SUPPORTING STATEMENT
Community Mental Health Services Block Grant
FY 2009-2011 Application Guidance and Instructions

A. Justification

1. Circumstances of Information Collection

The Substance Abuse and Mental Health Services Administration (SAMHSA), Center for Mental Health Services (CMHS) is requesting approval from the Office of Management and Budget (OMB) for a revision of the FY 2009-2011 community Mental Health Services Block Grant Guidance and Instructions (OMB No. 0930-0168), which expires on August 31, 2008. (See Application at Attachment 4.)

The Public Health Service Act (PHS Act), as amended, establishes the MHBG program. Under the authority of Sections 1911-1920 and 1941-1954 (42 USC 300x-l to 300x9 and 300x-51 to 300x-64) of the PHS Act, the Secretary of the Department of Health and Human Services (DHHS), through the Center for Mental Health Services (CMHS) at the Substance Abuse and Mental Health Services Administration (SAMHSA) awards block grants to States, Territories and the District of Columbia (hereinafter referred to as States) to establish or expand an organized community-based system of care for providing mental health services to adults with serious mental illness (SMl) and children with serious emotional disturbance (SED). In order to receive an award, all States are required to submit to the Secretary (1) an application, prepared in accordance with the legislation, by September 1 of each Fiscal Year (FY) for which a grant is requested; and (2) an Implementation Report by December 1 of the FY year following the FY in which the grant was received.

Section 1971 of the PHS Act makes provision for data infrastructure development grants to States for the purpose of developing and operating mental health data collection, analysis, and reporting systems with regard to performance measures, including capacity, process, and outcome measures. In FY 2002, SAMHSA began providing grants to States under the authority of the Section 520A(f)(2) for the purpose of helping States develop the infrastructure needed to be able to provide data requested in the application. Over the five-year period, these grants have significantly improved the ability of States to report the uniform data requested on the public mental health system under Part E of the application.

Section 1914 requires the establishment of a Mental Health Planning Council (Planning Council) by each State and Section 1915 determines that grants to States may only be awarded when the plan and the implementation report have been reviewed by the Planning Council. Any recommendations for modifications to the application or comments to the Implementation Report that were received from the Planning Council must be submitted to CMHS, regardless of

whether the State has accepted the recommendations. The Planning Council is statutorily mandated to review State plans, serve as an advocate for adults with SMI and children with SED, and other individuals with mental illnesses or emotional disturbances, and to monitor, review and evaluate, not less than once each year, the allocation and adequacy of mental health services within the State.

SAMHSA is requesting approval of this application and guidance for FY 2009-2011. The 2007-2011 SAMHSA Data Strategy has just been released to the public. Goal 2 of the Data Strategy specifically deals with performance data and includes specific milestones for the next few years, including the development of client level outcome measures for the states by 2011. CMHS may revise and re-submit this guidance to reflect the adoption of client level measures for future block grant applications if sufficient progress is made over the next three years.

Congress is currently considering legislation to reauthorize SAMHSA. The reauthorization bill proposes substantive changes to the MHBG that would affect this Guidance. Upon passage of reauthorization legislation, CMHS will contact States to provide additional guidance that may be needed to complete the MHBG application and Implementation Report. If significant changes to MHBG requirements, State plans, or data collection are included in the final reauthorization law, CMHS may revise and re-submit this guidance for approval.

A. Application Overview

Consistent with the FY2008 MHBG application, the FY 2009-2011 application requires States to submit a face sheet, a table of contents, an executive summary, and subsequent sections, labeled Parts B-E. Part B requires submission of federal funding agreements, certifications, and assurances, information on the Maintenance of Effort (MOE), Set-aside for Children's Mental Health Services, requests for waivers, and other administrative requirements. Part B also requests information on Planning Councils and their membership. Part C requires States to submit a discussion of the strengths, needs, and priorities of the State's mental health system and a State Mental Health Plan, including goals, targets, and action plans for specific performance indicators.

Part D requires the submission of a State Implementation Report, and Part E requires States to report uniform data on the State pubic mental health system. Section 1917(a) of the PHS Act requires that Parts B and C are due by September 1 and Parts D and E are due by December 1.

