

New York City Council
Hon. Julie Menin, Speaker of the Council
Hon. Linda Lee, Chair Finance Committee
Hon. Tiffany Cabán, Chair, Mental Health and Substance Use Committee

**Report on the Fiscal 2027 Executive Plan and
the Fiscal 2027 Executive Capital Commitment Plan for
Committee on Finance and the Committee on Mental Health and Substance Use**

Nathan Toth, Director
Jonathan Rosenberg, Managing Deputy Director
Chima Obichere, Deputy Director
Eisha Wright, Deputy Director
Paul Scimone, Deputy Director

Prepared By:
Amaan Mahadevan, Financial Analyst
Florentine Kabore, Assistant Director

Fiscal 2027 Executive Plan

Department of Health and Mental Hygiene – Mental Hygiene Budget Overview

The Department of Health and Mental Hygiene (DOHMH or the Department) is responsible for protecting and promoting the health and well-being of all New Yorkers.

The Executive Financial Plan for Fiscal 2026-2030 (Executive Plan) includes a proposed Fiscal 2027 budget of \$2.64 billion for DOHMH. The Department’s projected Fiscal 2027 budget represents 2.1 percent of the City’s proposed \$126.89 billion Fiscal 2027 budget in the Executive Plan. DOHMH’s budget is divided into three main program areas: Public Health, Mental Health, and the Office of the Chief Medical Examiner (OCME). The summary table below outlines DOHMH’s actual budgets for Fiscal 2024 and Fiscal 2025, the Fiscal 2026 Adopted Budget, and the Fiscals 2026 and 2027 budgets as of the Executive Plan.

This report will focus on the Mental Hygiene portion of DOHMH’s budget, which has seen several budgetary changes since the release of the Fiscal 2027 Preliminary Plan in February involving mobile treatment teams, mental health clubhouses, the Office of Community Mental Health, and an array of savings measures. DOHMH’s Fiscal 2027 Mental Hygiene budget is \$923.1 million,

<i>Dollars in Thousands</i>	FY24	FY25	FY26	Executive Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27 - FY26
DOHMH Public Health	\$1,503,733	\$1,563,283	\$1,478,578	\$1,746,389	\$1,595,221	\$116,643
DOHMH Mental Hygiene	734,066	780,825	841,355	1,026,580	923,131	81,776
OCME	106,490	108,053	120,654	126,743	125,207	4,553
TOTAL	\$2,344,289	\$2,452,161	\$2,440,587	\$2,899,712	\$2,643,559	\$202,972

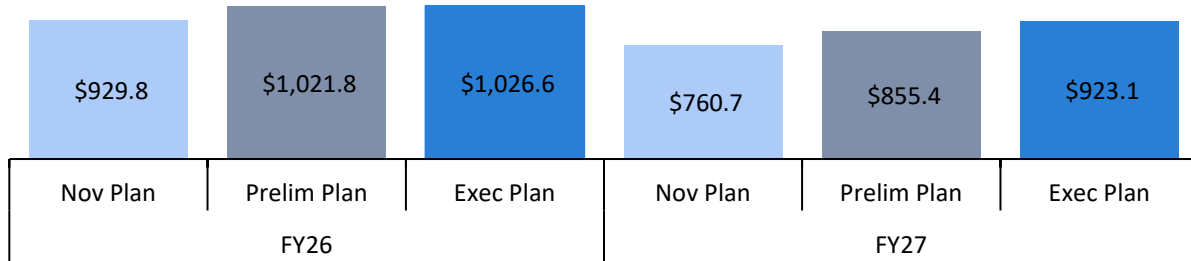
**The difference of Fiscal 2027 Executive Budget compared to Fiscal 2026 Adopted Budget.*

Source: New York City Office of Management and Budget

which is \$67.8 million (7.9 percent) more than its \$855.4 million Fiscal 2027 budget in the Preliminary Plan and accounts for 34.9 percent of DOHMH’s total budget. The Mental Hygiene Fiscal 2026 budget in the Executive Plan is \$4.8 million (0.5 percent) more than its \$1.02 billion

Fiscal 2026 budget in the Preliminary Plan. The current Fiscal 2027 budget is \$81.8 million greater than the \$841.4 million Fiscal 2026 budget at adoption. For additional information on DOHMH’s Preliminary Budget, please refer to the Fiscal 2027.¹

