



OKLAHOMA
Mental Health &
Substance Abuse

Oklahoma Department of Mental Health and Substance Abuse Services

FY 2026 Budget Hearing Presentation

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The **Oklahoma Department of Mental Health and Substance Abuse Services** serves as the state's safety net for the mental health and substance use treatment services system.

Founded in **1953**, this agency now encompasses the following divisions:

- **Treatment Beds**
 - Inpatient psychiatric hospital services
 - Community-based structured crisis care
 - Residential substance abuse treatment
- **Community Based Treatment and Recovery Services**
 - Certified Community Behavioral Health Clinics
 - Assisted Outpatient Treatment; Programs of Assertive Community Treatment; Urgent Care Centers; Mobile Crisis
 - Integrated Health through Care Coordination for persons with serious mental illnesses
 - Systems of Care (SOC)
 - Criminal Justice Services
 - Substance Abuse Treatment and Recovery Support Services
- **Prevention Services**
 - Substance Abuse and Suicide Prevention Partnerships
- **Behavioral Health Medicaid Program**
 - Pre-Authorization, Reimbursement, Policy and Rules
- The **Oklahoma Department of Mental Health and Substance Abuse Services** also operates eleven (11) treatment provider organizations, including the Oklahoma Forensic Center and Griffin Memorial Hospital.

Agency Vision, Mission and Core Values

Vision: Oklahoma sets the standard for behavioral health systems that provide transformative, agile, and quality care

Mission: Dedicated to Excellence in Behavioral Health Services



- **Integrity:** Hard conversations, ethical filter, keeping promises, staying true to the mission, holding yourself and others accountable, doing what is right
- **Compassion:** Heart first, empathetic filter, role shifting, seek to understand, ferocity of service and gratitude for improving lives of others
- **Accountability:** Be fully engaged, ask questions, check in, follow through, OWN IT, holding ourselves and team to the standard, peer checks, managing up, share ideas
- **Respect:** Constructive feedback, care for all, fair & just culture, listening to understand, person-centered care, be aware of non-verbal reactions
- **Excellence:** Continuous improvement mindset and actions, mission is ongoing, exceed expectations



Accomplishments

Top accomplishments for FY 2024 – FY 2025

- 1) Established the ODMHSAS Operating Model and Culture of Continuous Improvement: Foster increased collaboration, incorporate escalation and loop closure structures, consideration of agency needs and stakeholder ideas, and ensure a focused scope of the agency
- 2) Chose and started build on ODMHSAS Electronic Medical Record: Improve care with data analysis and data driven decision making
- 3) Established Workplace Violence Training: Ensuring a violence-free environment for all staff, consumers, and visitors. Emphasizes zero tolerance for violence
- 4) Stand up Safety/Operational Readiness Huddles: Equip employees and create a loop closure system
- 5) Implemented Contract Monitoring System for Programmatic Contracts: Dedicated oversight for effectiveness of contracts
- 6) Contract Reduction: Optimize alignment with strategic goals. Multiple contracts renegotiated or eliminated, estimated savings of \$1,500,000 in FY25



Analysis of Agency Challenges

	Challenge	Current Actions (Briefly describe how the agency is currently addressing the challenge.)	Planned Actions (Briefly describe how the agency plans to address the challenge going forward.)
1	Consent Decree	Development of The Oklahoma Plan and continue attempted negotiations	OFC bed expansion and implementation of The Oklahoma Plan
2	Healthcare Workforce	Training opportunities for new and established supervisors. Revamping NEO and creating a new supervisor bootcamp. Update administrative rules for family support providers, telehealth nursing and case-management certification, onboarded Chief Medical Officer	Creative staffing models and partnership pipelines with Vo-techs and universities for all levels of workforce
3	DOJ Investigation	Participation in investigation	Completion of investigation
4	Safety Event Rate	Reducing harm and safety events through staff training, investigations, and providing a culture of safety and security through physical safety strategies	Culture of safety training for leaders and frontline staff, workplace violence prevention, explore further de-escalation and optimize unit management to reduce safety events
5	Griffin / Donahue	OMES land sale, securing funding for funding gap, identifying efficiencies with architecture and construction team, rebuilding residency program relationships	Reducing cost of aging facility by identifying alternative options
6	TCBH / OPCC	Pharmacy optimization, addressing operational efficiencies, reestablishing residency program relationships and ensuring provider coverage	DMH Project Management for operational process optimization and transition planning
7	OFC	On time and on budget completion of 80 bed expansion, staffing	Upgrades and renovations to existing facility and implement security upgrades
8	OCRU / Maps 4	Partner with Oklahoma City to secure funding for funding gap, identifying efficiencies with architecture and construction team	Building new crisis center
9	Aging Facilities	Engaging A&E firm to analyze infrastructure and develop multi-year plan for revitalization, relocation of consumers and staff	Implementing multi-year construction
10	Technology Debt	EMR RFP, participation in OMES ARM, cyber security risk assessment, evaluation of hardware and software, multi-system hardware refresh	Modernization of hardware and software, Implementing cyber security risk assessment actions



