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CBHC Statement on Presidential Memorandum to Temporarily Pause Agency Grant, Loan, and Other Financial Assistance Programs

On Jan. 27, the Trump Administration issued a [memorandum](#) directing a "temporary pause of agency grant, loan, and other financial assistance programs." This unprecedented action raises significant concerns for safety net behavioral health providers and the Coloradans they serve.

Colorado Behavioral Healthcare Council (CBHC) members rely on federal block grants and Medicaid funding to deliver essential services to the most vulnerable in our communities, including adults living with serious mental illness and children with severe emotional disturbance. CBHC estimates that this freeze could disrupt millions of dollars in essential funding relied upon to provide care to individuals with mental health and substance use challenges across Colorado.

As of this morning, federal agencies are awaiting further guidance from the Office of Management and Budget (OMB) on how to implement the directive. While the full scope of the order remains unclear, it appears to have a potentially broad impact, including Colorado's Medicaid program, federal block grant dollars managed by the Behavioral Health Administration (BHA), and grant funding allocated by the Substance Abuse and Mental Health Services Administration (SAMHSA) and other federal agencies.

This funding freeze comes at a time when the behavioral health system is already under extraordinary strain. Many of Colorado's safety net behavioral health providers are operating at unsustainable margins, jeopardizing care for the thousands of Coloradans who rely on these services daily. Moreover, failing to fund the behavioral health safety net carries significant broader financial consequences. Without access to preventive and life-saving care, individuals are more likely to experience crises that result in costly emergency interventions, overburdened criminal justice systems, and increased demand on other publicly funded safety net systems. The financial ripple effect of this funding freeze will further strain already stretched public resources.

CBHC calls on the Trump Administration, federal agencies, and Congress to provide clarity and immediately lift this funding freeze to ensure communities across Colorado can continue to access the mental health and substance use services they depend on.

We remain committed to advocating for our providers and the individuals and communities they serve and will share updates as more information becomes available.

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The Colorado Behavioral Healthcare Council (CBHC) is the unified voice for Colorado's community behavioral health system. CBHC members deliver high-quality care to individuals and families in every corner of the state, providing comprehensive mental health and substance use disorder services. For more information about CBHC, please visit www.cbhc.org.