As with the previous MHBG application, States will have the option of submitting multi-year plans for two or three years in 2009. States submitting multi-year plans will include all of Parts B and C and provide narrative, goals and fiscal year targets to adequately describe the State's activities for each year of the multi-year application. As described above, States will have several options for addressing mental health transformation activities in their applications.

States will continue to provide a State transformation performance indicator(s) as part of their State Mental Health Plan.

B. Proposed Revisions

To facilitate an efficient application process for States in FY 2009-2011, CMHS convened a working group of State representatives, which met by conference call three times during October and November of 2007 to provide input and suggestions regarding the organization and content of the guidance. Based on this dialogue, CMHS is recommending the following improvements to the FY 2009-2011 MHBG application:

a. Streamlining the process for reporting States' use of the block grant to support mental health transformation.

Revisions to the FY2008 guidance had included new requests for information regarding funding for mental health transformation. Some States indicated that their fiscal processes did not permit reporting in the manner requested. Other States suggested that the reporting burden was significantly increased by the new request. Many States were concerned that the information provided did not accurately reflect the range of transformation activities in which they were engaged. Because of these concerns, OMB approved the guidance for only FY 2008, rather than for a 3-year period as requested by SAMHSA.

This issue was a principal focus of the State working group, and the proposed FY2009-2011 guidance makes significant revisions based on the input of that group. These revisions include narrowing from twenty (20) to six (6) the number of transformation categories for which States are asked to report the actual or estimate amount of block grant funding they will provide in the FY covered by the application.

In addition to revising the transformation data table, the guidance makes additional changes regarding State reporting of transformation activities. These changes include: (1) eliminating the requirement that transformation activities be tracked within the context of the five block grant statutory criteria; (2) consolidating requests for narrative regarding transformation activities into a single section; and (3) eliminating redundancy by allowing States to refer to other sections that include similar material. In collaboration with the State working group, SAMHSA identified and eliminated requests for data regarding transformation activities that are collected through other SAMHSA-funded initiatives.

b. Eliminating the requirement that States complete a State-Level Reporting Capacity Checklist for submission to the State Data Infrastructure Coordinating Center.

CMHS has determined that this information is readily available through data collected and maintained by the National Association of State Mental Health Program Directors (NASMHPD) Research Institute, Inc. pursuant to another SAMHSA-funded initiative.

c. Eliminating Table 18 from the Uniform Reporting System (URS) tables that States must submit.

The URS is a set of standardized tables designed to track individual State performance over time and to aggregate State information to develop a national picture of State public mental health systems. Table 18 was intended to produce a profile of adults with schizophrenia receiving new generation medications during the year. However, a review of all URS tables that included a survey of States determined that the data reported on the table are not comparable across States and have limited usefulness to CMHS or States in planning and improving systems. This data is not used to calculate any mental health performance indicators or National Outcome Measures required by the application. In addition, this table was identified by States as being one of the most difficult for States to report.

d. Reorganizing and consolidating sections of the guidance to improve readability and clarity and to reduce redundancy.

For example, instructions regarding the general format of the application now are found in one section of the guidance. In addition, specific provisions in sections requiring applications to track the five (5) statutory criteria and in sections regarding reporting performance indicators in the Implementation Report were reorganized to improve the logical flow of the application. A new appendix to the application provides clear guidance to States regarding the source of data needed to report performance indicators in order to ensure consistency and accuracy in reporting data. Further, the guidance clarifies that States may refer to other sections of the application where appropriate, rather than repeating identical information in multiple sections of the application. All sections of the guidance were edited for clarity.

2. Purpose and Use of Information

The MHBG application is used by States to apply for mental health block grant funds. The information requested in the application is based on the five legislative criteria, federal agreements, assurances and certifications, requirements set forth in the legislation, and SAMHSA/CMHS priorities, which include NOMS, GPRA and OMB PART.

A. MHBG Application

The MHBG application requires each State to describe its system of care for adults with SMI and for children with SED and to develop and articulate a comprehensive State Mental Health Plan describing system goals. The MHBG applications and Implementation Reports provide CMHS with the following: (1) documentation to determine Federal and State compliance with administrative, programmatic, and fiscal requirements of the MHBG statute; (2) data on the national public mental health system regarding the number of people served by the State mental health agency, the location of services, the use of specific evidence-based practices and other interventions; (3) information to report specific National Outcome Measures reflecting the adequacy and effectiveness of services provided to adults with SMI and children with SED; (4) information needed to report on the OMB-PART recommended efficiency measure and GPRA compliance; and (5) a description of efforts to transform State mental health systems and estimated transformation expenditures under the MHBG.