Savings & Efficiencies (Current or Planned)

Savings or Efficiency Name	Brief description of how savings were achieved	Savings in Unit of Measurement	FY 2024 (Actual \$ Savings)	FY 2025 (Projected \$ Savings)	FY 2026 (Projected \$ Savings)
Contract Reduction	Optimize effectiveness of contracts and ensure alignment with strategic goals. Multiple contracts renegotiated or eliminated.	Dollars Spent	\$526,000	\$1,500,000	\$2,000,000
Technology Optimization	Phones, Data Server Hosting	Dollars Spent	\$0	\$1,000,000	\$1,600,000
Office Space	Reduction of ODMHSAS Central Office from 6 floors to 5 floors	Dollars Spent	\$100,000	\$100,000	\$100,000

** Hours, FTE, square feet, etc.*



Agency Goals and Key Performance Metrics

Goal (Major agency goal. Include the name of the agency program if applicable.)		Metric (Name of the indicator/ metric used to measure the output and outcome of the goal.)	FY 24 Target*	FY 24 Actuals	FY 25 Target	FY 29 Target
1	Reputation Enhancement, Employee Engagement and Foundation Building	Employee Satisfaction Survey Results	N/A	77.6%	85%	95%
2	Infrastructure Modernization & Utilization	# of Modernization Project	N/A	Establishing Baseline	5	10
3	Optimize Financial Spend	% Of High Impact Cost Analyzed And Renegotiated	5%	5%	15%	100%
4	Cultivate Workforce Development	Turnover Rate	N/A	45%	40%	29%
5	Prioritize Statewide Initiatives	# of Unique Clients Served	221,381	208,900* Not Finalized	230,000	250,000
6	Increase Access to Services					
7	Standardization & Accountability to Safety, Clinical and Business Processes	Worker's Compensation	N/A	\$1,857,170	\$1,500,000	\$925,000



Projects for FY 2025

- 1) Build a comprehensive children's crisis service system that parallels the adult system built over the last few years.
- 2) Providing access to treatment and prevention strategies to reduce suicide in Oklahoma. 988 helps promote Talk Saves Lives Training and Mental Health First Aid Training.
- 3) Continues efforts to distribute Naloxone and fentanyl test strips. Each box of Naloxone distributed features the 988 logo to encourage Oklahomans to reach out to 988 with mental health or substance use needs.
- 4) Streamlining forensic mental health services by establishing a robust comprehensive approach to competency restoration, including expansion of civil diversion opportunities.
- 5) Expand criminal justice partnerships to include: Providing opportunities for diversion hubs as a flexible way for jurisdictions to divert individuals from local jails and prisons; Developing an annual survey to state and municipal courts to assess their unmet needs related to individuals involved in the criminal justice system with behavioral health needs; and continuing to support the roll out of county-driven justice diversion through targeted appropriations.
- 6) Creating CIT hubs to support ability of communities to meet training demands with local solutions.
- 7) Ensuring housing options for those in recovery, including those leaving incarceration. Our goal is 60% of individuals experiencing homelessness at admission will have access to safe, affordable and appropriate housing within 3 months.
- 8) Expand Behavioral Intervention Services and Supports in Schools (BISS) to 15 schools.



