

SUPPORTING STATEMENT

Uniform Application for the Community Mental Health Services Block Grant and Substance Abuse and Prevention Treatment Block Grant FY 2012- 2013 Application Guidance and Instructions

A. Justification

1. Circumstances of Information Collection

The Substance Abuse and Mental Health Services Administration (SAMHSA), is requesting approval from the Office of Management and Budget (OMB) for a revision of the 2012 and 2013 Community Mental Health Services Block Grant (MHSBG) and Substance Abuse Prevention and Treatment Block Grant (SAPTBG) Guidance and Instructions into one uniform block grant application. To minimize the burden, the two separate clearances for the block grant applications (SAPTBG OMB No. 0930-0080; expires 7/31/13) will be merged into the MHSBG, OMB No. 0930-0168, which expires on 8/31/11.

Title XIX, Part B of the Public Health Service Act (PHS Act), as amended, establishes the MHSBG and SAPTBG programs. Under sections 1917(42 USC 300x-6), Application for MHSBG plan is received by the Secretary no later than September 1 of the fiscal year prior to the fiscal year for which a State or Jurisdiction (here after referred to as States) is seeking funds, and the report from the previous fiscal year as required under section 1941 is received by December 1 of the fiscal year of the grant.

Section 1932 (42 USC 300x-32) requires States and Jurisdictions (here after referred to as “States”) to submit their respective SAPTBG applications no later than October 1 of the fiscal year for which they are seeking funds.

In 1981 the Federal Government envisioned a new way of providing assistance to States for an assortment of services including substance abuse and mental health. Termed Block Grants, these grants were originally designed to give States maximum flexibility in the use of the funds to address the multiple needs of their populations. This flexibility was given in exchange for reductions in the overall amount of funding available to any given State. Over time, a few requirements were added by Congress directing the States’ use of these funds in a variety of ways. Currently, flexibility is given to allow States to address their unique issues. However, while there will continue to be flexibility in the block grants, additional information will be requested to ensure services are cost-effective, evidenced-based, and are responsive to the changing health care systems, laws, knowledge and conditions have been included. Today, more direction is needed to assure that the Nation’s behavioral health system is providing the best and

most cost effective care possible, based on the best possible evidence, and tracking the quality and outcome of services so impact can be reported and improvements can be made as science and circumstances change.

From their inception, some assumptions about the nature and use of Block Grants have evolved. Over time, Block Grants have gained a reputation as a mechanism to allow States unrestricted flexibility without strong accountability measures. In the meantime, the field of behavioral health has developed newer, innovative, and evidence-based services that have gone unfunded or without widespread adoption. This “science to service” lag and a lack of adequate and consistent person-level data have resulted in questions from stakeholders and policy makers, including Congress and OMB, as to the effectiveness and accountability achieved through SAMHSA’s Block Grants.

The SAPTBG and the MHSBG differ on a number of their practices (e.g., data collection at individual or aggregate levels) and statutory authorities (e.g., method of calculating MOE, stakeholder input requirements for planning, set asides for specific populations or programs, etc.). Historically, the Centers within SAMHSA that administer these Block Grants have had different approaches to application requirements and reporting. To compound this variation, States have different structures for accepting, planning, and accounting for the Block Grants and the Prevention Set Aside within the SAPTBG. As a result, how these dollars are spent and what is known about the services and clients that receive these funds varies by Block Grant and by State.

National economic conditions, a growing prevention science, and healthcare reform create a dynamic critical for SAMHSA to address. Furthermore, the Mental Health Parity and Addictions Equity Act (MHPAEA) significantly enhances access to behavioral health services for millions of Americans, including treatment and other services for persons with or at risk of mental and substance use disorders. These factors will increase the nation’s ability to close service gaps that have existed for decades for far too many individuals and their families.

In 2014 more individuals will be eligible for Medicaid and private insurance. This expansion of health insurance coverage will have a significant impact on how State Mental Health Authorities (SMHAs) and State Substance Abuse Authorities (SSAs) use their limited resources. In 2009, more than 39 percent of individuals with serious mental illnesses (SMI) or serious emotional disturbances (SED) were uninsured. Sixty percent of individuals with substance use disorders whose treatment and recovery support services were supported wholly or in part by SAMHSA Block Grant funds were also uninsured. A substantial proportion of this population, as many as six million people, will gain health insurance coverage in 2014 and will have various outpatient and other services covered either through Medicaid, Medicare, or private insurance. However, these plans will not provide access to the full range of support services necessary to achieve and maintain recovery for most of these individuals and their families.