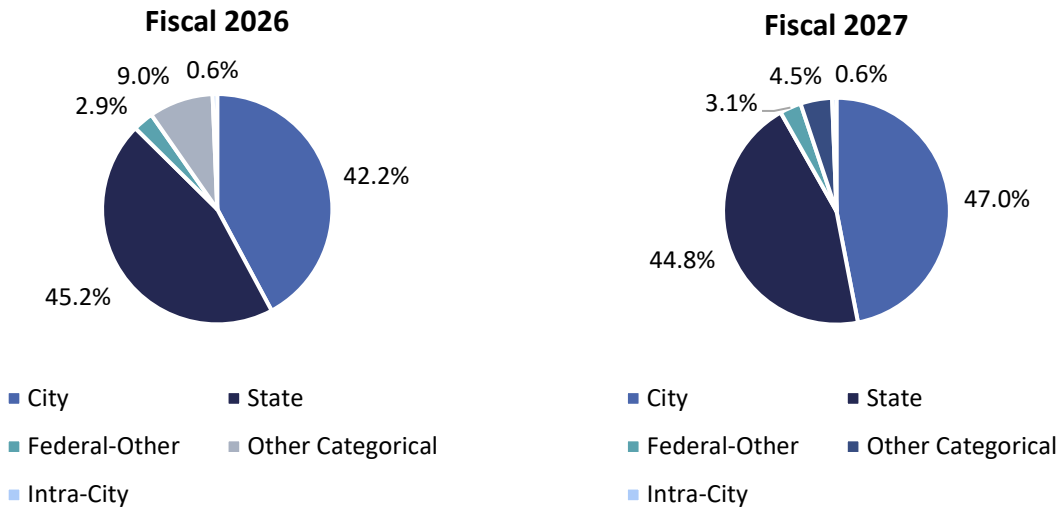
Comparison of the Last Three Financial Plans



Dollars in Millions
 Source: New York City Office of Management and Budget

Budget by Funding Source

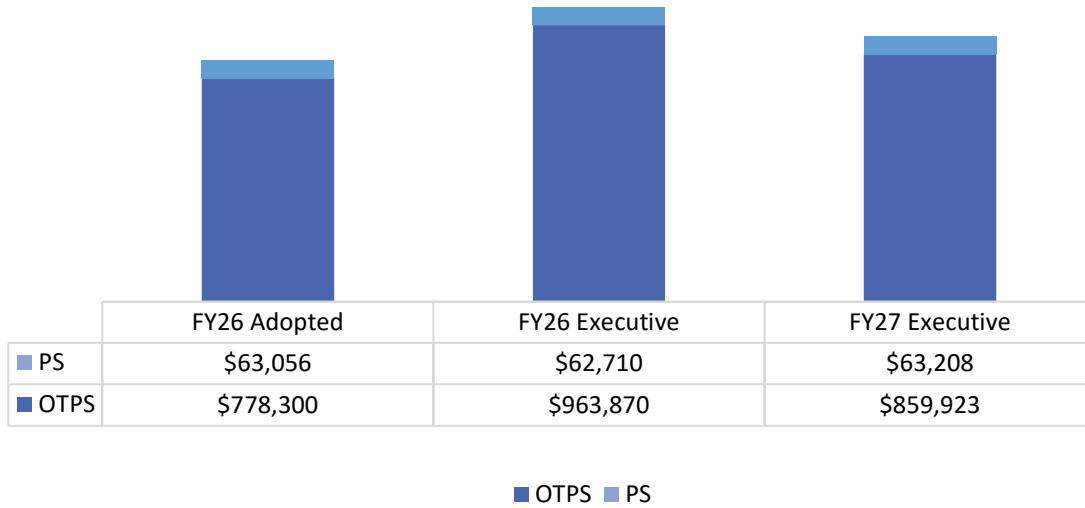
Fiscal 2027 City Funds: 47.0 percent



Source: New York City Office of Management and Budget

¹ New York City Council, [“Report on the Fiscal 2027 Preliminary Plan and the Fiscal 2026 Preliminary Mayor’s Management Report for the Department of Health and Mental Hygiene - Mental Hygiene”](#), as of March 2026.

