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DCTS Action Memo 2025-04

To: Subscribers of the DCTS Action Memo Email Distribution List

From: Gynger Steele, Administrator

Community Mental Health Services Block Grant – Community Aids Formula Allocation and Reporting Requirements

Summary

This memo outlines the reporting requirements for calendar year (CY) 2024 Community Mental Health Services Block Grant (CMHSBG) funds and expenditure requirements for the use of CY 2026 CMHSBG funds. Counties must comply with the reporting requirements in the Program Participation System (PPS), including reporting consumer functional outcomes every six months through the Consumer Status Data Set (CSDS) in PPS.

The CY 2024 expenditures report/CY 2026 expenditures plan must be submitted through an online reporting form, the [Mental Health Block Grant Community Aids Report, F-00251](#). Instructions on how to complete the online reporting form are included in this memo. **This report must be completed no later than May 15, 2025.** Counties also are required to report the number of people served using the CMHSBG Community Aids Formula Allocation.

This memo, CMHSBG Community Aids Formula Allocation and Reporting Requirements, is distinct and separate from the annual community mental health allocation memo. Counties must comply with the reporting requirements outlined in both memos. Please report the amount your county has spent of your total CMHSBG community aids award amount allocation and do not include other revenue streams.

Background

The Division of Care and Treatment Services (DCTS) is annually awarded a CMHSBG (Assistance Listing #93.958) from the federal Center for Mental Health Services (CMHS) within the Substance Abuse and Mental Health Services Administration (SAMHSA). DCTS, as required by Wis. Stat. §§ [20.435\(7\)\(o\)](#) and [46.40\(2m\)\(b\)](#), obligates up to \$2,513,400 of the CMHSBG to all counties within the state through a community aids formula allocation. The formula allocation is based on each county's population, Medicaid caseload, and per capita income.

Reporting requirements

Each county's reported expenditures for CY 2024 and expenditures plan for CY 2026 are **due by May 15, 2025**. The plan should follow the requirements described in this memo and be submitted through the [Mental Health Block Grant Community Aids Report, F-00251](#).

Every year, the Department of Health Services (DHS) must report data to CMHS as part of the annual CMHSBG application. Thus, data collection and reporting are priorities for DCTS. Mental health

information from the CSDS must be reported through PPS in a timely manner. Failure to report data could result in the county not receiving their full CMHSBG allocation.

Community aids formula allocation reporting for 2024

The CMHSBG award carries reporting requirements on how the funding is spent. As a result, DCTS requires counties to report how much of their formula allocation was spent and for what purpose. The online reporting form should be used to record county expenditures in the nine allowable expenditure categories and the associated outcomes for those expenditures.

Community aids formula allocation amounts for 2026

DCTS projects it will receive \$14,811,489 in 2025 CMHSBG funds from CMHS, of which \$2,513,400 is tentatively allocated to county programs using the community aids formula. Because of potential for cuts in federal funding, the final amount will not be determined until the federal budget is passed. See pages 4-5 for a listing of the projected allocation for each county.

Number of individuals served with CMHSBG dollars

DCTS requires that counties provide a count of the number of individuals served by the Community Aids Formula Allocation. If numbers served are not known, counties should estimate the number served.

Community aids formula allocation expenditures for 2025

Counties must spend their community aids formula allocation for CY 2025 by December 31, 2025. The associated expenditure reports are due to the [Grant Enrollment, Application and Reporting System \(GEARS\)](#) within 90 days of the expenditure deadline. Please check your current expenditure level to ensure your county is on track to spend its allocation by December 31, 2025. If you have questions, email DCTSWEBMAILDHS@dhs.wisconsin.gov.

CMHSBG community aids expenditure requirements

Federal and state requirements associated with the expenditure of the community aids formula allocation are described in detail on pages 6-11 of this memo.

Some of these requirements include:

- Funds must be used for activities associated with community mental health services.
- Funds must be used for services to adults with serious mental illness (SMI) or children with severe emotional disorders (SED).