Given the changes that will occur over the next several years, SAMHSA proposes that Block Grant funds be directed toward four purposes: 1) to fund priority treatment and support services for individuals without insurance or who cycle in and out of health insurance coverage; 2) to fund those priority treatment and support services not covered by Medicaid, Medicare or private insurance offered through the exchanges and that demonstrate success in improving outcomes and/or supporting recovery; 3) to fund universal, selective and targeted prevention activities and services; and 4) to collect performance and outcome data to determine the ongoing effectiveness of behavioral health prevention, treatment and recovery support services and to plan the implementation of new services on a nationwide basis.

SAMHSA needs to begin planning now for the significant change in the health insurance market that will begin when critical provisions of the Affordable Care Act go into effect in FY 2014; therefore, SAMHSA intends to use FY 2012 and 2013 to work with States to plan for and transition the Block Grants to these four purposes. This transition includes fully exercising SAMHSA's existing authority regarding States' use of Block Grant funds, and a shift in SAMHSA staff functions to support and provide technical assistance for States receiving Block Grant funds as they move through these changes.

To help States meet the challenges of 2014 and beyond, and to foster a good and modern mental health and addiction system, SAMHSA must establish standards and expectations that will lead to an improved system of care for individuals with or at risk of mental and substance use disorders. The Department must also spend more time assisting States in building and maintaining more effective behavioral health systems for prevention, treatment, services and recovery supports that are aligned with a good and modern service system. Based on the critical issues outlined above, SAMHSA is requesting approval of this application and guidance for FY 2012-2013.

Application Overview

Consistent with previous applications, the FY 2012-2013 application has sections that are required and other sections where additional information is requested, but not required. Opting not to provide additional information that is requested but not required will not affect State funding in any way (amount or timeliness of payment). The FY 2012-2013 application requires States to submit a face sheet, a table of contents, a behavioral health assessment and plan, reports of expenditures and persons served, executive summary, and funding agreements and certifications. In addition, SAMHSA is requesting information on key areas that are critical to their success to address health reform and parity.

While States are encouraged but not required to submit a single application, they will be encouraged to submit a combined plan for any funds used for the treatment of persons with a co-occurring mental and substance use disorder. States will also be encouraged to submit a combined plan for primary/behavioral health care integration and recovery support services.

Opting not to submit a combined application will not affect State funding in any way (amount or timeliness of payment).

States are required to use forms approved by the Office of Management and Budget and to submit the application in a specified time period. The new Block Grant application changes the timeframes in which States will submit applications and report progress on their goals and measures. Although the statutory deadlines remain unchanged, SAMHSA is urging States to submit their application(s) in accordance with the time frames set out in the application guidance. SAMHSA believes that plans should be developed in line with State fiscal years and that information provided in the reports should reflect State fiscal year data as well. The application will gradually change the time period for when it is due to accommodate this shift beginning with Federal fiscal year 2012. For applications for fiscal year 2014, plans covering the period July 1, 2013 through June 30, 2015 are to be submitted by April 1, 2013. The annual report for Federal fiscal year 2014 funding will be due on December 1, 2014 and cover the period July 1, 2013 through June 30, 2014 and the report for Federal fiscal year 2015 funding will be due on December 1, 2015 and cover the period July 1, 2014 through June 30, 2015.

| Application(s) for FFY | Plan Due | Planning Period | Reports and Assurance Due | Reporting Period |
|------------------------|----------|-------------------|---------------------------|-------------------|
| 2012 | 9/1/2011 | 10/1/11 – 6/30/13 | 12/1/11 | 10/1/10 – 9/30/11 |
| 2013 | * | * | 12/1/12 | 7/1/11 – 6/30/12 |
| 2014 | 4/1/13 | 7/1/13 – 6/30/15 | 12/1/13 | 7/1/12 – 6/30/13 |
| 2015 | * | * | 12/1/14 | 7/1/13 – 6/30/14 |
| 2016 | 4/1/15 | 7/1/15 – 6/30/17 | 12/1/15 | 7/1/14 - 6/30/15 |
| 2017 | * | * | 12/1/16 | 7/1/15 – 6/30/16 |

The application requires the States under both programs to set goals and quantifiable and measurable objectives to be achieved over the length of the plan. Such goals and objectives are to be based on the assessment that the State has conducted and a review of its current capacity and resources. The objectives are to be accompanied by activities that the State will undertake to meet those objectives. In the case of objectives that will take longer than one year to achieve, the State is to set milestones to reach along the way. The milestones give both the State and SAMHSA an opportunity to revisit the objectives and or the activities being carried out to achieve the objectives to ensure that they will be met. It also offers an opportunity for SAMHSA to provide or secure needed technical assistance for the State if desired.