Personal Services (PS) and Other Than Personal Services (OTPS)



Dollars in Thousands

Source: New York City Office of Management and Budget

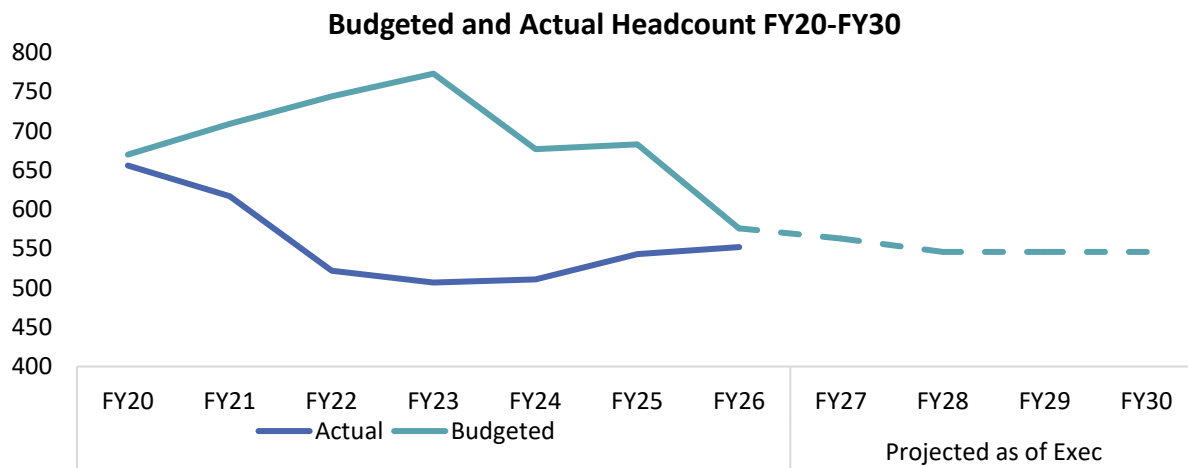
Headcount

Fiscal 2026 Budgeted Full-Time Positions: 576

Fiscal 2027 Budgeted Full-Time Positions: 563

Actual Headcount as of April 2026: 552

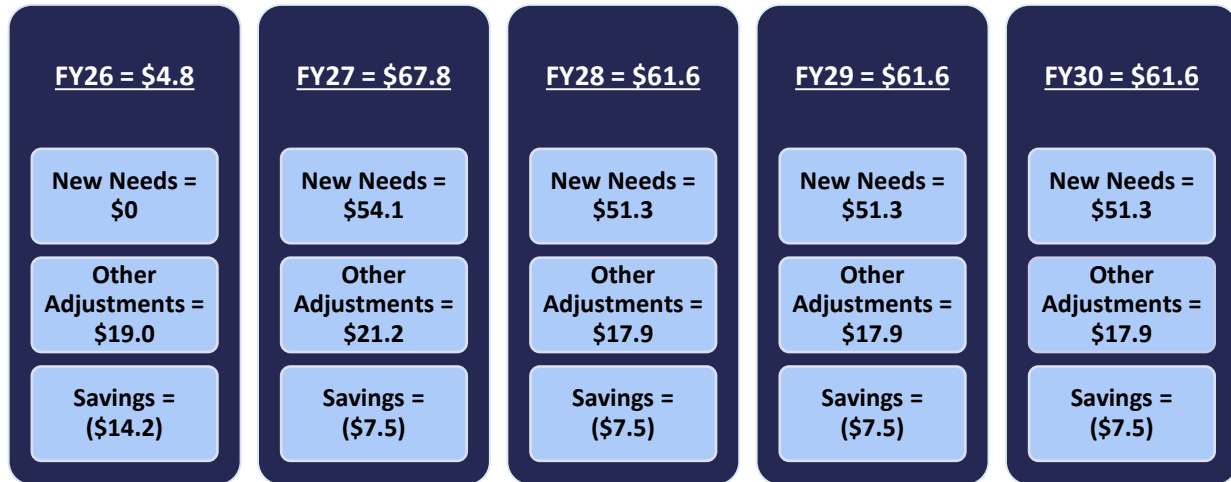
Vacancy Rate as of April 2026: 4.2 percent



Source: New York City Office of Management and Budget

Note: Budgeted and actual headcounts are as of the end of the fiscal year, except for Fiscal 2026 where budgeted headcount is as of the Executive Plan and actual headcount is as of April 2026.

