

Date: November 18, 2025

Behavioral Health Information Notice No: 25-039

TO: California Alliance of Child and Family Services
California Association for Alcohol/Drug Educators
California Association of Alcohol & Drug Program Executives, Inc.
California Association of DUI Treatment Programs
California Consortium of Addiction Programs and Professionals
California Council of Community Behavioral Health Agencies
California Opioid Maintenance Providers
California State Association of Counties
Coalition of Alcohol and Drug Associations

County Behavioral Health Directors
County Behavioral Health Directors Association of California
County Drug & Alcohol Administrators

SUBJECT: Allocation of Funding for Substance Use Prevention, Treatment, and Recovery Services, State Fiscal Year (SFY) 2025-26 Final Allocations

PURPOSE: To transmit the SFY 2025-26 Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG) Final Allocations to County Behavioral Health Program Directors and County Drug and Alcohol Administrators for informational and planning purposes.

REFERENCE: Health & Safety Code §11814

BACKGROUND:

Pursuant to Health & Safety Code §11814(c), the Department of Health Care Services (DHCS) shall estimate an allocation of federal funds available for each county to use as well as notify each county regarding its preliminary and final SUBG allocation.

This Behavioral Health Information Notice (BHIN) includes three exhibits:

- (A) Overview of Programs, Funding, and Allocation Methodologies
Exhibit A describes the allocation methodologies and the permitted uses of the SUBG funds administered by the DHCS' Community Services Division.
- (B) Statewide Final Allocation Summary of SUBG Funds
Exhibit B displays the SUBG total statewide allocations from DHCS for substance use prevention, treatment, and recovery service programs.



(C) SUBG Exchange Program

Exhibit C describes the SUBG Exchange Program, which allows small counties (fewer than 40,000 residents) to exchange SUBG Perinatal and SUBG Adolescent and Youth Treatment allocations for SUBG Discretionary funds.

POLICY:

The total final SUBG allocation to counties will be \$230,354,367 for SFY 2025-26. The proposed allocation of funds is contingent upon the enactment of the SFY 2025-26 Budget Act and federal appropriations. Should any adjustments be made after the enactment of the SFY 2025-26 Budget Act, a revised BHIN will be issued to reflect allocation revisions.

Due to the transition from advance payments to SUBG payments in arrears, counties will no longer be able to determine expenditures from a specific Federal Fiscal Year (FFY) and are expected to track spending by SFY during the SUBG period of performance. For SFY 2025-26, counties will be responsible for administering the allocations provided in their SFY 2025-26 SUBG County Application from July 1, 2025, through June 30, 2026.

Important Changes - Syringe Services Program (SSP)

In April 2024, DHCS received federal approval from SAMHSA to allow counties to use a portion of their Discretionary funds for SSP activities. This approval was valid for one Federal Fiscal Year only, from October 1, 2024, through September 30, 2025, and DHCS will not seek an extension. Funds allocated for SSP activities must be fully expended by September 30, 2025.

For more information, please refer to the Important Information on SUBG Syringe Services Programs email sent to counties on September 29, 2025.

Invoicing and Payment

DHCS will email SUBG invoice templates to county fiscal contacts before each quarterly invoice is due. The SUBG invoice contains a workbook titled "DHCS USE ONLY," indicating from which FFY award the invoice was paid. DHCS will provide this workbook as a receipt to counties for cost reporting. Counties will receive copies of the completed SUBG invoice template following payment.

The due dates for SFY 2025-26 SUBG Invoices are as follows:

- SFY 2025-26 Q1 (07/1/2025 – 09/30/2025): 11/17/2025
- SFY 2025-26 Q2 (10/1/2025 – 12/31/2025): 2/17/2026
- SFY 2025-26 Q3 (01/1/2026 – 03/31/2026): 5/15/2026
- SFY 2025-26 Q4 (04/1/2026 – 06/30/2026): 8/17/2026

November 18, 2025

Questions concerning this BHIN and its Exhibits should be directed to:
SUBG@dhcs.ca.gov.

Marlies Perez, Chief

Community Services Division
Department of Health Care Services

Enclosures