SAMHSA believes that requiring States to submit plans for their mental health and addictions systems is in keeping with SAMHSA's governance of Federal funds to require States to explain what their objectives are in the use of the funds and how they intend to spend them. Having the States submit a plan including performance measures allows SAMHSA to hold the States accountable for what they said they would do. It is SAMHSA's understanding, after consulting with States, that most States already develop such a plan for substance use services for their State legislatures.

The application also includes the State annual report. Section 96.122(h) requires the State to submit an annual report for both the MHSBG and the SAPTBG to the Secretary as part of the application that, among other things, addresses the State's progress in meeting the objectives in the State plan. The report includes information to ensure that the State carried out its obligations as stipulated in the statute and the regulation. All the information provided will be according to most States fiscal year (July 1 through June 30th of the following year). Changing this report in period will only affect the SAPTBG that currently requests information to be reported by federal fiscal year.

As a condition of receipt of MHSBG funds, States have been required to establish Planning and Advisory Councils with regard to mental health. Beginning in FY 2012, States will be encouraged to have a planning and advisory council for the SAPTBG. It is SAMHSA's belief that communication among all parties and in particular consumers and family members of consumers is important to the development of State plans and reports not just for mental health but for substance use as well. SAMHSA's support for such participation and coordination is based on its experience in the development of program strategies for mental health and substance abuse. As the landscape changes with regard to the provision of services, behavioral health will continue to benefit from cooperative efforts with other agencies and from the input of the very people who receive such services. The Council offers yet another opportunity to foster coordination between the fields of mental health and substance use treatment, as well as integration of behavioral health into the primary health care system. The SAMHSA wishes to clarify that the purpose of the council is to remain focused on both mental health and substance use.

2. Purpose and Use of Information

SAMHSA's SAPTBG and MHSBG are designed to provide States with the flexibility to design and implement activities and services to address the complex needs of individuals, families, and communities impacted by mental disorders, substance use disorders and associated problems. The goals of the Block Grant programs are consistent with SAMHSA's vision for a high-quality, self-directed, and satisfying life in the community for everyone in America. This life in the community includes:

- a) A physically and emotionally healthy lifestyle (**health**);
- b) A stable, safe and supportive place to live (a **home**);
- c) Meaningful daily activities such as a job, school, volunteerism, family caretaking, or creative endeavors and the independence, income, and resources to participate in society (a **purpose**); and,
- d) Relationships and social networks that provide support, friendship, love, and hope (a **community**).

Additional aims of the Block Grant programs reflect SAMHSA's overall mission and values, specifically:

- To promote participation by people with mental and substance use disorders in shared decision making and self direction of their services and supports.
- To ensure access to effective culturally and linguistically competent services for underserved populations including Tribes, racial and ethnic minorities, and LGBT.
- To promote recovery, resiliency and community integration for adults with serious mental illness and children with serious emotional disturbances and their families.
- To increase accountability for behavioral health services through uniform reporting on access, quality, and outcomes of services.
- To prevent the use, misuse, and abuse of alcohol, tobacco products, illicit drugs, and prescription medications.
- To conduct outreach to encourage individuals injecting or using illicit and/or licit drugs to seek and receive treatment (See 42 U.S.C 300x-23(b)).
- To provide HIV prevention as early intervention services at the sites at which individuals receive substance use disorder treatment services.
- To coordinate behavioral health prevention, early identification, treatment and recovery support services with other health and social services.
- To increase accountability for prevention, early identification, treatment and recovery support activities through uniform reporting regarding substance use and abstinence, criminal justice involvement, education, employment, housing, and recovery support services.

- To ensure access to a comprehensive system of care, including education, employment, housing, case management, rehabilitation, dental services, and health services, as well as behavioral health services and supports.

These goals are significant drivers in the revised Block Grant application(s). SAMHSA's and other Federal agencies' focus on accountability, person directed care, family-driven care for children and youth, underserved minority populations, Tribal sovereignty, and comprehensive planning across health and specialty care services are reflected in these goals. States should use these aims as drivers in developing their application(s).

