1 million annually to increase training and specialized programs focusing on children with welfare system involvement. Funding will support two programs in Children's Community Residences in each OMH region to support reunification with families and build networks to mental health services.

Provide Social Media Resources for Youth and Caregivers.

The Office of Mental Health will develop materials to educate caregivers on the impacts of social media on youths and methods to monitor social media usage to reduce negative effects. This will help ensure a culture of digital safety in schools.

Improve Mental Health Admission and Discharge Decisions by Hospitals.

The FY 2025 Executive Budget includes \$7 million in funding to expand surveillance and regulatory compliance activities within OMH licensed and unlicensed program settings, including hospital inpatient programs and Comprehensive Psychiatric Emergency Programs (CPEPs). OMH and DOH will also finalize regulations to codify the hospitals' admission and discharge requirements for patients with behavioral health conditions.

Expand Inpatient Bed Capacity. The FY 2025 Executive Budget includes funding to open another 125 State-operated inpatient psychiatric beds, including 15 for children and adolescents, 85 for adults, and 25 forensic; and 75 Transition to Home Unit (THU) beds in one State-operated and two community-based facilities. This additional capacity will help meet the increased need for mental health services across the State.

Support Individuals with Mental Illness and Involved in the Criminal Justice System.

The Executive Budget provides several additional supports for people with mental illness who are involved in the criminal justice system, including establishing a team within OMH that will work with mental health courts and providers to ensure individuals are connected to the services they need. The budget also includes \$6.2 million to provide mental health specialists

and peers in mental health courts, \$2.8 million to provide housing and supports to individuals with mental illness experiencing homelessness and/or involved in the criminal justice system, and \$9.6 million to enhance and expand specialized Forensic Assertive Community Treatment (FACT) teams to support individuals with serious mental illness in the community.

Crisis Intervention Team (CIT) Training.

The FY 2025 Executive Budget includes \$187,000 in funding to expand CIT Training. This will promote better outcomes when law enforcement responds to individuals with acute mental health needs, including decreasing the number of arrests and increasing connections to appropriate mental health services.

Addressing 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 throughout New York State's network of community-based providers.

The Executive Budget continues the historic investments made in 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 will continue to oversee one of the nation's largest substance use disorder systems of care 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' Division of Harm Reduction has made access to life-saving medication and supplies simple and affordable.

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 \$480 million in payments related to those settlement agreements will have been deposited in the State's Opioid Settlement Fund through FY 2025. 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 annual report on November 1, 2023.

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, which are reduced to reflect lower than anticipated receipts. During FY 2025, OASAS will continue using Opioid Stewardship Funds, in collaboration with DOH, to pursue a number of harm reduction initiatives, including medication and treatment affordability programs, a grant program supporting 15 community-based harm reduction programs throughout the State, and the development of a harm reduction training program for personnel from law enforcement agencies, correctional facilities, and the court system.

Support Recovery Community Centers. The FY 2025 Executive Budget provides \$5 million to support existing recovery community centers, which are currently funded by Federal grants expiring in October. These State resources will ensure that people have peer support from these programs that are proven effective in helping people start and sustain their recovery from addiction.

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 the 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. Specifically, the Executive Budget will fund:

Investigations Expansion. The Executive Budget includes an investment of \$1.3 million into the agency's Investigations Unit to support an additional 18 FTEs across six different titles. This expansion will address the anticipated need for investigative services driven by mental health investments, improve cycle time for investigations, and shorten the time staff accused of unsubstantiated charges are out of work. The costs of this expansion are supported by federal Medicaid reimbursement.

Multi-Agency Budget Actions

Cost-Of-Living Adjustment (COLA). For the third consecutive year, Governor Hochul's Executive Budget provides a cost-of-living adjustment (COLA) 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). While other programs are flat or decreasing to stay within the State's resources, these programs will receive 1.5 percent increases, which build on the 5.4 percent increase in FY 2023 and 4.0 percent increase in FY 2024, for a cumulative increase of more than \$1.4 billion. For the mental hygiene agencies, the new COLA provides an additional \$120.4 million (\$195.8 million including federal matching funds) for OPWDD, OMH and OASAS programs in FY 2025, and will provide fiscal relief to providers, enabling them to

offer more competitive wages to their staff to address workforce recruitment and retention issues and better support the individuals they serve.

Minimum Wage. The Executive Budget invests an additional \$57 million in State funds to support minimum wage increases, including indexing minimum wage to inflation, for staff at programs licensed, certified, or otherwise authorized by OPWDD, OMH, and OASAS.

Enhance Support for the Interagency Coordinating Council for Services to Persons who are Deaf,

Deafblind, or Hard of Hearing. The FY 2025 Budget provides for an additional FTE to better support the Interagency Council for the Deaf, Deafblind, or Hard of Hearing within the Office of the Chief Disability Officer (CDO) and the deafblind community. This staff member will increase outreach and advocacy for deafblind individuals.

Commercial Insurance Minimum Reimbursement

Rates. Despite laws requiring parity, many commercial insurance plans do not adequately compensate providers for the costs incurred to deliver services to patients. To correct this, Governor Hochul will pursue legislation to require commercial insurance companies to pay for State-licensed outpatient mental health and substance use services at least at the Medicaid rate.

Olmstead Plan. The FY 2025 Executive Budget includes \$250 thousand for New York's Most Integrated Setting Coordinating Council (MISCC) to issue an Olmstead Plan. This will ensure that people with disabilities receive services in the most integrated setting appropriate to their needs. Under the Office of the Chief Disability Officer and the new Olmstead Director, this plan will include people with physical, sensory, developmental, and/or intellectual, mental, and behavioral disabilities.