

Gothamist

LI program for young adults with mental illness closes due to funds in limbo

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A mental health clinic on Long Island closed a program for young adults who were diagnosed with schizophrenia and other serious mental illnesses because its federal grant

funding is now up in the air, according to Central Nassau Guidance and Counseling Services CEO Jeffrey Friedman.

Mental health and substance use programs across New York state are in limbo as the community-based nonprofits that run them await word on whether Trump administration funding cuts will proceed. Many programs that rely on the at-risk funding continue to operate, but it's unclear for how long.

"It's hard enough to navigate the system of mental health on a good day," Friedman said. "And when you finally get connected to services and your loved one is getting treatment, and then all of a sudden the program ends abruptly, it is really very sad."

The Trump administration decision to cancel \$11 billion in federal health grants last month was [temporarily blocked](#) by a federal judge in Rhode Island. The judge will have to decide whether to extend the pause this week.

The Department of Health and Human Services has said these grants are no longer needed because they were tied to the COVID-19 pandemic.

In New York, [\\$360 million in federal health funding](#) is on the line, including \$67 million for substance use and mental health services. Some advocates and state lawmakers are pushing for Gov. Kathy Hochul to create a contingency fund in the state budget that can be used to keep the at-risk services afloat if needed.

Friedman said he's working to connect the 21 patients in the program he closed to other services.

The program is one of about two dozen [OnTrackNY](#) programs across the state, which aim to catch young people with serious mental illnesses early and provide them with team-based care so they have a better chance of staying in school, working and avoiding hospitalizations.

Not all of the state's OnTrack programs rely on the same grant funding and it's unclear how many are at risk. Some are run by hospitals, rather than community-based organizations.

The behavioral health grants the Trump administration is trying to cut flow through state agencies to individual providers. Neither the state Office of Mental Health nor the Office of Addiction Services and Supports provided a full list of programs that could be affected.

Many of the state's behavioral health care providers are still trying to get information on which of their programs could lose funding, said Lauri Cole, executive director of the NYS Council for Community Behavioral Healthcare.

"Providers are left to make critical decisions about their ability to continue to operate programs and services," she said.

Evan Frost, a spokesperson for the Office of Addiction Services and Supports, said the agency has been in communication with its providers about the potential impact of the federal cuts from the start and no programming has been affected so far.

“This federal funding was supporting critical mental health programs throughout the state, including many that will undoubtedly feel a significant impact from such an abrupt shortfall,” said Justin Mason, a spokesperson for the state Office of Mental Health. He noted that New York has taken action to fight the cuts by joining the lawsuit to block them in federal court.

The federal grant for Friedman’s OnTrack program was only supposed to last through September. He said this type of temporary grant funding is common in the behavioral health space and he anticipated the state would find another funding source for the program to continue. If not, he said, he at least expected to have more time to transition patients to other services.

“I have never experienced anything like this where a funder would tell you the grant has immediately ended,” Friedman said.

Other providers are taking a chance and continuing to operate programs that are at risk while the federal funding is in limbo.

Seep Varma is president and CEO of New York Therapeutic Communities, which provides behavioral health services in Brooklyn. He said he runs an outreach program connecting people to substance use treatment that is funded through \$600,000 from one of the federal grants that could be cut.

“We’re continuing to operate the program,” Varma said. “Obviously we’re assuming some risk by doing that because we don’t at the moment have a clear system of reimbursement. So we won’t be able to operate very long, but we think the program is very important.”

Varma, too, said he expected the current grant to run out in September but had anticipated the state would secure new federal funding to replace it. Now, he said, he’s not so sure.

“During the first Trump administration, they actually expanded many of these grants,” Varma said. “But this is a complete reversal.”

The NYS Council for Community Behavioral Healthcare has requested a \$67 million contingency fund in the state budget to cover the full cost of the behavioral health funding that’s at risk. A group of state and city lawmakers wrote a letter to Hochul in late March seeking a \$13.3 million contingency fund “to stabilize providers for 60 days while a long-term solution is developed.”

But Assemblymember Jessica González-Rojas, a Queens Democrat who signed the letter, said a contingency fund hasn’t been discussed during the drawn-out talks on the overdue budget.

When the cuts were first announced, Hochul said no state “has the resources to backfill these sweeping cuts.” Her office did not respond to a request for comment on the possibility of creating a contingency fund.