Executive Plan Changes



Dollars in Millions

Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings.

Significant Executive Plan Changes

New Needs

- Mobile Treatment.** The Executive Plan includes baselined City funding of \$47.3 million starting in Fiscal 2027 to support existing mobile treatment teams. This baselines the funding for mobile treatment that was previously funded on a one-time basis for Intensive Mobile Treatment (IMT), Assisted Outpatient Treatment (AOT), Single Point of Access (SPOA), and Continuous Engagement between Community and Clinic Treatment (CONNECT). For Fiscal 2027, IMT, SPOA and CONNECT are funded at \$45.5 million, and AOT at \$1.8 million. There are no new contracts, or any operational expansions associated with this funding.
- Mental Health Clubhouses.** The Executive Plan includes baselined City funding of \$4.0 million starting in Fiscal 2027 for DOHMH-funded clubhouses. Since the expiration of federal stimulus funding, the City has been providing these funds on an annual basis. This funding will support general services and programming at Clubhouses and will not support any program expansions or any of the Council-funded Clubhouses.
- Office of Community Mental Health (OCMH) Programs.** The Executive Plan includes one-time City funding of \$2.8 million in Fiscal 2027 to support OCMH programs such as mental health trainings and behavioral health workforce support. OCMH will completely shift to

the newly created Office of Community Safety starting in Fiscal 2028 and the funding will support the launch of their programming under the Office of Community Safety (OCS).

Other Adjustments

- **Office of Mental Health State Aid Letter.** The Executive Plan includes additional State funding of \$7.3 million in Fiscal 2026 and a baseline of \$3.4 million starting in Fiscal 2027 from the New York State Office of Mental Health. This funding supports cost-of-living adjustments and Other Than Personal Services expenses for supportive housing units, as well as a variety of other mental health related services.
- **Office of Community Safety Transfer.** The Executive Plan includes a baselined transfer of \$3.2 million in City funding and 17 budgeted positions starting in Fiscal 2028 from DOHMH to OCS. This transfer encompasses Office of Community Mental Health (OCMH) programs and headcount. The Administration plans to eventually transfer OCMH's whole budget and headcount to the Office of Community Safety.
- **Opioid Settlement Funding.** The Executive Plan includes additional baselined funding of \$3.0 million in City and federal funding beginning in Fiscal 2027 to support an expansion of the Syringe Redemption Pilot covering outreach and litter syringe teams. DOHMH has received a total of \$189.5 million in opioid settlement funding to date. DOHMH receives a portion of the funding that New York State secures through settlements with opioid manufacturers and distributors. The Department has provided funding for sustaining and expanding hours and services at the City's existing syringe services programs that operate overdose prevention centers to reduce the risk of overdose among people who use drugs and offer them connections to other services and supports, such as treatment. However, it is unclear how much funding has been distributed to non-profit providers.

Savings

- **Supportive Housing.** The Executive Plan includes a one-time City funding reduction of \$10 million in Fiscal 2026 for supportive housing. These savings represent one-time anticipated underspending, as DOHMH needs more time to ramp up to meet its supportive housing goals. There will be no impact on current supportive housing services or any reduction of units.
- **Contract Renegotiations.** The Executive Plan includes a baselined reduction of \$2.2 million in City funding starting in Fiscal 2027 as part of contract renegotiations. No further details on these renegotiations were provided to the Council.
- **Vacancy Reduction.** The Executive Plan includes a baselined reduction of \$2.2 million in City and State funding and 33 budgeted positions starting in Fiscal 2026 to eliminate vacancies. DOHMH focused on eliminating long-term vacancies and avoided high priority positions. The positions eliminated include titles such as data analyst, policy analyst, and program specialist.

- **Renegotiate Naloxone Contract.** The Executive Plan includes a baselined reduction of \$1.2 million in City funding starting in Fiscal 2027 as part of a renegotiation of the contract to purchase Naloxone, which is used to reverse or reduce the effects of opioids during an overdose. No further details on this renegotiation were provided to the Council.

Budget Response

Expense Priorities included in the Fiscal 2027 Executive Budget: \$0

In the City Council’s Fiscal 2027 Preliminary Budget Response (Budget Response),² the Council identified priorities that were funded in Fiscal 2026 but were not included in the Fiscal 2027 Preliminary Budget. In the Budget Response, the Council called on the Administration to restore and baseline \$18.0 million in one-time funding for DOHMH to support those priorities.