SAMHSA envisions a new generation of Block Grants that will be used by States for prevention, recovery supports and other services that will supplement services covered by Medicaid and private insurance. SAMHSA needs to begin planning now for the FY 2014 when more persons will be covered by Medicaid or private insurance. This expansion of health insurance coverage will require that SAMHSA use FY 2011, 2012 and 2013 to work with States to plan for and transition the Block Grants to these four purposes. This transition includes fully exercising SAMHSA's existing authority regarding States' use of Block Grant funds, and a shift in SAMHSA staff functions to support and provide technical assistance for States receiving Block Grant funds, as they move through these changes.

Proposed Revisions

To facilitate an efficient application process for States in FY 2012-2013, within SAMHSA convened an internal workgroup to develop the application for the Block Grant planning section. In addition, SAMHSA consulted with representatives from the State mental health and State substance abuse authorities to receive input regarding proposed changes to the Block Grant.

As indicated in the previous section, the proposed revisions change the State plan section of the application. The proposed revisions affect those sections that are statutorily required. Specifically States are required to submit a face sheet, a table of contents, a needs assessment and a plan. Specifically Sections 3.b is a required State plan section. The proposed changes to the required sections are described below:

- ***Changes to the assessment and planning activities***—The assessment and planning activities are different from previous years. Under the previous SAPTBG States were requested to address the seventeen national goals. Some of the goals were population specific, while others were service specific. The MHSBG required States to address a set of criterion for children with serious emotional disturbances and adults with serious mental illness. While both Block Grants required States to do an assessment and plan, it did not always allow the State or SAMHSA to obtain an overall picture of the State's behavioral health needs and to incorporate consistent priorities and planning activities especially for individuals with a co-occurring mental and substance use disorder. States

are requested to submit a comprehensive plan which addresses the national and state system goals and priorities.

The revised Block Grant application asks States to identify and analyze the strengths, needs, and priorities of the State's behavioral health system. States are expected to take into account the priorities for the specific populations that are the current focus of the Block Grants, the changing health care environment and SAMHSA's strategic initiatives. The focus of SAMHSA's Block Grant programs has not changed significantly over the past 20 years. While many of these populations originally targeted for the Block Grants are still a priority, additional populations have evolving needs that must be addressed. These include military families, youth who need substance use disorder services, individuals who experience trauma, increased numbers of individuals released from correctional facilities, and lesbian, gay, bi-sexual and transgender (LGBT) individuals. The plan required in the Block Grant application must address the statutory populations (as appropriate for each Block Grant).

In addition to the required populations, SAMHSA is requesting, but not requiring States to include other populations in their planning efforts. In particular, States should begin planning now for individuals with low-incomes who are uninsured. Many of these individuals will be covered by Medicaid or private insurance in FY 2014 and will present new opportunities for behavioral health systems to expand access and capacity. In addition, States should identify who will not be covered after FY as well as those whose coverage may be insufficient, and how federal funds will be used to support these individuals who may need treatment and supports.

SAMHSA is encouraging SMHAs and SSAs to develop and submit a combined plan to address the common areas below:

- Bi-directional integration of behavioral health and primary care services;
- Provision of recovery support services for individuals with mental or substance use disorders.

In addition, SAMHSA is also requesting a combined plan for any funds used for the provision of services for individuals with co-occurring mental and substance use disorders. For States that have separate mental health and substance abuse agencies, the combined plan for these activities should be included in both the State MHSBG and SAPTBG applications. The new Block Grant application requires States to follow the following planning steps:

- Step One: Assess the strengths and needs of the service system to address the specific populations. This will include a description of the organization of the current public system, the roles of the state, county, and localities in the provision of service and the ability of the system to address diverse needs.
- Step Two: Identify the unmet service needs and critical gaps within the current system.

Included in this step is the identification of data sources used to determine the needs and gaps for the populations identified as a priority.

- Step Three: Prioritize State planning activities. Given the information in Step 2, the States will prioritize the target populations as appropriate for each Block Grant as well as other priority populations as determined by the State.
- Step Four: Develop goals, strategies and performance indicators. For each of the priorities identified in Step 3, the state will identify at least one goal, strategies to reach that goal, and the performance indicators to be examined over the next two years.

