

Leveraging Federal Recovery Money to Maintain and Expand Health Center Services and Partnerships

Substance Use and Mental Health Services Administration (SAMHSA)

States and localities have significant new funding via the **CARES Act** and the **American Rescue Plan (ARPA)**. Health Centers are experts on new HRSA funding, but there are also new federal Department of Housing Urban Development (HUD) Funds, new Public Health Funds via the Centers for Disease Control (CDC), Medicaid Home and Community Based Services (HCBS) funds via Centers for Medicare and Medicaid Services (CMS) and State Medicaid offices and new Behavioral Health related funds via the Substance Use and Mental Health Services Administration (SAMHSA). Many of these funds are targeted to similar populations served by Health Centers, and will assist with the targeting of individuals served by health centers at the community level.

This series of briefs will describe in detail the funding sources, the differing processes by which funding becomes available at the state and local level and the planning and stakeholder input process that each funding stream requires prior to awarding or implementing funds.

The goal of this brief is for a health center audience to understand these funding streams and award processes sufficiently so that they can:

1

Build or improve relationships with community partners who are awarded these funds

2

Support patients in accessing needed housing and services

3

Represent and share the voice of their community and patients through stakeholder processes

4

Consider applying for these funds or future funding allocations via these funding streams when mission is aligned.

New Funding, Purpose and Target Population

The CARES ACT and ARPA includes funding to strengthen public sector Mental Health and Substance Use services systems in states. For purposes of this brief, we will call these Behavioral Health (BH) services, though most states have separate systems and agencies that offer Substance Abuse versus Mental Health services. Evidenced based practices however, recommends an integrated approach to persons with behavioral health needs.¹ Behavioral health services include a variety of services including inpatient, outpatient, case management, detoxification, Medication Assisted Treatment (MAT) and Harm Reduction Services. The goal of these services is for community health and wellness as well as persons with these challenges living lives as fully integrated into their communities as they wish. Behavioral health needs for many people have skyrocketed during the pandemic², and in particular, the overdose crisis has worsened considerably.³

Behavioral Health services are primarily funded via Medicaid and most states use a managed care delivery system to offer behavioral health benefits. Federal law requires “mental health parity” meaning what services are available for physical health challenges, must also be offered at the same amount for behavioral health challenges. A few states California (CA), Michigan (MI), North Carolina (NC), Pennsylvania (PA) carve out behavioral health services, from their state’s physical health Medicaid program with either county based BH services (CA) or Managed Care Organizations (MCOs) (MI, NC, PA) focused solely on the behavioral health services.

States also receive block grant funds from the federal Substance Abuse and Mental Health Services Administration (SAMHSA) specifically for Mental Health and Substance Abuse services in communities.⁴ These block grant funds have a great deal of flexibility for how they are used as long as they are used to address the

behavioral health needs of persons with low incomes in the community. State program offices commonly have regulations noting which diagnoses qualify as ‘serious’ or ‘serious and persistent’ and as such person with these diagnoses are the primary focus for block grant services. Block grants are managed by state program offices that may also integrate mental health and substance use disorder services at the funding level. States may have a statewide, regional or county-based system to allocate these funds and develop system priorities. State Medicaid programs are required by law to offer basic inpatient and outpatient behavioral health care, but coverage of other specialty behavioral health services can differ between states.

Health centers over the past decade have increasingly offered outpatient behavioral health services, MAT and integrated physical and behavioral health care team models for complex populations. Specialty behavioral health services, such as Assertive Community Treatment (ACT), Intensive Case Management (ICM) or Intensive Outpatient Program (IOP) are more commonly offered by community mental health centers or behavioral health specialty agencies. Community Certified Behavioral Health Clinics (CCBHCs) is a more recent agency model in which agencies are funded by grants and SAMHSA to offer integrated, team based care for both physical health and behavioral health care to persons with serious behavioral health challenges.

1 <https://store.samhsa.gov/product/Integrated-Treatment-for-Co-Occurring-Disorders-Evidence-Based-Practices-EBP-KIT/SMA08-4366>

2 <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/>

3 <https://www.ama-assn.org/system/files/issue-brief-increases-in-opioid-related-overdose.pdf>

4 <https://www.samhsa.gov/grants/block-grants>

What Funding is Available?

CARES ACT

The CARES Act awarded SAMHSA \$4.25 billion dollars⁵ primarily to state mental health and substance abuse agencies to support their COVID response. Other programs awarded funds included Suicide Prevention Grants, Certified Community Behavioral Health Clinic (CCBHC) Expansion grants and Emergency grants to address Mental Health and Substance Use Disorders during COVID-19. State agencies were required to submit plans to SAMSHA regarding use of funds and plans were negotiated between SAMHSA and state agencies. SAMHSA has not made state plans public similar to CMS's process for their ARPA HCBS Program.