DCTS has identified nine program areas to which counties can apply these funds, including Community Support Programs (CSP), supported housing, jail diversion, crisis intervention, family and consumer peer support and self-help, services for children and adolescents with SED, programs for people with co-occurring mental illness and substance use problems, community mental health data set development, and Comprehensive Community Services (CCS). The requirements associated with the expenditure of the community aids formula allocation may change upon federal approval of the CMHSBG FY 2025 requirements.

In addition to reporting CY 2024 expenditures, counties must use the online reporting form to submit a plan for the expenditure of their CY 2026 Community Aids Formula Allocation.

Priority for serving individuals who are homeless

In 2005, DCTS added a priority to improve efforts to serve people who are homeless with an SMI through either immediate action or priority placement on a waitlist. Counties are requested to prioritize the reporting of people who are homeless and have an SMI through PPS. The primary objective of prioritizing people with an SMI who are homeless is to provide this population with better access to all mainstream mental health services. CMHSBG funds can be dedicated to any of the priority program areas to provide mainstream mental health services to people with an SMI who are homeless. PPS data will be used by DCTS to report on services provided to people who are homeless. All PPS data must be completed for all consumers with an SMI who are homeless regardless of whether the CMHSBG is used to fund their services.

Data describing individuals who are homeless should be recorded in PPS fields as follows:

- Code 80 indicating an individual is homeless should be recorded as a client characteristic.
- Code 1 for individuals who meet the Blue Ribbon Commission (BRC) criteria for inclusion in the CSDS, indicating the individual lives on the street or in a shelter.

Care and treatment of individuals who have interaction with the criminal justice system

Counties may use the CMHSBG Community Aids Allocation for the provision of community-based services for people with serious mental illness who have interaction with the criminal justice system. These services must be rendered by community-based providers going into jails and prisons to provide the necessary psychiatric services. This may entail the delivery of comprehensive, individualized treatment and recovery services to those serving sentences as well as those receiving competency restoration services, both for those incarcerated and those living in the community. Questions about this guidance can be sent to DHSWEBMAILDCTS@dhs.wisconsin.gov.

Subrecipient monitoring requirement

Counties that use their allocation to fund subrecipient agencies for services must implement fiscal monitoring and oversight to ensure the subrecipient is in compliance with [Public Law 102-321, Section 1911\(b\) and 1912\(b\)](#), as outlined on pages 6-11 of this memo.

Instructions for the online reporting form

- Access the form, [Mental Health Block Grant Community Aids Report, F-00251](#).
- Select “save and continue later” at the top of the screen if you wish to save your work and complete the form at a later time. You will then be prompted to enter your email. A unique link will be emailed to you. This link will allow you to return to the survey where you left off.
- Certify the accuracy of the information provided by answering the final question.
- Contact hannah.foley@dhs.wisconsin.gov with any questions or issues with the online reporting form.

After submitting the form, you will receive an email confirming the report was successfully completed. You will be provided a copy of the data that was entered.