In addition to the planning steps, SAMHSA is requesting that States provide information regarding a variety of activities that will be instrumental in addressing health reform and parity. Specifically Sections 3.c-n of the revised Block Grant application requests but does not require additional information from States in their planning section. Opting not to provide additional information that is requested but not required will not affect State funding in any way (amount or timeliness of payment). Specifically, States are requested to provide the following information:

- ***Information on the Use of Block Grant Dollars for Block Grant Activities***—States should project how Block Grant funds will be used to provide services for the target populations or areas identified in their plans for States that have a combined MHSBG and SAPTBG application. SAMHSA encourages States to use MHSBG and SAPTBG funds to support their or other agencies' efforts to develop reimbursement strategies that support innovation. For example, States could use Block Grant funds to support various demonstration projects through other federal programs (Medicaid, HUD, Veterans Affairs). The new Block Grant application asks States to describe their overall reimbursement approach for services purchased with MHSBG and SAPTBG funds. States must identify the reimbursement methodology proposed for each service, prevention and emotional health development strategy, and system improvement. States are requested to project their expenditures under the MHSBG and the SAPTBG for treatment and support services.
- ***Information on Activities that Support Individuals in Directing the Services***—In the new Block Grant application, States are asked to provide information regarding policies and programs that allow individuals with mental illness and/or substance use disorder to direct their own care.
- ***Information on Data and Information Technology***—SAMHSA is requesting States to provide unique client level encounter data for specific services that are purchased with Block Grant funds. States will be requested to complete the service utilization table in the Reporting Section of the Application. Specifically, States will be asked to provide information on the number of unduplicated individuals by each service purchased with Block Grant Funds. If the State is currently unable to provide unique client level data

for any part of its behavioral health system, the State is requested to describe in the Block Grant application their plan, process, resources needed and timeline for developing such capacity.

- ***Description of State's Quality Improvement Reporting***--States are asked to attach their current quality improvement plan to their Block Grant application.
- ***Description of State's Consultation with Tribes***—SAMHSA is required by the 2009 Memorandum on Tribal Consultation to submit plans on how it is to engage in regular and meaningful consultation and collaboration with tribal officials in the development of Federal policies that have Tribal implications. SAMHSA is requesting that States provide a description of how they consulted with Tribes in their State. This description should indicate how concerns of the Tribes were addressed in the State Block Grant plan(s). States shall not require any Tribe to waive its sovereign immunity in order to receive funds or in order for services to be provided for Tribal members on Tribal lands.
- ***Description of State's Service Management Strategies***—SAMHSA, similar to other public and private payers of behavioral health services, seeks to ensure that services purchased under the Block Grant are provided to individuals in the right scope, amount and duration. The Block Grant application asks States to describe the processes that they will employ over the next planning period to identify trends in over/underutilization of SAPTBG or MHSBG funded services. They must also describe the strategies that they will deploy to address these utilization issues. SAMHSA is also requesting the States to describe the resources needed to implement utilization management strategies and the timeframes for implementing these strategies.
- ***Development of State Dashboards***—An important change to the administration of the MHSBG and SAPTBG is the creation of State dashboards on key performance indicators. SAMHSA is considering developing an incentive program for States based on a set of state-specific and national dashboard indicators. National dashboard indicators will be based on outcome and performance measures that will be developed by SAMHSA in FY 2011. For FY 2012, States will be requested to identify a set of state-specific performance measures for this incentive program. In addition, SAMHSA will identify several national indicators to supplement the state-specific measures for the incentive program. The State, in consultation with SAMHSA, will establish a baseline in the first year of the planning cycle and identify the thresholds for performance in the subsequent year. The State will also propose the instrument used to measure the change in performance for the subsequent year. The State dashboards will be used to determine if States receive an incentive based on performance. SAMHSA is considering a variety of incentive options for this dashboard program and will seek input from States on the options.