Projects for FY 2026

- 1) Focused Employee Experience and Retention Program: Maximize and modernize the exceptional and supportive employment experience that attracts and sustains top talent, providing and encouraging the training, continued physical and emotional support and celebration of all employees
- 2) Adopt and Implement New Electronic Health Record: Full agency rollout and education plan for successful adoption, utilization and sustainment of EHR
- 3) Structuring a Culture of Safety: Creating a safe and respectful workplace
- 4) Integration of Youth Crisis & Mobile Response & 988: Complete integration of YCMR and 988 process and handoffs, Identifying optimal continuum of care for children's crisis services
- 5) Standardize Discharge Process Across all DMH Operated Facilities: Preparation of baseline resource connection prior to discharge, warm handoff, # of days between discharge from one service to another, transportation planning.
- 6) Statewide standard URC & CSU admission & exclusion criteria: Create a state standard URC & CSU admission and exclusion criteria in partnership with service providers to establish level of care standardization to improve access and understanding for all stakeholders.
- 7) Criminal Justice Training on Treatment System: Provide education and information to all criminal justice partners; judges, attorneys, supervision on level of care, access to care and local resources for treatment needs. Engage with DAC, AOC, DOC, CLEET and other partners for ongoing training
- 8) Optimize Financial Opportunities and Revenue: Analyze agency and department spend to identify improvement and consolidation opportunities to modernize billing and reimbursement practices, as well as cost allocation and forecasting.

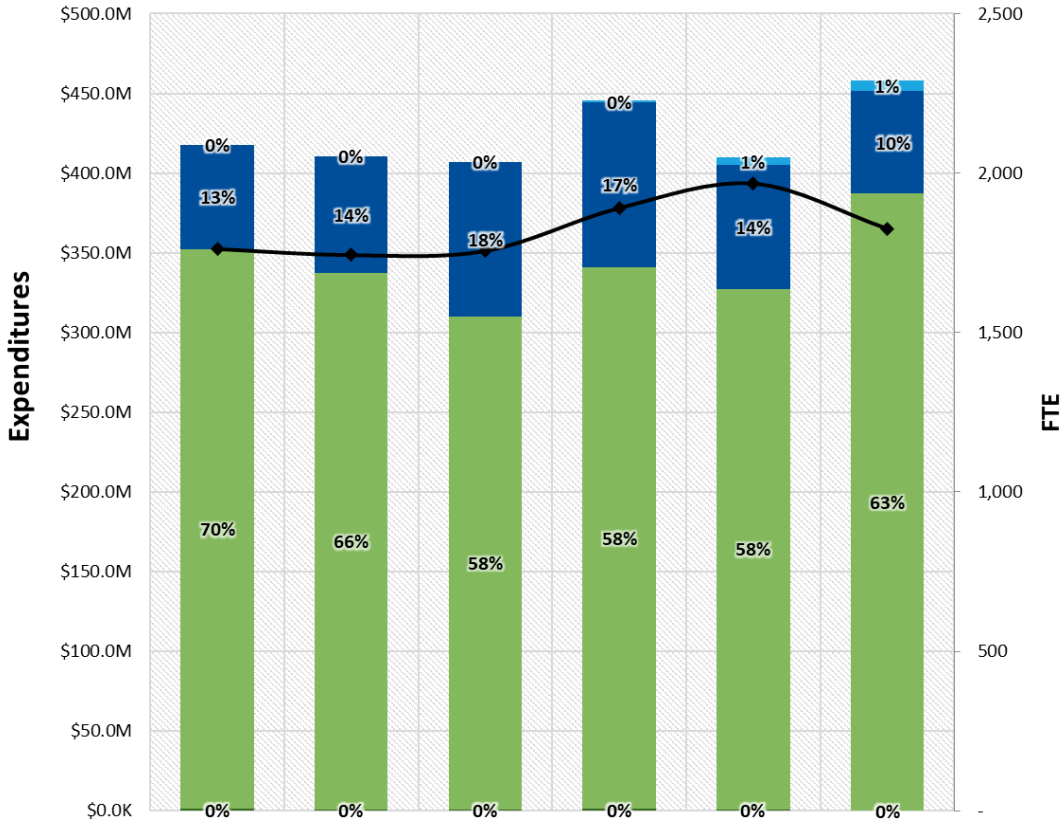


Total Historic Actual Expenditures (FY 2020-24) and Current Year Budget (FY 2025)

