



Notice of Funding Opportunity (NOFO) Announcement: TREATMENT + RECOVERY

PURPOSE: Kentuckians have been hard hit by the impact of the opioid epidemic, creating numerous challenges for families and communities. In 2021, the Kentucky Opioid Abatement Advisory Commission (KYOAAC) was established by the General Assembly to oversee a trust fund to distribute settlement funds from lawsuits against certain manufacturers and distributors of opioids. The Commission is made up of 11 members, nine voting and two non-voting, who are charged with the distribution of the Commonwealth's portion of settlement funds. The Commission has adopted nationally recognized principles for allocating funds, including use the money to save lives, use evidence to guide spending, invest in youth prevention, focus on equity for impacted communities across the Commonwealth, and create a fair and transparent process. The purpose of this funding opportunity is to provide settlement dollars for treatment or recovery focused efforts addressing the opioid epidemic.

POPULATION OF FOCUS:

Funds must be used to provide treatment and recovery services for individuals who have or are at risk of one of the following:

- Opioid Use Disorder (OUD)
- Opioid Use Disorder (OUD) and comorbid polysubstance use
- Opioid Use Disorder (OUD) and co-occurring mental illness
- Opioid Use Disorder (OUD) and comorbid polysubstance use and co-occurring mental illness

FUNDER: Kentucky Opioid Abatement Advisory Commission through the Kentucky Office of the Attorney General.

ELIGIBLE APPLICANTS: KYOAAC grants are open to any registered entity (for-profit or non-profit) that is in good standing with the Kentucky Secretary of State, as well as counties, cities, towns and other government entities. Organizations that received a 24-month grant through KYOAAC in July 2026 are not eligible to apply for another grant until October 2027.

FUNDING PRIORITIES FOR TREATMENT & RECOVERY: Projects submitted under this category should primarily focus on addressing active opioid misuse such as linking individuals to substance use treatment or retaining individuals in substance use treatment or recovery. This includes supportive services that help build recovery capital.

For 2027, the Commission has identified certain priorities within the area of Treatment & Recovery for distribution of settlement funds. Priority consideration will be given to applications that address the following:

- **TREATMENT:** Must be clinical treatment: in-patient or out-patient
 - Priority will be given to applications that focus on the following:
 - Expansion of Medication for Opioid Use Disorder (MOUD) **specifically in rural or incarceration settings.**
 - Treatment proposals that address one or more of the following populations: pregnant + parenting women; unhoused individuals; adults 65 years and older; un- or under-insured individuals; youth.
 - Funds will *not* be awarded for clinical treatment services that are eligible for insurance reimbursement.
- **RECOVERY SUPPORTS:** Proposals must clearly link to supporting individuals with OUD and should not be general proposals. Priority consideration will be given to applications that address the following areas:
 - **Housing**
 - Expansion of certified recovery housing opportunities.
 - Assistance that enables individuals to obtain or maintain safe, stable housing.
 - **Transportation**
 - Client transportation to and from recovery supportive services such as employment, medical appointments, recovery meetings, etc.
 - Proposals may not include the purchase of vehicles but can include operational costs of vehicles or other transportation costs.
 - **Employment Supports**
 - Efforts to reduce barriers to employment for people in recovery.
 - With priority to projects that promote sustained employment, including vocational training, job readiness and retention, and employer education and engagement.
 - **Recovery Community Centers**
 - Safe spaces specifically for people in recovery to obtain resources and community, including HUB models and other “one-stop shop” models.

PRIORITY CRITERIA:

While the Commission may consider all areas of the application, they established several criteria they deem to be considered priorities, which include:

- Projects that demonstrate strong collaboration. **All applications MUST include letters of support and/or formal agreements documenting direct partnership, sub-grantee participation, and/or support of the community where the work is to be done.**
- Projects that expand or enhance services or opportunities. Supplanting, defined as replacing funding of a recipient’s existing program with awarded funds, is not allowed.
- Projects that incorporate strategies that promote family togetherness, address recovery through a holistic, family-centered approach, and support kinship caregivers.

- Projects that address or fill service gaps in particular regions.
- Projects that demonstrate sustainability beyond proposed grant-funded period.
- Projects that could be scaled or replicated in other capacities.