- ***Information of State’s Suicide Prevention Plan***—As an attachment to the Block Grant application(s), States are requested to provide the most recent copy of their suicide prevention plan. If a State does not have a suicide prevention plan, or if it has not been updated in the past three years, States are requested to describe when they will create or update their plan.
- ***Identification of Technical Assistance Needs***—States are requested to describe the data and technical assistance needs identified by the State during the process of developing this plan that will be needed or helpful to implement the proposed plan.
- ***Process for Comment on State Plan***—Current statute requires that, as a condition of the funding agreement for the grant, States will provide opportunity for the public to comment on the State plan. In the application States are asked to describe their efforts and procedures to obtain public comment on the State plan.
- ***Description of Processes to Involve Individuals and Families***--In the Block Grant application States are requested to describe their efforts to actively engage individuals and families in developing, implementing and monitoring the State mental health and substance abuse systems.
- ***Description of the Use of Technology***--Interactive Communication Technologies (ICTs) are being more frequently used to deliver various health care services. In the Block Grant application, States are requested to provide information on their use or planned use of ICTs.
- ***Process for Obtaining Support of State Partners***--The success of a State’s MHSBG and SAPTBG will rely heavily on the strategic partnership that SMHAs and SSAs have or will develop with other health, social services, education and other State and local governmental entities. States are requested to identify these partners in their Block Grant application and describe the roles they will play in assisting the State to implement the priorities identified in the plan. SAMHSA is requesting States to provide a letter of support indicating agreement with the description of their role and collaboration with the SSA and/or SMHA and other State agencies (e.g. State education authority(ies), the State Medicaid agency, etc.)
- ***Description of State Behavioral Health Advisory Council***--Each State is required to establish and maintain a State advisory council for services for individuals with a mental disorder. SAMHSA strongly encourages States to expand and use the same council to advise and consult regarding issues and services for persons with or at risk of substance abuse and substance use disorders as well.

Summary of Changes as a Result of the Federal Register Notice.

On April 11, 2011 a Federal Register Notice was posted to obtain comments on the proposed collection of information sought through the revised application for the SAPTBG and the MHSBG. In total, 772 comments from 522 individuals or organizations were received. The comments were 1) supportive of the changes proposed to the FY 2012-2013 Block Grant Application, 2) requested clarification regarding certain areas or 3) requested specific changes to the Block Grant Application. The most frequent comments in support of the revised Block Grant application focused on the following areas:

- Allowing States to submit a bi-annual plan instead of an annual plan.
- Having a standard format for both the MHSBG and SAPTBG.
- SAMHSA's efforts to encourage States to use the revised Block Grant application process to be better prepared to respond to several major federal initiatives.
- Focus on planning for populations that are uninsured and below 133% of the federal poverty level that may become insured in FY 2014.
- Inclusion of family involvement, tribal consultation and a focus on the provision of recovery support services.
- Commending SAMHSA on including adolescents as a target group that States can include in their needs assessment and State Plan.

The most frequent comments seeking clarification in the revised Block Grant application focused on the following areas:

- Requesting clarification on the sections of the Block Grant application that were required versus requested.
- Requesting that SAMHSA provide States flexibility regarding the submission of Block Grant applications post the statutory submission given the compressed timeframes.
- Requesting assurances that SAMHSA will not disapprove a State Plan or payment that did not include the requested information in the block grant application.
- Clarification that SAMHSA is not consolidating the MHSBG and SAPTBG funds.
- Requesting definitions and procedure codes for the services that are included in Table 5 of the State Plan document and the reporting sections.
- Additional clarification regarding the process to develop dashboard measures for States and the proposed incentive program.
- Additional clarification and technical assistance regarding strategies to perform formal Tribal consultation.
- Comments regarding SAMHSA's proposed FY 2012 budget and the creation of State Prevention Grants. The comments were not in support of the FY 2012 proposal. While these were important comments that were not relevant to the FRN regarding the changes in the Block grant application.

During the 60 day review period SAMHSA conducted fourteen teleconferences to review the changes to the MHSBG and SAPTBG with State Substance Abuse authorities, State Mental Health Authorities and other stakeholders. SAMHSA also did a significant public outreach

effort to solicit comments on the revised block grant application through announcements in various periodicals, trade association materials and prominently displayed the FRN and the application on the SAMHSA website.

Based on the comments received through the Federal Register Notice, SAMHSA has made changes to the revised block grant application. These changes include:

- Clarifying which sections of the block grant application are required to be submitted as part of the State Plan and which sections SAMHSA is requesting, but not requiring States to submit. SAMHSA continues to strongly encourage States to submit this information. This will allow SAMHSA to understand the Applicant State's efforts and identify how it can assist the applicant State meet its goals in a changing environment. In addition, this information will identify States that are models and assist other States with areas of common concern.
- Clarify to States that not submitting this information will not change SAMHSA's approval of their Plan or payment, States are strongly encouraged to submit as much as they can so the nation as a whole will have a complete picture of needs of individuals with behavioral health conditions as well as the innovative approaches States are undertaking in these areas as well as the barriers they encounter to design and implement important policies and programs.
- Require information on State's Maintenance of Effort to be included in the plan rather than the reporting section. States provided this information in their plans in previous years.
- Provided some additional clarity regarding specific sections of the plan in the following areas: Data and Information Technology, consultation with Tribes, Support of State Partners, and State behavioral Health Advisory Council.
- Provided additional clarification on specific sections of the reporting section for the MHBG and SABG.