ARPA

The American Rescue Plan awarded SAMHSA \$3.56 billion dollars⁶ primarily to state mental health and substance abuse agencies to support their COVID recovery. Funds

are available through 9/30/2025.⁷ The funding also included additional expansion of the Certified Community Behavioral Health Clinic (CCBHC) program. As with CARES Act funding, state agencies were required to submit plans to SAMHSA regarding use of funds and plans were negotiated between SAMHSA and state agencies.

Health Centers, who serve persons with behavioral health challenges who may benefit from specialty behavioral health services would be advised to reach out to your state's agencies for behavioral health, mental health and/or substance abuse services to learn about your state's plan and priorities. States may also have a web site with the plan and its status with SAMHSA. Health centers may also research if their communities includes any CCBHCS and consider a partnership opportunity to best address community needs in an integrated manner.⁸ With that knowledge, each health center understand the new initiatives that will be in their communities due to these funds.

Who Decides About the Funding in My Community?

Final decisions for SAMHSA funding lives with the state office of Behavioral Health, which is commonly an integrated approach between Mental Health and Substance Abuse. Another common state structural model is to have separate Substance Abuse and Mental Health offices. States are required to have a designated state Mental Health and Substance Use offices that communicates regularly with the federal SAMHSA partners. SAMHSA keeps a list of and [State Substance](#)

[Abuse Services authorities](#). Moreover, because most behavioral health services are a component of a state's Medicaid program the state's Medicaid office may also be involved in some way. All these offices are commonly part of a state Department of Human Services or Department of Public Welfare. For the CARES and ARPA funding, states quickly activated their standard stakeholder engagement process and submitted plans based on that feedback.

Stakeholder Engagement Process

State Behavioral Health offices have a variety of stakeholder engagement processes that health centers can participate in to ensure that their patients have

access to the behavioral health services they need to remain living in the community. This process will differ state by state and the requirements from the federal

5 <https://www.samhsa.gov/sites/default/files/covid19-programs-funded-samhsa-fy21.pdf>

6 <https://www.samhsa.gov/sites/default/files/fy21-american-rescue-plan.pdf>

7 <https://www.samhsa.gov/newsroom/press-announcements/202105181200>

8 <https://www.thenationalcouncil.org/ccbh-success-center/ccbh-locator/>

government are not as prescriptive as with the state Medicaid program. States commonly have a variety of stakeholder engagement groups that gather information to inform state decisions. State groups may be focused on the perspective of:

- + Participants, family members and other advocates
- + Providers
- + Managed Care

States may have in person meetings and discussions or hold ‘Virtual Town Halls’, where advocates can sign up to speak, or submit written testimony. Health Centers will need to organize the perspective of their patients, to amplify their voices. The work will be similar to the work with the HCBS funding, though the audiences will differ.

HOW HEALTH CENTERS CAN GET INVOLVED:

- ☑ **Ensure** that your policy person or Primary Care Association (PCA) is connected to your state’s stakeholder engagement processes. Health Center leadership should have a way to learn about these processes and contribute to the conversations. Staff should be signed up for list serve notifications, attends meetings, shares notes with within teams and develop other ways for health centers to learn what opportunities are available. Such opportunities may be direct funding for health center activities or services offered by other community agencies that would support health center patients’ behavioral health.

- ☑ **Develop** a process to support your patients to be advocates within your state’s Behavioral Health program to ensure that plans and programming is centered on People with Lived Expertise (PLE).
- ☑ **Annually**, develop an advocacy agenda based upon what you learn from engaging your patient populations. Use that to guide efforts in your community and with those in power around these issues.
- ☑ **When** feedback from stakeholders is requested, submit public comments.
- ☑ **Create** relationships and partnerships with key stakeholders who are engaged on these issues. Share what you are learning from your patients about behavioral health needs in your community and share your advocacy agenda.
- ☑ **The** federal government to states for expanded housing has allocated significant new funding and community based resources. Health centers have an opportunity to create new partnerships, learn and build a network in this sector and support their communities in new and unique ways to address the whole person needs of the people and communities they serve.

Significant new funding has been allocated by the federal government to states for expanded behavioral health resources. Health centers have an opportunity to create new partnerships, learn and build a network in this sector and support their communities in new and unique ways to address the whole person needs of the people and communities they serve.



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HRSA Disclaimer: This publication is supported by the Health Resources and Services Administration (HRSA) of the U.S. Department of Health and Human Services (HHS) as part of an award totaling \$137,500 with 0 percentage financed with non-governmental sources. The contents are those of the author(s) and do not necessarily represent the official views of, nor an endorsement by, HRSA, HHS, or the U.S. Government. For more information, please visit HRSA.gov.