Explanation of Changes and Trends

First, it is important to note that this chart is not an apples-to-apples comparison it is comparing FY25 budget to actual expenditures from prior years. Budgeted amounts are always going to be larger than actual expenditures. Second, the increase in FTE reflects ODMHSAS’s state operated CMHC’s becoming Certified Community Behavioral Health Centers (CCBHC). This higher level of certification requires the CCBHC’s to provide a broad array of services which also enables the facilities to bring in additional revenue.

Historic Actual Expenditures and Current Year Budget



	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025 Budget
Appropriated	\$351.2M	\$336.3M	\$309.0M	\$340.1M	\$326.5M	\$387.1M
ARPA	\$0.0K	\$0.0K	\$0.0K	\$1.0M	\$4.9M	\$6.8M
Federal	\$65.6M	\$73.5M	\$97.2M	\$103.1M	\$77.4M	\$64.1M
Agency Special Accounts	\$1.1M	\$796.2K	\$937.1K	\$1.1M	\$963.1K	\$0.0K
Total	\$503.4M	\$512.1M	\$529.0M	\$590.1M	\$564.0M	\$612.7M
FTE	1,763	1,744	1,757	1,891	1,967	1,826



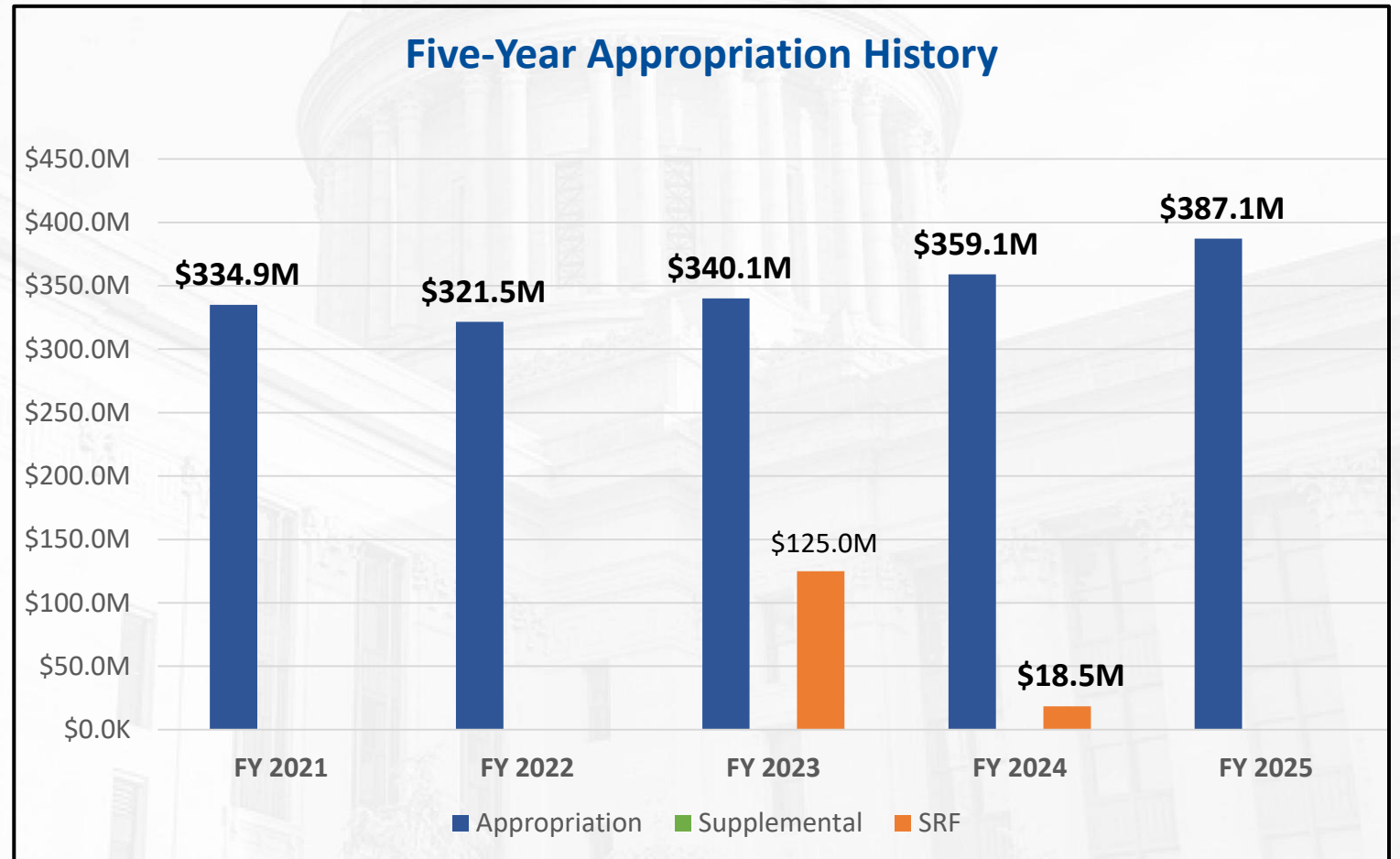
FY 2025 Budgeted Full Time Equivalents (FTE)