3. Use of Information Technology

The uniform application instructions and guidance will be available to all States through the SAMHSA/MHBG website at www.mhbg.samhsa.gov. The FY 2012-2013 guidance will again request that States submit applications using the web-based application process, called Web Block Grant Application System (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.

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.

4. Efforts to Identify Duplication

The Uniform 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 and substance use disorder service goals. The Report sections, which includes State mental health reporting on the URS Tables, and state substance use disorder reporting through TEDS is the only routine or uniform initiative collecting data of the type requested to provide a national picture of the public mental and substance use disorder system.

5. Involvement of Small Entities

There is no small business involvement in this effort. The applications are prepared and submitted by States.

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 SAMHSA 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.

The authorizing legislation and implementing regulation requires States to apply annually for SAPT Block Grant funds and to report annually on SAPT Block Grant activities and services and the purposes for which the SAPT Block Grant funds were expended. Less frequent reporting would be in violation of the authorizing legislation and would also result in difficulty linking activities with fiscal year funding. Internal control processes and program management requirements are addressed through the collection, database management, and analysis of information collected in this application. Federal reporting requirements for reports to Congress, as well as intervening requirements for legislative testimony before Congress covering specific issues regarding the prevention of substance abuse and the treatment of substance use disorders, require the availability of up-to-date information. Without submission of an annual report and intended use (State) plan in accordance with regulations published by the Secretary, SAPT Block Grant awards cannot be made available to the States.

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

This information fully complies with 5 CFR 1320.5(d)(2).

8. Consultation Outside the Agency

The notice required in 5 CFR 1320.8(d) was published in the Federal Register on April 11, 2011 (Vol. 76, Page 19999).

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

The Summary of Public Comments to the FRN with SAMHSA recommendations is provided at Attachment C.

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. 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 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 Block Grant program.

12. Estimates of Annualized Hour Burden

The estimated annualized burden for the uniform application is 37, 429 hours. Burden estimates are broken out in the following tables showing burden separately for Year 1 and Year 2. Year 1 includes the estimates of burden for the uniform application and annual reporting; Year 2 includes the estimates of burden for the application update and annual reporting. The reporting burden remains constant for both years.

Table 1. Estimates of application and reporting burden for Year 1:

| Application | No. | Responses/ | Burden/ | Total Burden | Hourly | Total Hour |
|-------------|-----|------------|---------|--------------|--------|------------|
|-------------|-----|------------|---------|--------------|--------|------------|

| Element | Respondents | Respondents | Response (Hours) | | Wage Cost | Cost |
|------------------------------------|------------------------|-------------|------------------|---------------|-----------|--------------------|
| Application Burden: | | | | | | |
| Yr One Plan (separate submissions) | 30 (CMHS) 30 (SAPT) | 1 | 282 | 16,920 | \$35 | \$592,200 |
| Yr One Plan (combined submission) | 30 | 1 | 282 | 8,460 | \$35 | \$296,100 |
| Application Sub-total | 60 | | | 25,380 | | \$888,300 |
| Reporting Burden: | | | | | | |
| MHBG Report | 59 | 1 | 186 | 10,974 | \$35 | \$384,090 |
| URS Tables | 59 | 1 | 35 | 2,065 | \$35 | \$72,275 |
| SAPTBG Report | 60 ¹ | 1 | 186 | 11,160 | \$35 | \$390,600 |
| Table 5 | 15 ² | 1 | 4 | 60 | \$35 | \$2,100 |
| Reporting Subtotal | 60 | | | 24,259 | | \$849,065 |
| Total | 119 | | | 49,639 | | \$1,737,365 |

1Redlake Band of the Chippewa Indians from MN receives a grant.

2Only 15 States have a management capacity to complete Table 5.