The Executive Plan does not include the following, as shown in the table.

Fiscal 2027 Budget Response Expense Priorities			
#	Priorities	Amount for FY27	Amount Added in the Executive Budget for FY27
1	Intensive Mobile Treatment (IMT) Expansion	\$11.0	\$0.0
2	Assertive Community Treatment (ACT) Expansion	4.5	0.0
3	Crisis Respite Centers	2.5	0.0

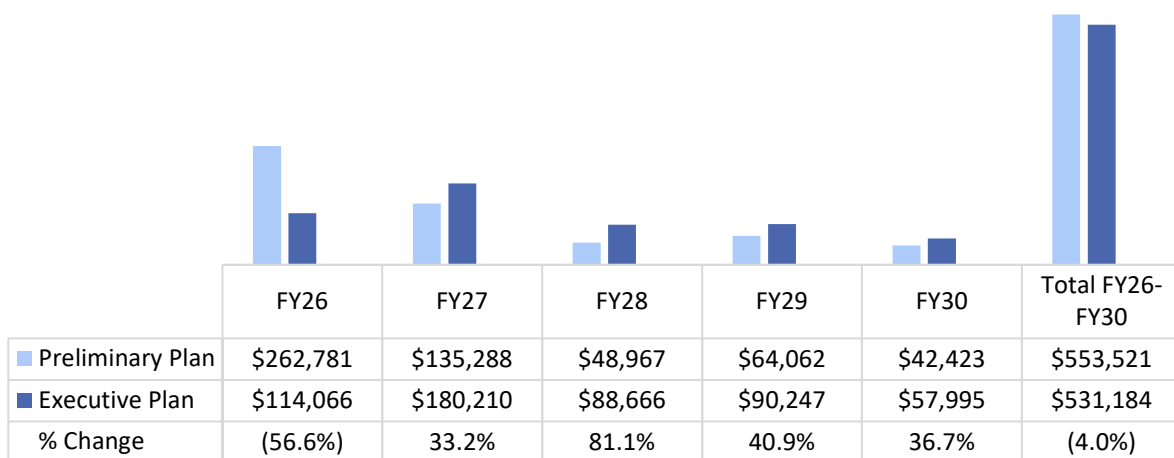
Dollars in Millions

² New York City Council, “[Response to the Fiscal 2027 Preliminary Budget and Fiscal 2026 Preliminary Mayor’s Management Report](#)”, as of April 2026.

Capital Commitment Plan

- DOHMH’s commitments, as presented in the Executive Capital Commitment Plan for Fiscal 2026-2030 (the Executive Commitment Plan), total \$531.2 million, 4.0 percent less than the total for the same period presented in the Preliminary Capital Commitment Plan released in January.
- The Department’s planned commitments comprise 0.5 percent of the City’s total \$117.14 billion Fiscal 2026-2030 Capital Commitment Plan.

Fiscal 2026-2030 Capital Commitment Plan



Dollars in Thousands

Chart summarizes capital commitments for the entire agency

Source: New York City Office of Management and Budget

- **Public Health Laboratory (PHL) and Building.** Construction of the new PHL located in Harlem began in 2022 and is expected to be completed in calendar year 2026. The Executive Commitment Plan includes \$29.4 million in Fiscal 2026 and \$39.5 million in Fiscal 2027 for this project. The new building will offer testing and monitoring services for a wide range of clinical and environmental health concerns to strengthen the City’s public health infrastructure. This funding will support equipment and furniture expenses.
- **Jamaica Neighborhood Plan.** The Executive Commitment Plan includes \$8.3 million in Fiscal 2027 only for the new Queens Neighborhood Health Action Center which will promote healthy living and provide services such as nutrition information, information

sessions for new parents, and fitness classes. This funding will support equipment and furniture expenses.

- **Magnetic Resonance Imaging (MRI) Replacements.** The Executive Commitment Plan includes \$2.3 million in Fiscal 2027 only, for MRI machine replacements at the Jamaica Hospital Medical Center in Queens. This funding will support equipment and furniture expenses.