	FY 2025 Budgeted FTE
Total FTE	1826
Supervisor FTE	234
Supervisors to Total FTE Ratio (%)	12.8%
Current Budgeted but Unfilled FTE	NA

Appropriation History

Fiscal Year	Legislated Appropriation (\$) <i>(Includes supplementals and SRF/ARPA if applicable.)</i>
FY 2021	\$334.9M
FY 2022	\$321.5M
FY 2023	\$465.1M
FY 2024	\$377.6M
FY 2025	\$387.1M



**Includes Supplemental and Statewide Recovery Fund (ARPA) appropriations.*



Financial Resource Analysis

Carryover	FY 2021	FY 2022	FY 2023	FY 2024
Total appropriated carryover amount expended (\$)	\$11,368,122	\$0	\$0	\$0

Historical Cash Balances	FY 2021	FY 2022	FY 2023	FY 2024
Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i>	\$9,041,232	\$17,927,366	\$19,567,197	\$11,073,765

Revolving Class Fund # <i>(Unrestricted only)</i>	Revolving Class Fund Name <i>(Unrestricted only)</i>	Current cash balance (\$)	Projected FY 2025 year-end cash balance (\$)
44200	Intra-Agency Revolving Fund	\$913,318	\$458,184
#		\$	\$
#		\$	\$
#		\$	\$
#		\$	\$
#		\$	\$
	Total Unrestricted Revolving Fund Cash balance:	\$913,318	\$458,184



Unrestricted funds are those that are not limited by state or federal law, rule, regulation, other legally binding method, or donor restriction.

FY 2023 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2023</i>	<i>Amount FY 2024</i>	<i>Total amount received FY 2023 - 24</i>	<i>Total amount expended by 11/1/2024</i>	<i>Included in FY 2023 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
Medicaid Growth and FMAP Change	\$4,639,432	\$	\$4,639,432	\$4,639,432	Yes	
Targeted Provider Rate Increases	\$7,000,000	\$	\$7,000,000	\$7,000,000	Yes	
Addressing Children with Acute Behavioral Health Issues	\$2,000,000	\$	\$2,000,000	\$2,000,000	Yes	
Cohen Veterans Center	\$700,000	\$	\$700,000	\$700,000	Yes	
Forensic Bed Expansion	\$3,500,000	\$	\$3,500,000	\$3,500,000	Yes	
Family Treatment Court Expansion	\$1,000,000	\$	\$1,000,000	\$1,000,000	Yes	
Totals	\$18,839,432	\$	\$18,839,432	\$18,839,432		



