

EXECUTIVE SUMMARY

Unified Community Mental Health and Substance Abuse Prevention and Treatment Block Grant Application for FFY 2026 - 2027 Funds

Please note that no executive summary is required/able to be loaded into the electronic web application but is provided by KDBHDID for informational purposes.

This document contains Kentucky's plan for State Fiscal Years 2026-2027 to strengthen the publicly funded behavioral health systems of care for adults and youth across the Commonwealth. It is submitted by the Kentucky Department for Behavioral Health, Intellectual and Developmental Disabilities (DBHDID), the state's designated authority for both mental health and substance use disorder prevention and treatment (in compliance with Public Law 102-321), and applies to funds that will become available in Federal Fiscal Years 2026 and 2027. The anticipated funding for the **Community Mental Health Services (CMHS) Block Grant is \$12,533,785**, which is the amount for 2024/2025 and is \$48,293 less than the 2023 award. The anticipated funding for the **Substance Use Prevention, Treatment, and Recovery Services (SUPTRS) Block Grant is \$21,290,501**, which is the amount for 2024/2025 and is \$4,411 less than the 2023 award. These amounts may change before the actual award date. The state also is awarded a small, non-competitive grant for data infrastructure to support the required data reporting for the two block grant awards. The current annual award amount is **\$62,156** for SUPTRS-BG and **\$137,363** for CMHS-BG.

Historically, the federal Center for Mental Health Services (CMHS) and the Centers for Substance Abuse Prevention and Treatment (CSAP/CSAT), within the Substance Abuse and Mental Health Services Administration (SAMHSA) have had markedly different planning and application processes, as well as different reporting requirements and timeframes. SAMHSA now encourages states to submit a "unified" application with a significantly changed format. While the funds continue to be awarded separately, states are strongly encouraged to participate in joint planning in an effort to transform their behavioral health system into one that is fully integrated. Kentucky has utilized the joint planning process since the inception of that request from SAMHSA.

Although most states operate on a state fiscal year schedule (July 1 – June 30), block grant funds are awarded in federal fiscal year funding cycles (October 1 – September 30). Additionally, block grant funds are expended in two-year cycles. The Commonwealth submits a bi-annual plan, based on each total award, and submits an abbreviated "funding" application each interim year. Planning and reporting for block grant funds follow the designated reporting periods required by SAMHSA, which sometimes align with state fiscal year and sometimes with federal fiscal year. A detailed timetable for this is included at the end of this summary.

SAMHSA stipulates that block grant funds should be directed toward four purposes: 1) To fund priority treatment and support services for individuals without insurance or for whom coverage is terminated for short periods of time; 2) To fund priority treatment and support services not covered by Medicaid, Medicare or private insurance for low income individuals and that demonstrate success in improving outcomes and/or supporting recovery; 3) To fund primary prevention – universal, selective and indicated prevention activities and services for persons not identified as

needing treatment; and 4) To collect performance and outcome data to determine the ongoing effectiveness of behavioral health promotion, treatment and recovery support services and to plan the implementation of new services. States are instructed to include in their plan the efforts made toward the utilization of block grants for these purposes.

Block grant funds will only be used to carry out the activities identified in Kentucky's approved plan; to evaluate programs under the plan; and to plan, administer, and educate stakeholders regarding services and supports under the plan. The majority (approximately 85%) of the block grant funds are allocated to Kentucky's 14 Regional Behavioral Health Boards (the *community mental health centers*) that provide a full array of mental health and substance use disorder prevention and treatment services. Federal limitations on administrative costs (no more than 5% of total award) and maintenance of effort requirements will be met. A portion of the state's mental health funding award (a base amount set by SAMHSA in 1994) must be set aside for children's services. Ten percent of the total mental health funding award must be set aside for early interventions for early serious mental illness/first episode psychosis, and 5 percent of the total mental health funding award must be set aside for crisis services. In addition, 20 percent of the substance use disorder funding must be set aside for primary prevention activities and a portion of the state's substance use disorder funding award (a base amount set by SAMHSA in 1994) must be set aside for treatment services for women's services (pregnant/postpartum women and women with dependent children).