CMHSBG Community Aids Formula Allocation - CY 2026

| | |
|---|----------------|
| ADAMS COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 8,555 |
| ASHLAND COUNTY HUMAN SERVICES DEPARTMENT | 9,580 |
| BARRON COUNTY HUMAN SERVICES DEPARTMENT | 20,066 |
| BAYFIELD COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 7,354 |
| BROWN COUNTY DEPARTMENT OF HUMAN SERVICES | 98,340 |
| BUFFALO COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES | 7,803 |
| BURNETT COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES | 7,248 |
| CALUMET COUNTY DEPARTMENT OF HUMAN SERVICES | 12,388 |
| CHIPPEWA COUNTY DEPARTMENT OF HUMAN SERVICES | 27,037 |
| CLARK COUNTY COMMUNITY SERVICES | 16,032 |
| COLUMBIA COUNTY HUMAN SERVICES DEPARTMENT | 16,818 |
| CRAWFORD COUNTY HUMAN SERVICES DEPARTMENT | 7,939 |
| DANE COUNTY DEPARTMENT OF HUMAN SERVICES | 160,098 |
| DODGE COUNTY HUMAN SERVICES AND HEALTH DEPARTMENT | 31,007 |
| DOOR COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 7,665 |
| DOUGLAS COUNTY DEPARTMENT OF HUMAN SERVICES | 25,572 |
| DUNN COUNTY DEPARTMENT OF HUMAN SERVICES | 18,754 |
| EAU CLAIRE COUNTY DEPARTMENT OF HUMAN SERVICES | 51,569 |
| FLORENCE COUNTY HUMAN SERVICES DEPARTMENT | 3,434 |
| FOND DU LAC COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 37,307 |
| FOREST COUNTY HUMAN SERVICES DEPARTMENT | 5,386 |
| GRANT-IOWA UNIFIED BOARD | 30,080 |
| GREEN COUNTY HUMAN SERVICES DEPARTMENT | 11,554 |
| GREEN LAKE COUNTY DEPT. OF HEALTH AND HUMAN SERVICES | 6,805 |
| IRON COUNTY DEPARTMENT OF HUMAN SERVICES | 3,621 |
| JACKSON COUNTY DEPARTMENT OF HEALTH AND HUMAN SERVICES | 8,922 |
| JEFFERSON COUNTY HUMAN SERVICES DEPARTMENT | 26,128 |
| JUNEAU COUNTY DEPARTMENT OF HUMAN SERVICES | 10,820 |
| KENOSHA COUNTY DEPARTMENT OF HUMAN SERVICES | 72,813 |
| KEWAUNEE COUNTY DEPARTMENT OF HUMAN SERVICES | 7,486 |
| LA CROSSE COUNTY HUMAN SERVICES DEPARTMENT | 56,779 |
| LAFAYETTE COUNTY HUMAN SERVICES DEPARTMENT | 7,785 |
| NORTH CENTRAL COMMUNITY SERVICES PROGRAM | 71,892 |
| MANITOWOC COUNTY HUMAN SERVICES DEPARTMENT | 35,127 |
| MARINETTE COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 18,732 |
| MARQUETTE COUNTY UNIFIED SERVICES BOARD | 6,423 |
| MENOMINEE COUNTY DEPARTMENT OF HUMAN SERVICES | 5,752 |

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| MILWAUKEE COUNTY DEPARTMENT OF HUMAN SERVICES | 685,914 |
| MONROE COUNTY DEPARTMENT OF HUMAN SERVICES | 18,307 |
| OCONTO COUNTY DEPARTMENT OF HUMAN SERVICES | 13,353 |
| ONEIDA COUNTY HUMAN SERVICES DEPARTMENT | 11,796 |
| OUTAGAMIE COUNTY DEPARTMENT OF HUMAN SERVICES | 64,126 |
| OZAUKEE COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 25,233 |
| PEPIN COUNTY DEPARTMENT OF HUMAN SERVICES | 4,795 |
| PIERCE COUNTY DEPARTMENT OF HUMAN SERVICES | 13,239 |
| POLK COUNTY HUMAN SERVICES DEPARTMENT | 17,164 |
| PORTAGE COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 25,490 |
| PRICE COUNTY HUMAN SERVICES DEPARTMENT | 8,029 |
| RACINE COUNTY HUMAN SERVICES DEPARTMENT | 100,488 |
| RICHLAND COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 9,465 |
| ROCK COUNTY HUMAN SERVICES DEPARTMENT | 73,312 |
| RUSK COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 9,661 |
| SAUK COUNTY DEPARTMENT OF HUMAN SERVICES | 17,541 |
| SAWYER COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 8,146 |
| SHAWANO DEPARTMENT OF COMMUNITY PROGRAMS | 16,604 |
| SHEBOYGAN COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 51,197 |
| ST CROIX COUNTY HEALTH AND HUMAN SERVICES DEPARTMENT | 17,529 |
| TAYLOR COUNTY HUMAN SERVICES DEPARTMENT | 9,043 |
| TREMPEALEAU COUNTY UNIFIED BOARD | 15,769 |
| VERNON COUNTY DEPARTMENT OF HUMAN SERVICES | 12,392 |
| VILAS COUNTY HUMAN SERVICES DEPARTMENT | 7,434 |
| WALWORTH COUNTY DEPT. OF HEALTH AND HUMAN SERVICES | 22,005 |
| WASHBURN COUNTY HUMAN SERVICES DEPARTMENT | 8,386 |
| WASHINGTON COUNTY HUMAN SERVICES DEPARTMENT | 37,470 |
| WAUKESHA COUNTY DEPT. OF HEALTH AND HUMAN SERVICES | 109,469 |
| WAUPACA COUNTY DEPARTMENT OF HUMAN SERVICES | 20,786 |
| WAUSHARA COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 10,433 |
| WINNEBAGO COUNTY DEPARTMENT OF COMMUNITY PROGRAMS | 68,961 |
| WOOD COUNTY UNIFIED SERVICES | 39,193 |
| TOTAL | \$2,513,400 |

