

Executive Director Update: July 2025

State Budget Updates: The SFY 2026-27 biennium budget was signed by the Governor. The legislature reduced the Governor's budget in several areas—Medicaid, 988, and Criminal Justice Block Grant. The result is a loss of \$32,209 to the Board in the Criminal Justice Block Grant. We have unallocated levy to address this loss. We do not yet know what the impacts are of the other cuts.

On July 21, the House voted 61-28 to override the Governor's Veto #66 to the FY '26-'27 state operating budget which removed language restricting the ability of political subdivisions to pursue certain levy types, including replacement levies. The House then adjourned without addressing two other Governor vetoes related to property taxes. The Senate has not scheduled a veto override vote at this time. A veto override vote can be called at any time during the current session – the current session ends on December 31, 2026.

Federal Budget Updates: (provided by the Board Association) H.R. 1, narrowly passed the House by a 215-214 vote, then was amended by the Senate, voted on and passed by a narrow vote of 51-50 with the Vice President breaking the tie, then passed the House on July 3rd by a vote of 218-214. The President signed the bill on July 4th.

Significantly Reduced Funding for Medicaid: The final bill reduced Medicaid funding by \$1 trillion. This was primarily through the implementation of work requirements (\$326 billion), repealing a regulation simplifying Medicaid eligibility and renewal processes (\$167 billion), and establishing a moratorium on new or increased provider taxes and reducing existing provider taxes in Medicaid expansion states (\$191 billion). With states unable to fill this funding gap the headwinds facing Medicaid are undeniable.

States Leading Implementation: Many of the activities from enforcing new work requirements, checking eligibility twice a year, and collecting new co-pays from Medicaid beneficiaries will fall upon the states. The processes the states create could further complicate the ability for individuals to access care.

Funding Initiatives: Below is a compilation of the extra funding initiatives this Board has done over the past five years. This summary demonstrates all the great initiatives that have taken place *in addition to* the primary sustainable funding that we provide year after year to organizations.

Board Funding Opportunities Outside of the Annual Budget Process: Investing in Quality Improvements, Service Expansions, and Critical Needs

When	Purpose	# Programs	Amount
April 2022	Partnership with Osteopathic Heritage Foundation for multi-year workforce retention and recruitment projects	7	\$600,000
September 2022	Capital and One-Time Capacity that will strengthen mental health and substance use disorder treatment and recovery supports within the Network of Care	10	\$220,000
August 2023	One-Time Capacity Building that will strengthen mental health and substance use disorder treatment, recovery, and resiliency support for Hocking County residents (multi-year projects)	4	\$442,580
January 2023	One-time funding to network of care organizations for increased expenses	18	\$315,000
July 2024	Board commits one time funding for several projects: Woods at Dairy Lane, Hocking Recovery House, Respite and Capacity Development	4	\$1,382,642
June 2025	Partnership with Osteopathic Heritage Foundation for a Service Continuity Fund to address any budget shortfalls for behavioral health agencies due to federal or state funding cuts	TBD	\$600,000

TOTAL

\$3,560,222