**Do not include SRF / ARPA appropriation increases.*

FY 2024 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount FY 2023</i>	<i>Amount FY 2024</i>	<i>Total amount received FY 2023 - 24</i>	<i>Total amount expended by 11/1/2024</i>	<i>Included in FY 2024 approp? (Yes/No)</i>	<i>If not expended fully, please explain.</i>
SQ 781 Pass through Funding		\$12,500,000	\$12,500,000	\$12,500,000	Yes	
Mental Health Transports		\$2,991,573	\$2,991,573	\$2,991,573	Yes	
TXIX Program Growth		\$2,900,000	\$2,900,000	\$2,900,000	Yes	
Cohens Veterans Network		\$600,000	\$600,000	\$600,000	Yes	
Debt Service - OFC		-\$4,327	-\$4,327	-\$4,327	Yes	
Totals	\$	\$18,987,246	\$18,987,246	\$18,987,246		



**Do not include SRF / ARPA appropriation increases.*

FY 2025 Appropriation Change Review

<i>Purpose of appropriation increase or decrease</i>	<i>Amount of increase or decrease (\$)</i>	<i>Does this need to be included in your FY 2026 appropriation? (Yes/No)</i>	<i>If yes, included in appropriation for same purpose? (Yes/No)</i>	<i>If not included for same purpose, please explain.</i>
Continuum of Care for Children in Crisis	\$18,500,000	Yes	Yes	
Consent Decree	\$4,100,000	Yes	TBD	
TXIX Program Growth	\$3,948,760	Yes	Yes	
Annualized Transportation and TXIX Growth	\$1,541,000	Yes	Yes	
Debt Service - OFC	-\$ (22,394)	Yes	Yes	
Total adjustment	\$28,067,366			



**Do not include SRF / ARPA appropriation increases.*

Budget & Supplemental Incremental Request Summary

Request Name		FY 2026 Incremental Appropriation Request Amount (\$) <i>{or FY 2025 for Supplementals}</i>	Type of Request: Recurring, One-time, or Supplemental
1	Title 19 Growth & Utilization	10,812,408	Recurring
2	ARPA FMAP Savings Gap	23,096,353	Recurring
3	Statewide Competence Restoration Plan	17,805,000	Recurring
4	Upgrade to Modern Electronic Medical Records System	5,453,589	Recurring
5	Statewide Behavioral Health Incident Reporting System	500,000	Recurring



(1) Recurring Budget Request

Name of Request: Title 19 Growth & Utilization	
Type: Recurring	\$10,812,408 Operational Amount Requested for FY 2026
We continue to have growth in the Medicaid program include a decrease in the FY26 FMAP rate.	



(2) Recurring Budget Request

Name of Request: ARPA FMAP Savings Gap	
Type: Recurring	\$23,096,353 operational Amount Requested for FY 2026
In FY21, ODMHSAS the only agency that was cut in order to recognize the savings in the agency's budget due to the reduction in the FMAP rate. This cut was never replaced and this gap in the agency's Medicaid match budget still remains.	



(3) Recurring Budget Request

Name of Request: Statewide Competence Restoration Plan	
Type: Recurring	\$17,805,000 Operational Amount Requested for FY 2026
ODMHSAS has developed a comprehensive approach to improving the states competency restoration continuum to improve Oklahoma services with Oklahoma experts. While portions of the work underway are not expected to have costs, the items under this priority are additional investments needed and include curriculum, technology, expanded evaluation resources, workforce, and temporary bed expansion.	



(4) Recurring Budget Request

Name of Request: Upgrade to Modern Electronic Medical Records System	
Type: Recurring	\$5,453,589 Operational Amount Requested for FY 2026
ODMHSAS's current Electronic Medical Records(EMR) system and Electronic Medication Administration Record (eMAR) system are outdated and unable to meet the agencies needs. The current systems are not web-based and are difficult to impossible to integrate with other modern system which affects patient care and safety. The cost represented here is spreading the development costs over the first 10 years of ownership. The annual costs could be decreased if more funds were provided upfront.	



(5) Recurring Budget Request

Name of Request: Statewide Behavioral Health Incident Reporting System	
Type: Recurring	\$500,000 Operational Amount Requested for FY 2026
ODMHSAS is seeking an RFP for an enterprise software company tailored to healthcare designed to support safety event reporting, risk identification and mitigation, regulatory compliance, and policy management.	