2025 CMHSBG requirements

A. Client eligibility for services

With respect to [Public Law 102-321, Section 1911\(b\) and 1912\(b\)](#), CMHS established final definitions for the target populations that would be serviced by funds from the CMHSBG. These definitions apply directly to those county programs using these funds. Funds may be used only to provide services to mental health consumers who meet the following definitions. DHS is responsible to assure CMHS that these funds are appropriately used.

Definitions of children and adolescents with SED

Pursuant to [Section 1912\(c\) of the Public Health Service Act](#) "children with a serious emotional disturbance" are (1) from birth up to age 18 and (2) who currently have, or at any time during the last year, had a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within DSM-III-R. [Federal Register Volume 58 No. 96](#) published May 20, 1993, pages 29422 through 29425.

Definition of adults with an SMI

Pursuant to Section 1912(c) of the Public Health Service Act, as amended by [Public Law 102-321](#), "adults with a serious mental illness" are people : (1) age 18 and over; (2) who currently have, or at any time during the past year, had a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within DSM-IV or their ICD-9-CM equivalent (and subsequent revisions) with the exception of DSM-IV "V" codes, substance use disorders, and developmental disorders, which are excluded, unless they co-occur with another diagnosable serious mental illness; and (3) that has resulted in functional impairment, which substantially interferes with or limits one or more major life activities. [Federal Register Volume 58 No. 96](#) published May 20, 1993, pages 29422 through 29425.

B. Allowable services

The purpose of these funds is to expand the county-operated or contracted system of community-based services for adults with SMI and children with SED. These funds must be used to initiate new programs, or significantly strengthen existing programs for these population categories, refer to PL 102-321, Section 1916(a).

Program priority areas

The 2021 Wisconsin State Mental Health Plan identifies and describes a number of programs that help meet the needs of both adults with SMI and children with SED. The community aids formula allocation funds are to be used to expand a number of these services; specifically, the funds allocated to county programs may be used for the following program priority areas:

1. Certified CSP development and service delivery
2. Supported housing program development and service delivery
3. Initiatives to divert people from jails to mental health services
4. Development and expansion of mobile crisis intervention programs
5. Consumer peer support and self-help activities
6. Coordinated, comprehensive services for children with SED
7. Development of strategies and services for people with co-occurring mental health and substance use disorders
8. Mental health outcome data system improvement

9. Certified CCS program development and service delivery

The following section defines allowable uses of the funds for each of the nine priority areas and presents information on how funds may be used. Use of the funds in these priority areas should be reported through PPS as a service. Each of the descriptions of the program priority areas below is followed by its associated Standard Program Category (SPC) code, which counties should use when recording data in PPS.