B. Mental Health Transformation

In 2003, the President's New Freedom Commission on Mental Health issued a Final Report on the state of mental health care in America called *Achieving the Promise: Transforming Mental Health Care in America*. In a cover letter transmitting the Final Report to the President, the Commission reported:

> … [F]or too many Americans with mental illnesses, the mental health services and supports they need remain fragmented, disconnected and often inadequate, frustrating the opportunity for recovery. Today's mental health care system is a patchwork relic – the result of disjointed reforms and polices. Instead of ready access to care, the system presents barriers that are all too often added to the burden of mental illnesses for individuals, their families, and our communities.

The Final Report also made clear that, in a transformed system, recovery is possible for everyone with a mental illness; that prevention, detection, and early intervention are critical at any stage in life; and that effective treatments and supports exist to allow people with mental illnesses to live, work, learn, and participate fully in their communities.

As an important and flexible Federal funding source for State innovations, the MHBG provides an opportunity both to facilitate and review State efforts toward implementing transformation. In the FY2008 application, States were asked for the first time to report on transformation activities and expenditures. As discussed above, the FY 2009-2011 application streamlines these requests to ensure that CMHS receives accurate, timely information essential to understanding State transformation efforts while minimizing the burden on States in collecting and reporting information.

C. National Outcome Measures

In 2001, SAMHSA began the development of a matrix management system to outline the agency's activities in pursuit of its mission to build resilience and facilitate recovery for people with or at risk for substance abuse and mental illness. The matrix included a set of cross-cutting principles, including one which recognized the need for performance management and measurement. This process resulted in a data strategy to measure the agency's success in meeting its mission.

The development and application of National Outcome Measures (NOMS) is a key component of the SAMHSA initiative to set performance targets for State and Federally funded programs. The NOMS provide valuable data upon which healthcare reporting systems can assess the adequacy of their service providers and the level of their success as evidenced by positive consumer outcomes. In 2003, CMHS collaborated with States to begin collecting and reporting data on nine specific mental health National Outcome Measures (NOMS). All States are expected to report on all mental health NOMS.

The NOMS are derived from information collected by States and reported through the Uniform Reporting System (URS). To assist States in reporting uniform data that can be aggregated on a national basis, Data Infrastructure Grants (DIGs) were first offered to States in FY 2001. In FY 2004, States received the second set of DIGs, substantially improving their ability to collect and report NOMS. DIG funding was made available for the third time in FY 2008.

In 2008, DIG grants up to $142,200 per year were awarded to 48 of the 50 States and grants of up to $71,000 were awarded to eight territories. All States that accepted a DIG are required to submit data on the URS tables using the uniform definitions and methods agreed to by the States.
CMHS sponsors monthly conference calls with all State DIG grantees and, through the State Data Infrastructure Coordinating Center, convenes workgroups of State and Federal officials to review and assess changes needed to the URS tables. Through these workgroups, CMHS continues to work with States to refine and operationalize the NOMS contained in the URS data tables. SAMHSA intends to inform States directly of any changes to the URS tables or NOMS that result from this effort, and to provide any additional instructions needed to complete the MHBG application.

As noted above, SAMHSA's Data Strategy includes development of client level outcome measures for the states by 2011. Activities to support this strategy include: (1) identifying and documenting existing most promising approaches to collecting client level data; (2) developing recommendations for expanding client level data collection systems to incorporate the NOMS; and (3) pilot testing the most promising approaches with interested States to determine their feasibility. CMHS may revise and re-submit the FY2009-2011 application guidance to reflect the adoption of client level measures for future block grant applications if sufficient progress is

made over the next three years.

D. OMB PART

In 2003 preparation for FY 2005 Federal Budget, the Office of Management and Budget (OMB) applied its Performance Assessment Rating Tool (PART) to the MHBG Program. OMB recommended that SAMHSA help States strengthen their ability to assess program results and accountability by: (1) developing targets and measures; (2) conducting program evaluations; (3) linking budget proposals to program performance; (4) sharing performance information with the public; and (5) demonstrating progress in achieving goals. SAMHSA proposed four annual and long-term goals that measure efficiency and effectiveness of the MHBG Program. These goals are currently the focus of SAMHSA's NOMS and are reported annually to the MHBG Program through the URS data set which is contained in the Implementation Report. (See PART Rating at Attachment 1).