AWARD PARAMETERS:

- **Organizations that received a 24-month grant through KYOAC in July 2026 are not eligible to apply for another grant until October 2027.**
- Funds cannot be used to purchase land.
- Funds cannot be used for construction or to secure any kind of permits related to construction or renovation.
- Funds cannot be used to purchase Naloxone, as it is available at no-cost through <http://findnaloxone.ky.gov/>
- Funds cannot be used to purchase these curriculums: Too Good for Drugs or Sources of Strength, as they are available at no-cost through Kentucky's Cabinet for Health and Family Services.
- Funds cannot be used to purchase vehicles, but Commissioners will consider innovative transportation models such as voucher programs, operational costs of vehicles, or other transportation support costs.
- No indirect costs may be requested as a lump-sum general operational expense. If expenses typically included in indirect costs are requested, they must be requested as specific, individual budget line items for the Commission to review.
- Proposals should reflect the most effective and sustainable use of funds.
- The review committee may request budget modifications be made prior to award.
- Recovery housing projects must comply with state accreditation requirements.
- Multiple agencies can partner in the application process but only one agency may serve as fiscal agent on the application. If there are contractors or sub-grantees, documentation to explain the partnership is required.
- Applicants may request salary and personnel costs necessary to implement the proposed project, such as Peer Support Specialists, Prevention Specialists, Project Coordinators, and other project-related positions. Salary requests should reflect reasonable and competitive market rates for the position, taking into consideration the position's responsibilities and time dedicated to the proposed project. Applicants should provide sufficient justification for proposed salary costs.
- Only one application per Notice of Funding Opportunity (NOFO) may be submitted by a fiscal agent. Exceptions will be made for university institutions with multiple departments, where one application per department may be submitted.
- If an applicant submits a proposal in both Prevention and Treatment & Recovery NOFOs, the projects must be substantially different. If multiple applications supporting the same project are submitted, they will be reviewed collectively.
- Requests to continue previous KYOAC awarded projects must reduce that project's funding by 25% of the most recent award. *For example, a staff position hired with the most recent grant funds may only be supported in this ask by 75% of the previous award amount.*

AWARD INFORMATION:

- Funding Mechanism: Kentucky Opioid Abatement Advisory Commission by and through the Kentucky Office of the Attorney General.
- Award Ceiling: \$1,000,000.00 (regardless of budget timeline chosen)
- Budget: Submit a 12-month or 24-month budget with an anticipated start date of July 2027.

- Applicants **must** choose either a 12-month grant cycle or 24-month grant cycle. Applicants may only submit **one** budget outlining either a 12-month or 24-month plan for the requested project.
- Cost Sharing/Match Requirement: None, however, the application requests that any additional available funding or match funding be reported to demonstrate sustainability efforts.
- Service Delivery Start Date: To begin no later than 90 days from receipt of contract.
- Reporting Requirements: Awardees must adhere to all statutory and regulatory requirements of KRS 15.291, KRS 15.293, KRS 15.295, KRS 17.160, 40 KAR 9:010, and 40 KAR 9:020 including but not limited to, submit required financial reports, and agree to participate in program evaluation and monitoring activities.

MULTI-TIERED REVIEW AND SELECTION PROCESS:

Proposals will be screened to ensure that minimum eligibility requirements have been met, and all required documentation has been submitted. Proposals that are complete and meet minimum eligibility requirements will be reviewed by Kentucky Opioid Abatement Advisory Commission members. Awards will be made based on a majority of votes cast by the Commission's voting members.

IMPORTANT DATES:

- NOFO Announcement Release: October 5, 2026
- Application Window: October 12, 2026, to December 17, 2026
- Application Deadline: **December 17, 2026, at 6 PM EST**
- Award Decision Notice: Spring 2027
- Contract Execution: July 2027

APPLICATION SUBMISSION:

The online application will be available October 12, 2026, via <https://kyoac.intelligrants.com/> and will close **on December 17, 2026, at 6PM EST**. All applications must be submitted using the Intelligrants system (IGX).

NOTE: If your organization does not already have IGX user credentials please e-mail kyoac@ky.gov. This will be the first step in requesting a new user account. Upon completion of the new user registration, the account will need to be validated and associated with the proper organization prior to accessing the application.

QUESTIONS?: Email KYAAC@ky.gov.