1. Certified CSP development and service delivery

Funds may be used only by certified CSP for the following activities:

- Hire additional staff to serve people on waiting lists.
- Address clients' vocational needs by hiring vocational counselors.
- Address clients' substance use issues by hiring additional staff with that expertise.
- Provide parenting skills training and other specialized services to CSP clients who are parents.
- Assist CSP-eligible adolescents who are in transition from children's services to adult services.
- Send staff to training or hire trainers to come in and work with staff.
- Use money for client emergencies, such as medications, vocational incentive money, etc.
- Purchase necessary equipment to enhance programming.

Services delivered with these funds should be reported using the following SPC code in PPS:

509 Community support

2. Supported housing program development and service delivery

Funds are to be used to increase the mental health agency's staff resources and knowledge to help people with SMI choose, obtain, and keep normal housing. **Note:** These funds may be used to assist mental health consumers who are homeless and in need of services in the county. The funds may also be used to increase the mental health agency's capacity to identify the housing needs of clients; develop overall housing plans; and educate landlords, public housing authorities, housing planners, and developers about the housing needs of clients. The housing on which the efforts are targeted needs to be based on the choice of consumers, have a regular landlord/tenant lease, and be integrated with housing/apartments for people without disabilities. Clients must also have the opportunity to choose their roommates/housemates. These funds may not be used for the purchase of land or buildings, payment of a mortgage, or payment of rent for a client. Funds may be used to:

- Conduct or hire consultants to conduct consumer housing preference studies.
- Hire a housing coordinator to address clients' housing needs with other housing providers, including landlords.
- Send staff to training regarding housing issues or hire trainers to teach staff to understand housing and support service issues.
- Hire housing staff that provide day-to-day support to clients to choose, acquire, and keep housing of their choice.
- Provide community-based residential facility (CBRF) services

Services delivered with these funds could be reported using the following SPC code in PPS:

106 Housing/energy assistance

506 CBRF

3. Initiatives to divert people from jails to mental health services

Expand or develop capacity at mental health agencies to identify, build relationships with, and divert and support people with serious mental illness or children and adolescents with severe emotional disturbance from jails, when appropriate. Funds may be used to:

- Hire jail liaison staff.
- Purchase training and consultation to develop jail linkages.
- Purchase necessary equipment to enhance programming.

No standard program categories are available to record for this program priority area.

4. Development and expansion of mobile crisis intervention programs

Develop or expand the ability of mental health staff to provide mobile crisis intervention and resolution services 24 hours a day/seven days a week. Innovative efforts to develop alternatives to hospitalization are also eligible for these funds. Funds may be used to:

- Hire staff to provide mobile crisis intervention and resolution services.
- Purchase training or send staff to training regarding crisis intervention and resolution techniques.
- Purchase necessary equipment to enhance programming.
- Develop community-based crisis resolution programs like community crisis beds.
- Pay for respite services.
- Fund a consumer-operated support telephone line.
- Fund consumer-operated crisis alternative.

Services delivered with these funds should be reported using the following SPC codes in PPS:

501.00 Initial crisis intervention - hours

501.10 Initial crisis intervention - days

501.20 Crisis follow-up - hours

5. Consumer peer support and self-help activities

Organizations that focus on providing self-help, peer-to-peer support, or peer support to families of adults with SMI or children/adolescents with SED and clients, consumers, and ex-patients.

Funds may be used to:

- Pay rent and pay operating expenses for an office and a meeting place.
- Pay expenses related to publishing a newsletter.
- Hire a staff person, preferably a consumer or family member, to set up meetings and perform administrative duties.
- Develop peer support and self-help programs, including clubhouses, drop-in centers, supported telephone lines, crisis alternatives, housing referral and support, employment referral, etc.
- Reimburse members' mileage to help them attend meetings, pay for babysitters, etc.
- Pay expenses to assist members in attending meetings and conferences, including conferences out of state.

- Hire consumers or family members to provide assistance to other clients and family members in dealing with the mental health system during a crisis, when there is a complaint, etc.