E. Uniform Reporting System (URS)

In response to the need for accountability for the expenditure of MHBG funds, CMHS and the States have worked in partnership since 1997 to ensure the uniform reporting of State-level data to describe the public mental health system and the outcomes of its programs. The intent of this effort is to make it possible to (1) track individual State performance over time; and (2) aggregate State information to develop a national picture of State public mental health systems.

In order to ensure uniformity in definitions used to collect data, the CMHS Uniform Reporting System (URS) was developed. The URS consists of a set of standardized tables that State Mental Health Authorities submit each year as part of their Implementation Report. Specific authority for the collection of uniform data is derived from Section 1943(a)(3) (42 U.S.C. 300x-53) of the Public Health Act, which provides that, as a funding agreement for a MHBG, the State involved will provide any data required by the Secretary pursuant to Section 505 and will cooperate with the Secretary in the development of uniform criteria for the collection of data pursuant to such section.

The data requested in the tables described in this Section answer five basic questions:

(1) What are the mental health service needs of the population in your State?
(2) Who in your State gets access to publicly funded mental health services?
(3) What types of services are being provided in your State?
(4) What are the outcomes of the services provided?
(5) What financial resources are expended for the services?

The data tables are used to calculate the mental health NOMS for State and national reporting. The URS also includes prevalence estimates related to the needs for mental health services

within each State.

The URS provides CMHS/SAMHSA with a national and state picture of the rates of utilization and mix of services for the nearly 6 million individuals receiving public mental health services each year. This includes information regarding where consumers receive services, types of evidence-based services provided, consumer living situations (including homelessness), employment status, Medicaid eligibility, and evaluation of care through standard consumer surveys. The information collected is a critical tool used by the Federal government, States, State Planning Councils, consumers, families, and advocates to monitor the performance of the MHBG and the $30 billion public mental health system and to enhance government efficiency at all levels.

As described above, CMHS has, since 2001, provided Data Infrastructure Grants (DIGs) to help States implement and report URS data. The only change to the URS tables in this OMB request – elimination of Table 18 – was identified through this collaborative process of working with the States.

3. Use of Information Technology

The application instructions and guidance will be available to all States through the SAMHSA/MHBG website at www.mhbg.samhsa.gov. The FY 2009-2011 guidance will again request that States submit applications using the web-based application process, called Web Block Grant Application System (WebBGAS). CMHS began implementing WebBGAS in 2005, and in FY 2006 seven (7) States used WebBGAS to submit their plans. By 2008, fifty-two (52) States and Territories submitted State plans through WebBGAS. WebBGAS utilizes Microsoft Active Server Pages (ASP), JavaScript, Hypertext Markup Language (HTML), Adobe Acrobat, and Oracle Database technologies.

Use of WebBGAS significantly reduces the paperwork burden for submission, revision, and reporting purposes. WebBGAS has the ability to transfer standard information from previous year's plans depending on the single or multi-year format, thus pre-populating performance indicator tables, planning council membership, and maintenance-of-effort figures. In addition to transferring both narrative information and data, States are able to upload specific instructions and information necessary to complete their plans.

4. Efforts to Identify Duplication

The MHBG application is primarily narrative and descriptive. States describe their systems of care, certain planned expenditures, services provided, and progress toward meeting the State's community-based mental health service goals. The Implementation Report, which includes State reporting on the URS Tables, is the only routine or uniform initiative collecting data of the type requested to provide a national picture of the public mental health system.

In revising the application, CMHS worked with a group of State stakeholders to identify and eliminate duplication of information collection across SAMHSA-funded initiatives and programs. It was determined that duplication existed with respect to: (1) requests for information regarding a specific list of transformation activities; and (2) the State-Level Reporting Capacity Checklist. Therefore, these requirements were revised or eliminated from the MHBG application.

5. Involvement of Small Entities

There is no small business involvement in this effort. The applications are prepared and submitted by State mental health authorities.

