



**CABINET FOR HEALTH
AND FAMILY SERVICES**

Presentation to Interim Joint Committee on Health Services

On

Federal Block Grant Application Overview FY 2026/2027

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Substance Abuse & Mental Health Services Administration (SAMHSA)

Kentucky's Unified Block Grant Application FY 2026/2027

Title XIX Funding to Promote Transformation
of State Public Behavioral Health Systems of Care

SAMHSA Block Grants

- Federal funds allocated to all 50 states and US territories
- Allocations traditionally based on federal formulas developed based on population, economic indicators, and prevalence data/research
- Full two-year application/plan due in odd years (2025, 2027, 2029)
- Updated one-year abbreviated funding plan due in interim years (2026, 2028, 2030)
- Annual reports
- Completion of revision requests
- Participate in reviews/site visits by SAMHSA

SAMHSA Block Grant Required Expectations

Funds can only be expended for:

- Carrying out the plan as submitted
- Evaluating programs and services carried out under the plan
- Planning, administering, and educational activities related to providing services under the plan.

SAMHSA Block Grant Purposes

Block grant funds must be directed towards three purposes:

- Fund priority treatment and recovery support services for individuals who are uninsured or underinsured
- Fund primary prevention: universal, selective, and indicated prevention activities for substance use
- Collect performance and outcome data for mental health and substance use, and to determine the effectiveness of promotion/substance use disorder primary prevention efforts, treatment, and recovery supports

Unified Block Grant Application Components

Mental Health Block Grant (MHBG)

**Bipartisan Safer
Communities Act
(BSCA) Supplemental
Mental Health Block
Grant Funding**

Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUPTRS- BG)

Mental Health Block Grant (MHBG) Requirements

- Community-based services for individuals with serious mental illness (adults) or (SED) serious emotional disturbance (children & youth)
- 10% set aside for early interventions for first episode psychosis services (using an evidence-based Coordinated Specialty Care model)
- 5% set aside for crisis services
- Minimum expenditure amount for children/youth services
- Maintenance of effort
- No more than 5% administrative costs

MHBG Priority Populations

Adults with serious mental illness (SMI)

Includes persons ages 18 and older who have a diagnosable behavioral, mental, or emotional condition. Their condition substantially interferes with, or limits, one or more major life activity, such as:

- Basic daily living (e.g., eating or dressing)
- Instrumental living (e.g., managing money or getting around the community)
- Participating in social, family, vocational/educational contexts

MHBG Priority Populations

Children with serious emotional disturbance (SED)

Includes persons up to age 18 who have a diagnosable behavioral, mental, or emotional issue. This condition results in a functional impairment that substantially interferes with, or limits, a child's role or functioning in family, school, or community activities.

- There are state definitions of SMI and SED.
- In addition to services for SMI and SED, funds may be used for data collection/outcomes, reporting, and other infrastructure supports.

MHBG Funding Breakdown

- FY 25 amount (current): \$12,533,785
- Maintenance of effort requirements: \$20,561,302
- Minimum for children's services: \$3,832,010
- First episode psychosis set aside: 10% of final award
- Crisis set aside: 5% of final award
- Administrative costs: no more than 5% of final award

Substance Use Prevention, Treatment, & Recovery Block Grant (SUBG) Requirements

- Community-based services for individuals with or at risk of substance use disorders (all ages)
- 20% set aside for primary prevention (services delivered prior to diagnosis of substance use disorder)
- Minimum expenditure amount for:
 - Pregnant women with substance use disorders
 - Women with substance use disorders who have dependent children
- Maintenance of effort
- No more than 5% administrative costs

SUBG Priority Populations

- Pregnant women with substance use disorders
- Women with substance use disorders who have dependent children
- Persons who inject drugs
- Tuberculosis services (for substance use disorder service recipients)
- Early intervention services for HIV/AIDS, if designated state (Kentucky is not an HIV designated state)
- Persons in need of recovery support services for substance use disorder
- Kentucky specific – Service members, veterans and their families (SMVF)

SUBG Funding Breakdown

- FY 25 amount (current): \$21,290,501
- Maintenance of effort requirement: \$9,873,952
- Primary prevention: 20% of total award
- Pregnant women/women with dependent children minimum expenditure: \$2,616,923
- Administrative costs: no more than 5% of total award

Additional Funds Provided through Block Grant

Bipartisan Safer Communities Act (BSCA) – MHBG only

- \$841,411 (9/30/24 – 9/29/26)
- Designated to enhance access to behavioral health services during mental health emergencies/crises, including natural and man-made disasters, for those with complex behavioral health issues, including those with SED and SMI
- Includes requirement for 10% set aside (\$84,141) for first episode psychosis and 5% set aside (\$42,071) for behavioral health crisis services

FY 26/27 Kentucky Performance Indicators

- Avoid an increase in the rate of adults with SMI, who did not already reside in personal care homes, being discharged to personal care homes from state psychiatric hospitals.
- Support Regional Interagency Council (RIAC) parent and youth representatives in using their voice for effective engagement at all levels of the system of care.
- Increase utilization of coordinated specialty care for young people with first episode psychosis.
- Increase the number of 988 crisis calls, texts, and chats answered in-state.
- Improve access to recovery support services for young people (ages 18-25) with SUD within recovery community centers.

FY 26/27 Kentucky Performance Indicators

- Support the implementation of best practices for recovery residences that serve pregnant women/women with dependent children with SUD.
- Strengthen and enhance implementation of evidence-based primary prevention programs, policies, and practices for coalitions and community partners, including regional prevention centers.
- Improve awareness, identification, and education regarding programs that offer SUD residential treatment to individuals who inject drugs and who have peripherally inserted central catheter (PICC) lines.
- Improve provider screening and referral for service processes for individuals with or at risk of tuberculosis.

Thank You!