Budget Actions in Executive Plan

<i>Dollars in Thousands</i>	FY26			FY27		
	City	Non-City	Total	City	Non-City	Total
DOHMH MH Budget as of the FY27 Preliminary Plan	\$505,806	\$515,782	\$1,021,829	\$387,458	\$467,909	\$855,367
Changes Introduced in the FY27 Executive Plan						
New Needs						
Mental Health Clubhouses	\$0	\$0	\$0	\$4,000	\$0	\$4,000
Mobile Treatment	0	0	0	47,297	0	47,297
Office of Community Mental Health Programs	0	0	0	2,753	0	2,753
Subtotal, New Needs	\$0	\$0	\$0	\$54,051	\$0	\$54,051
Other Adjustments						
Cost of Living Adjustment	\$9,083	\$0	\$9,083	\$13,830	\$0	\$13,830
DC37 Equity CB Funding	0	0	0	79	0	79
FY26 CIT (7/1/25-6/30/26)	0	712	712	0	0	0
Heat, Light and Power	37	0	37	500	0	500
Lease Adjustment	0	0	0	132	0	132
Local Initiatives	16	0	16	0	0	0
NYC Peer Corps	0	174	174	0	249	249
OASAS State Aid Letter	0	378	378	0	22	22
OMH SAL	0	7,297	7,297	0	3,446	3,446
Opioid Settlement	0	0	0	3,000	0	3,000
Other Adjustments	5	0	5	0	0	0
OTPS Shifts	(13)	0	(13)	(15)	0	(15)
PEDY: Early Diversion of Youth	0	0	0	0	0	0
PS Shifts	(8)	0	(8)	0	0	0
PS/OTPS Shift	1,320	0	1,320	0	0	0
ZZ Indirect	0	(37)	(37)	0	0	0
Subtotal, Other Adjustments	\$10,439	\$8,525	\$18,964	\$17,526	\$3,717	\$21,243
Savings						
Contract Renegotiations	\$0	\$0	\$0	(\$2,167)	\$0	(\$2,167)
Relay Re-estimate	(2,000)	0	(2,000)	(2,000)	0	(2,000)
Renegotiate Naloxone Contract	0	0	0	(1,150)	0	(1,150)
Supportive Housing	(10,000)	0	(10,000)	0	0	0
Vacancy Reduction	(2,213)	0	(2,213)	(2,213)	0	(2,213)
Subtotal, Savings	(\$14,213)	\$0	(\$14,213)	(\$7,531)	\$0	(\$7,531)
TOTAL, All Changes in the FY27 Executive Plan	(\$3,775)	\$8,525	\$4,751	\$64,046	\$3,717	\$67,764
DOHMH MH Budget as of the Executive Plan	\$502,031	\$524,307	\$1,026,580	\$451,504	\$471,626	\$923,131

Source: New York City Office of Management and Budget

DOHMH Mental Hygiene Financial Summary

<i>Dollars in Thousands</i>	FY24	FY25	FY26	Executive Plan		*Difference
	Actual	Actual	Adopted	FY26	FY27	FY27 - FY26
Budget by Program Area						
Mental Hygiene - Administration	\$26,560	\$27,727	\$45,424	\$22,629	\$35,995	(\$9,429)
Mental Hygiene- Development Disabilities	8,335	7,440	9,468	9,695	9,994	526
Mental Hygiene- Mental Health Services	559,705	603,357	627,283	804,677	683,870	56,586
Mental Hygiene-Alcohol and Drug Prevention, Care & Treatment	139,467	142,301	159,180	189,579	193,272	34,092
TOTAL	\$734,066	\$780,825	\$841,355	\$1,026,580	\$923,131	\$81,776
Funding						
City Funds			\$396,863	\$432,827	\$433,524	\$36,661
Other Categorical			23,700	92,895	41,700	18,000
State			389,391	464,524	414,010	24,618
Federal - Other			29,058	29,714	28,254	(804)
Intra-City			2,343	6,620	5,643	3,300
TOTAL	\$734,066	\$780,825	\$841,355	\$1,026,580	\$923,131	\$81,776
Budgeted Headcount						
Full-Time Positions	511	543	591	576	563	(28)
TOTAL	511	543	591	576	563	(28)

**The difference of Fiscal 2027 Executive Budget compared to Fiscal 2026 Adopted Budget.*

Source: New York City Office of Management and Budget