Services delivered with these funds could be reported using the following SPC codes in PPS as appropriate:

507.90 Peer support/recovery coach

6. Coordinated, comprehensive services for children with SED

Develop and/or expand the mental health agency's capacity to provide comprehensive and coordinated services for children and adolescents with SED. Funds may be used to:

- Hire a service coordinator with the qualifications specified under [Wis. Stat. § 46.56](#), an individual who is qualified by specialized training and clinical experience with children with SED and their families.
- Create a pool of funds for providing flexible services to maintain children and youth in their homes or the community.
- Hire a children's specialist (master's degree with 3,000 hours) for the Wis. Stat. ch. 51 system who can team with a second worker to provide in-home therapy services.
- Identify gaps in the service array and fund missing services.
- Hire a child mental health therapist to assist CSP-eligible adolescents in transition from children's services to adult services

Services delivered with these funds could be reported using the following SPC codes in PPS as appropriate:

103 Respite care
604 Case management
501.00 Initial crisis intervention - hours
501.10 Initial crisis intervention - days
501.20 Crisis follow up - hours
507 Counseling/therapeutic resources
704 Day treatment - medical
510.10 Comprehensive Community Services (CCS) - hours

7. Development of strategies and services for people with co-occurring mental health/substance use disorders

The purpose of this priority area is to develop innovative strategies and approaches for providing integrated community services for people with serious and persistent mental illness who have substance use problems. The proposed system for these individuals must incorporate and integrate mental health and substance use treatment. Funds may be used to:

- Add or provide specialized training/certification to staff of the agency's CSP.
- Develop a case management program.
- Develop a new community treatment and support program for people with dual diagnosis.

Services delivered with these funds could be reported using the following SPC codes in PPS:

507 Counseling/therapeutic resources
509 Community Support Program
510.10 Comprehensive Community Services - hours

604 Case management

8. Mental health outcome data system improvement

The purpose of this program initiative is to promote the development of client, program, and outcome mental health data to enhance knowledge about those being served, and to provide for the future planning of services and resources for those with SMI. Funds may be used to:

- Attend regional or statewide training on goals of mental health data-set development.
- Develop innovative, county-based pilot projects for mental health data collection.
- Purchase capital equipment, specifically computer equipment and software, in order to utilize a state-developed mental health data set.
- Hire or contract for computer personnel in order to integrate a state-developed data set with a local system and transfer data gained to state-based system.

No standard program categories are necessary to record for this program priority area.

9. Certified CCS development and service delivery

Funds may be used only by certified CCS counties for the following activities:

- Hire additional staff to serve people on waiting lists.
- Address clients' vocational needs by hiring vocational counselors.
- Address clients' substance abuse issues by hiring additional staff with that expertise.
- Provide parenting skills training and other specialized services to CCS clients who are parents.
- Assist eligible adolescents who are in transition from children's services to adult services.
- Send staff to training or hire trainers to come in and work with staff.
- Purchase necessary equipment to enhance programming.

Services delivered with these funds should be reported using the following SPC code in PPS:

510.10 Comprehensive Community Services - hours

C. Restrictions on funds

The Allowable Costs Manual states that capital equipment requests that exceed \$5,000 require a waiver from DCTS. All items that exceed \$5,000 should be justified in the appropriate section of the online reporting form. This section requires that a request for capital equipment be tied to the goals of the proposal.

Agencies may not expend the CMHSBG to:

- Provide inpatient services or services in a community-based residential facility.
- Make cash payments to intended recipients of health services.
- Purchase or improve land; purchase, construct, or permanently improve a building or other facility; pay down payments or mortgage for property; or purchase major medical equipment.
- Satisfy any requirement for the expenditure of nonfederal funds as a condition for the receipt of federal funds, that is, medical assistance match for CSP, CCS, or case management services.
- Provide financial assistance to any entity other than a public or nonprofit private entity.
- Supplant existing funding for services for adults with SMI or children with SED.
- Purchase, prescribe, or provide marijuana or treatment using marijuana.

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Email questions or concerns about this memo to DHSWEBMAILDCTS@dhs.wisconsin.gov.