

STATE-LEVEL POLICY CHANGES FOR MB3 LOBBYIST

GEN1 Transition-Age Stabilization Pilot | Lead Organization: Mission Behind Bars & Beyond

Core position: Kentucky already pays for transition-age instability through Medicaid, emergency departments, child welfare, behavioral health, homelessness response, juvenile justice, adult corrections, and workforce disruption. MB3 is asking the state to recognize Transition-Age Stabilization as a prevention category and authorize a 90-180 day MB3-owned demonstration with state observation, payer alignment, flexible barrier funding, and shared outcome reporting. [1]

State-level policy area	Current state	Change MB3 should pursue	Benefit
1. Cross-cabinet transition-age workgroup	Medicaid, child welfare, juvenile justice, corrections, housing, behavioral health, and workforce operate through separate agencies, eligibility rules, funding streams, and reporting structures. DJJ is responsible for prevention, detention, probation, aftercare, and reintegration functions. [2]	Request a Governor's Office, CHFS, or legislative directive creating a Transition-Age Stabilization Workgroup across DMS, DCBS, DJJ, DOC/Reentry, behavioral health, housing, and workforce.	Creates one state table for shared referral triggers, warm handoffs, outcomes, and braided funding instead of forcing MB3 to negotiate system by system.
2. State demonstration pathway for community stabilization providers	Kentucky has Medicaid MCOs, SKY, TEAMKY 1115 authority, foster-youth transition services, and reentry initiatives, but no single state pilot lane for a community provider operating transition-age stabilization.	Create a state-recognized Transition-Age Stabilization Demonstration allowing MB3 to operate a 90-180 day pilot with defined eligibility, service model, outcomes, and reporting.	Lets Kentucky test the model before statewide adoption while keeping MB3 as the accountable operator.
3. TEAMKY 1115 / HRSN alignment	TEAMKY 1115 is approved Jan. 1, 2025-Dec. 31, 2029 and includes reentry, SUD, former foster care youth coverage, SMI authority, HRSN infrastructure, and evaluation requirements. [3]	Pursue an administrative alignment memo or future waiver amendment recognizing transition-age stabilization as an HRSN-adjacent prevention strategy.	Positions MB3 inside Kentucky's existing federal Medicaid demonstration strategy instead of requiring a brand-new policy vehicle.
4. Foster-youth Medicaid-to-26 continuity and warm handoff	Former foster youth may be eligible for Medicaid until age 26, but must maintain enrollment/renewal processes; SKY also covers foster, former foster, dually involved, and DJJ Medicaid-eligible youth. [4]	Require a warm-handoff stabilization plan before foster care exit and during the former foster youth period up to age 26: Medicaid status, MCO contact, primary care, behavioral health, housing, documents, benefits, and mentor/sponsor assignment.	Prevents coverage gaps, paperwork cliffs, housing instability, and unmanaged crisis care.
5. Flexible barrier-fund authority	Public benefits often cannot move fast enough to solve small practical barriers such as IDs, transportation, phone access, childcare gaps, work clothing, food, safety items, or urgent housing needs.	Create a state-approved flexible barrier-fund policy that allows foundation/philanthropic dollars to be braided with state and MCO-aligned services while tracking each expense by participant outcome.	Gives MB3 a clean, auditable way to solve small barriers before they become large crisis costs.
6. Shared outcomes dashboard and data standard	TEAMKY includes monitoring and evaluation expectations, but transition-age youth data remains fragmented across Medicaid, DCBS, DJJ, corrections, housing, and workforce systems. [3]	Require a shared dashboard for pilots: Medicaid active/restored, primary care, behavioral health, housing plan, maternal/pediatric care, ED/crisis diversion, mentor/sponsor, workforce/education, closed-loop referrals, cost per participant, and cost per stabilized participant.	Gives Medicaid, MCOs, foundations, and state agencies proof beyond stories while protecting MB3's role as implementation lead.
7. Prevention-first budget language	State dollars often become available after a youth has entered a more expensive category: foster care disruption, homelessness, incarceration, ED use, behavioral health crisis, or child welfare involvement.	Add budget or committee language recognizing Transition-Age Stabilization as a state cost-avoidance strategy across Medicaid, child welfare, justice, housing, workforce, and public health.	Creates a recognized category for future appropriations, state grants, agency pilots, MCO contracts, and foundation matching funds.

Lobbyist ask: Secure state recognition of Transition-Age Stabilization as a prevention category and advance an MB3-owned 90-180 day demonstration with state observation, payer alignment, flexible barrier funding, and shared outcome reporting.

Primary state targets: CHFS, DMS, DCBS, DJJ, DOC/Reentry, Kentucky Housing Corporation, Education & Labor Cabinet, Governor's policy office, and Medicaid / health and human services legislative committees.

Source notes: [1] GEN1 white paper, Mission Behind Bars & Beyond. [2] Kentucky Justice & Public Safety Cabinet, Department of Juvenile Justice. [3] CMS/Kentucky TEAMKY 1115 demonstration approval, 2025-2029. [4] KY RISE/CHFS former foster youth Medicaid and Aetna Better Health of Kentucky SKY materials.