

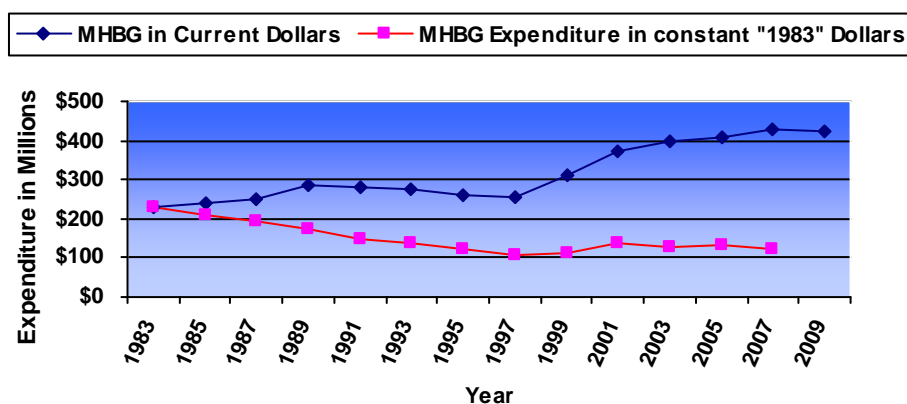
# Community Mental Health Services Block Grant Program

Established in 1981, the Community Mental Health Services Block Grant (MHBG) is a critical Federal program that provides funding for services to adults with serious mental illnesses and children with serious emotional disturbances in all 50 states, D.C., and the 8 U.S. Territories. The Grant also provides some funding to develop, implement, and evaluate state plans for comprehensive community-based mental health services.

It is the largest Federal discretionary program dedicated to improving mental health service systems across the country. MHBG funds are directed towards activities not easily funded by other federal funding streams (e.g. Medicaid or Medicare), such as services to uninsured and underinsured populations. These grants provide a critical source of flexible funding for states to be innovative in providing services and in pursuing the goals of transforming their mental health systems to deliver evidence based practices, support community integration, and avoid costly hospitalizations through community based alternatives and Assertive Community Treatment (ACT) teams.

Funding for the MHBG has been stagnant since an increase in the late 1990s, increasing only 13%. In Fiscal Year 2008, \$421 million was distributed from the MHBG.

**Mental Health Block Grant, FY 1983 to FY 2008**



Nearly two thirds (65%) of the funds distributed to organizations went to regional service providers. A quarter (25%) of the funds was received by private non-profit service providers. Hospitals and universities received 3% of the funds while other organizations received less than 3%.

Chart adapted from NASMHPD Report "How State Mental Health Agencies Use the Community Mental Health Services Block Grant to Improve Care and Transform Systems: 2007" and Mental Health Liaison Group, 2009.