6. Consequences if Information is Collected Less Frequently

The legislation requires that States apply annually for MHBG funds and report annually on their accomplishments. Less frequent reporting would not comply with legislative requirements and would make it impossible for CMHS to award MHBG or monitor the States' use of their grants. In addition, Federal reporting requirements for reports to Congress, as well as intervening requirements for legislative testimony before Congress on specific mental health issues, require the availability of up-to-date information and data analyses.

7. Consistency with the Guidelines in 5 CFR 1320.5(d)(2)

This information fully complies with 5 CFR 1320.5(d)(2). If a respondent chooses not to use WebBGAS and submits an application in hard copy, the States is asked to submit an original and two copies to facilitate timely distribution to peer reviewers.

8. Consultation Outside the Agency

The notice required in 5 CFR 1320.8(d) was published in the Federal Register on January 28, 2008 (Vol. 73, No. 19, Page 5200).

The individual copies of public comments are provided at Attachment 2.

The Summary of Public Comments to the FRN with SAMHSA/CMHS Recommendations is provided at Attachment 3.

9. Payment to Respondents

No payments will be provided to respondents to participate.

10. Assurance of Confidentiality

The data-reporting component of this application collects only aggregate data. At this time, no client-level personal identifier information is reported to SAMHSA/CMHS. Therefore, an assurance of confidentiality is not provided to States. Once received by the contractor, the data is protected in a file server that is password protected. The raw data from States is entered into a database and released only to SAMHSA/CMHS and the States.

11. Questions of a Sensitive Nature

This application does not solicit information of a sensitive nature. It includes narrative and aggregate information to administer and monitor the CMHS MHBG program.

12. Estimates of Annualized Hour Burden

With the streamlining of information regarding State mental health transformation activities, elimination of URS Table 18, and other improvements to the MHBG application, the burden estimates are reduced by 15 (fifteen) hours per State from the 2008 estimate.

Application	No. Respondents	Responses/ Respondents	Burden/ Response (Hrs)	Total Burden	Hourly Wage Cost	Total Hour Cost
Plan Parts B-E						
1 Yr Plan	44	1	175	7700	$27	$207,900
2 Yr Plan	6	1	145	870	$27	$23,490
3 Yr Plan	9	1	105	945	$27	$25,515
Implementation Report	59	1	70	4130	$27	$111,510
URS Tables	59	1	35	2065	$27	$55,755
Total	59			15710		$424,170

13. Estimate of Total Annualized Cost Burden to Respondents

There are no capital or start-up costs associated with this activity. States submitting applications are expected to use existing retrieval software systems to perform the necessary data extraction and tabulation. In addition, no operating, maintenance or purchase of services costs will be incurred other than the usual and customary cost of doing business.

14. Estimates of Annualized Cost to the Government

The estimated annualized Federal cost to the government is $1,336,152. Of that amount, it is estimated that Federal staff time devoted to the oversight and analysis of this activity will be 5 Professional FT staff (Grade 13 step 5 @ $89,985 each = $449,790) and .5 FTE support staff (Grade 7 step 6 @ $47, 914 = $23,957), for a total of $473,747). In addition, a logistics contractor is used to facilitate the review and approval of the applications (transportation, rooms, meals and incidentals, duplicating, mailing, equipment and room rental, honorarium, conference calls and other costs for five (5) regional review panels). The total annual cost to the Federal government to review State applications and implementation reports is $862,405.03.

15. Changes in Burden

Currently there are 16,595 hours in the OMB inventory for the Mental Health Block Grant application process. The program is requesting to reduce the inventory by 885 hours to a total of 15,710. The decrease represents approximately 15 (fifteen) hours per State and is based on proposed revisions to the FY 2009-2011 application described above.

16. Time Schedule, Publication, and Analysis Plans

The following is a typical schedule of annual activities associated with the CMHS BG:

Activity	Date
State applications due to CMHS	September 1
Regional reviews of State plans	October – November
Implementation Reports due to CMHS	December 1
First quarter awards to States	December

17. Display of Expiration Date

The expiration date for OMB approval will be displayed.

18. Exception to Certification Statement

This information collection involves no exception to the Certification for Paperwork Reduction Act Submissions. The certifications are included in this submission.

B. Collection of Information Employing Statistical Methods

This information collection does not involve statistical methods.

List of Attachments

1. PART Rating
2. Individual Copies of Public Comments
3. Summary of Public Comments
4. 2009-2011 Application Guidance & Instructions
5. Commissioner Transmittal Letter