

NAMI Massachusetts Mental Health Priorities for FY26

Overview of Governor Healey's H1 FY26 Budget Proposal

The Department of Mental Health (DMH) is funded at \$1.275B in the H1 FY26 budget, reflecting an \$82.7M (7%) increase over FY25. However, much of this increase is directed towards Chapter 257 provider rate hikes and payroll adjustments for direct care workers due to previous underfunding and collective bargaining. Despite the increase, the budget includes **\$83M in cuts** to essential DMH programs, exacerbating the department's struggles with understaffing and limited capacity amid rising demand for mental health services.

50% Reduction in Department of Mental Health Case Managers

The H1 FY26 budget proposes cutting DMH case managers in half, from **340 to 170**, which would have devastating effects on individuals with severe mental health conditions. DMH case managers are crucial for assessing needs, coordinating services, providing referrals, and supporting families.

DMH 5042-5000: Child and Adolescent Mental Health Services: A proposed **\$1.86M cut** would reduce child, youth, and family case management teams by half, despite only 38 case managers statewide. Children need more comprehensive support due to their involvement with multiple systems like schools and child welfare.

DMH 5046-0000: Adult Mental Health and Support Services: A \$10.54M cut would halve the number of adult case managers, worsening an already strained system. This would shift Massachusetts to a crisis-based response, increasing reliance on police and emergency departments rather than proactive care.

The Ask: Restore the \$1.86M cut to DMH 5042-5000 for DMH child, youth, and family case managers and the \$10.54M cut to DMH 5046-0000 for DMH adult case managers.

Pocasset Mental Health Center Closure and Pause

5046-0000 DMH Adult Mental Health and Support Services: The original H1 FY26 budget proposed cuts that would close the Pocasset Mental Health Center in Cape Cod, a 16-bed psychiatric hospital in an underserved area. However, on February 24th, Governor Healey reversed this decision and ordered the Department of Public Health and the Department of Mental Health to pause the closure plans while a review of the facility is conducted with a stakeholder group, including patients, families, labor, local officials, and medical professionals. It is unclear what this pause on the closure will mean long term.

The Ask: Ensure that Pocasset is not closed and receives their funding of \$8.8M.



Cuts to Jail Diversion Programs (JDP)

5046-0000 DMH Adult Mental Health and Support Services: The Jail Diversion Program (JDP) provides grants that help law enforcement and other first responders better serve people living with mental health conditions. JDP funds Crisis Intervention Team (CIT) training, which equips officers with the skills to engage compassionately with individuals experiencing a mental health crisis. The program also supports co-response clinicians, who work in police departments to provide real-time crisis intervention and appropriate referrals to services.

In addition to improving outcomes for individuals, these initiatives generate significant cost savings. **In FY23, diversions saved an estimated \$28M, doubling the program's cost**, by reducing expenses related to public safety, incarceration, and healthcare.

Without adequate investment, police will be forced to revert to outdated approaches when interacting with people in crisis, leading to unnecessary hospitalization, arrest, incarceration, and use of force. Fully funding the JDP at its annualized need of **\$21.5M—an increase of \$17.7M over the \$3.8M currently allocated**—will increase public safety, reduce involvement in the criminal justice system and involuntary hospitalizations, and achieve long-term cost savings for the state.

The Ask: Restore the \$14.2M cut to DMH 5046-0000 for the Jail Diversion Program.

If you have any questions about these items or anything else in state budget, please email policy@namimass.org.