Table 2. Estimates of application and reporting burden for Year 2:

| Application Element | No. Respondents | Responses/ Respondents | Burden/ Response (Hours) | Total Burden | Hourly Wage Cost | Total Hour Cost |
|------------------------------|-----------------|------------------------|--------------------------|--------------|------------------|-----------------|
| Application Burden: | | | | | | |
| Yr Two Plan | 24 | 1 | 40 | 960 | \$35 | \$33,600 |
| Application Sub-total | 24 | | | 960 | | \$33,600 |
| Reporting Burden: | | | | | | |
| MHBG Report | 59 | 1 | 186 | 10,974 | \$35 | \$384,090 |

| | | | | | | |
|---------------------------|------------|---|-----|---------------|------|------------------|
| URS Tables | 59 | 1 | 35 | 2,065 | \$35 | \$72,275 |
| SAPTBG Report | 60 | 1 | 186 | 11,160 | \$35 | \$390,600 |
| Table 5 | 15 | 1 | 4 | 60 | \$35 | \$2,100 |
| Reporting Subtotal | 60 | | | 24,259 | | \$849,065 |
| Total | 119 | | | 25,219 | | \$882,665 |

The total annualized burden for the application and reporting is 37,429 hours (49,639 + 25,219 = 74,858/2 years = 37,429).

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

(a) Staff support for regulation interpretation and enforcement:

| | | |
|----------|---|------------------|
| OGC | (1) GS -14/6 (\$119,844) x .15 hours = | \$ 17,977 |
| BG Staff | (3) GS – 14/6 (\$119,844) x .50 hours = | <u>\$179,766</u> |

Total Cost: \$197,743

(b) Staff support for application review, compliance monitoring, technical assistance and inquiries:

| | | |
|----------|--|--------------------|
| BG Staff | (34) GS – 13/5 (\$100,904) x .50 hours = | \$1,715,368 |
|----------|--|--------------------|

15. Changes in Burden

Currently the MHSBG has 15,710 and the SAPTBG has 33,325 burden hours in the OMB Inventory; a total of 49,035. SAMHSA is now requesting 37,429 total burden hours. The decrease of 11,606 hours is due to a program change.

16. Time Schedule, Publication, and Analysis Plans

The FFY 2012 MHSBG and SAPTBG Block Grant application will be due on 10/1/2011 and

will be for a twenty-one month period (10/1/11-6/30/13) to align with the State fiscal year budget cycle. The subsequent Block Grant applications will be due on 4/1/13 for a two year period (SFY 14 and 15).

In order for the Secretary of the U.S. Department of Health and Human Services, acting through the Administrator of SAMHSA, to make an award under the programs involved, States must submit an application, prepared in accordance with the authorizing legislation, implementing regulation, and guidance, for the Federal fiscal year for which a State is seeking funds. The funds awarded will be available for obligation and expenditures¹ to plan, carry out, and evaluate activities and services Described in the plan.

A grant may be awarded only if an application submitted by a State includes a State Plan (^{2, 3}) in such form and containing such information including, but not limited to, detailed provisions for complying with each funding agreement for a grant under section 1911 of Title XIX, Part B, Subpart I of the Public Health Service (PHS) Act or section 1921 of Title XIX, Part B, Subpart II of the PHS Act that is applicable to a State. This State Plan should include a description of the manner in which the State intends to obligate the grant. The State Plan must include a report (⁴) in such form and containing such information as the Secretary determines to be necessary for securing a record and a description of the purposes for which the grant was expended. The State Plan should also describe the activities and services purchased by the States under the program involved and a description of the recipients and amounts provided in the grant. States will have the option of updating their plans during the two year planning cycle.

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.

1 Title XIX, Part B, Subpart III of the Public Health Service Act (42 U.S.C. § 300x-52)

2 Section 1912 of Title XIX, Part B, Subpart I of the Public Health Service Act (42 U.S.C. § 300x-2)

3 Section 1932(b) of Title XIX, Part B, Subpart II of the Public Health Service Act (42 U.S.C. § 300x-32(b))

4 Section 1942(a) of Title XIX, Part B, Subpart III of the Public Health Service Act (42 U.S.C. § 300x-52(a))

List of Attachments

A. 2012-2013 Application Guidance & Instructions

B. Public Comments

Below is a link to all of the comments SAMHSA received during the 60-day comment period on the Mental Health and Substance Abuse Prevention and Treatment Block Grant Application, http://www.samhsa.gov/grants/blockgrant/bgComments6_17_11.pdf

C. Summary of Public Comments