The plan required by the block grant must address all activities and funding that build systems of care for individuals with behavioral health care needs, not just those supported by block grant funds. Therefore, this application for federal funds helps drive the development of stronger services and supports utilizing all funding sources, including Medicaid, other federal grants, locally obtained funds, and State General Fund appropriations for mental health and substance use disorder prevention and treatment, from the Kentucky General Assembly.

The planning process required by the federal agency also provides an opportunity to present the plan for formal review by a panel of stakeholders, the Kentucky Behavioral Health Planning & Advisory Council. Parents, family members, and adults and young adults with relevant lived experience are well represented on the council, and we believe that the state's plan is stronger because of their involvement, insight, and feedback. In addition to the council meetings, a drafted application will be posted on the DBHDID website and public comments will be received through Friday, August 29, 2025.

The application is comprised of four sections, including:

- (I) State Information, Certifications, and Assurances;
- (II) Planning Steps 1 and 2;
- (III) Ten Planning Tables; and
- (IV) Twenty-three Environmental Factors (Narrative responses to questions).

Within the plan, states are required to address five (5) federally mandated "criterion" for adults with serious mental illness (SMI) and children with serious emotional disturbances (SED), eleven (11) federally mandated "criterion" for substance use disorders (SUD), and SUD primary prevention planning is required to utilize six (6) specifically designated prevention strategies.

States are required to develop *Performance Indicators* with *Goals* and *Strategies* to address a number of federally prescribed priority areas/populations. States are also required to provide detailed financial tables including planned expenditures for mental health, substance use primary prevention, and substance use treatment, including planned expenditures for recovery support services.

Performance Indicators chosen for Kentucky for each of the prescribed priority areas/populations are shown below, including:

- Adults with serious mental illness (**SMI**)
- Children/Youth with serious emotional disturbance (**SED**)
- Early serious mental illness (ESMI)/First episode psychosis (**FEP**)
- Individuals in need of behavioral health crisis services (**BHCS**)
- Persons who have substance use disorders and are:
 - Pregnant women (**PW**)
 - Women with dependent children (**WDC**)
- Primary substance use disorder prevention (**PP**)
- Persons who inject drugs (**PWID**)
- Persons with substance use disorders with or at risk of tuberculosis (**TB**)
- Persons in need of recovery support services from substance use disorders (**PRSUD**)

KENTUCKY PERFORMANCE INDICATORS

SMI - 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- operated psychiatric hospitals.

SED - Support Regional Interagency Council (RIAC) parent and youth representatives in using their voice for effective engagement at all levels of the system of care.

ESMI/FEP - Increase utilization of coordinated specialty care for individuals with first episode psychosis.

BHCS - Increase the number of 988 crisis calls, texts and chats answered in-state.

PWWDC – To support the implementation of best practices for recovery residences that serve pregnant women/women with dependent children with SUD.

PP – Strengthen and enhance implementation of evidence-based primary prevention programs, policies, and practices for coalitions and community partners, including regional prevention centers.

PWID – Improve awareness, identification, and education regarding programs that offer SUD residential treatment to persons who inject drugs who have peripherally inserted central catheter (PICC) lines.

TB – Improve provider screening and referral for services processes for individuals with or at risk of

tuberculosis.

PRSUD – Improve access to recovery support services for young adults (ages 18- 25) with SUD within recovery community centers.

Detail about measurement and strategies to achieve the goals above are provided in Section III of the FFY 2026/2027 application.

A Note about the Application and Reporting Due Dates and Fiscal Years

The Federal Fiscal Year 2026-27 block grant unified application must be submitted by September 1, 2025, for the two-year period of October 1, 2025 - September 30, 2027. States are also required to submit an abbreviated funding application based on their approved plan in the interim year (prior to September 1, 2026). Information below outlines the timelines with which states must comply.

Federal Fiscal Year 2026: Two year unified application/plan for the period of 10/1/25 – 9/30/27 is due by 9/1/25.

Federal Fiscal Year 2026: Year end reports for the period of 7/1/24 – 6/30/25 are due by 12/1/25.

Federal Fiscal Year 2027: Abbreviated unified application for the period 10/1/26 – 9/30/27 is due by 9/1/26.

Federal Fiscal Year 2027: Year end reports for the period of 7/1/25 – 6/30/26 are due by 12/1/26.

Note: Reporting timeframes for Synar (sale of tobacco products to minors) will remain on the same schedule and are due annually by December 31).