

SAMHSA Position on SAPTBG and CMHSBG Funds  
to Treat People with Co-Occurring Disorders (2/11/99)

SAMHSA is committed to improving services for individuals with co-occurring substance abuse and mental illness. As discussed in greater detail below, States may use the Substance Abuse Prevention and Treatment Block Grant (SAPTBG) and the Community Mental Health Services Block Grant (CMHSBG) funds to provide services for individuals with such co-occurring disorders. SAMHSA is very interested in working with States to identify ways to facilitate local provision of the full array of services needed by individuals with substance abuse and/or mental disorders, while assuring that the requirements are met for both block grants.

The statutes and applicable regulations pertaining to the SAPTBG and CMHSBG clearly permit those funds to be used to provide treatment services for individuals with co-occurring substance abuse disorders and mental illnesses in a variety of treatment settings, including settings where integrated services are delivered. However, all funds must be utilized in accordance with the specific regulatory and statutory requirements that govern the funding source, including the purposes for which the funds are authorized, and the reporting and audit requirements.

- SAPTBG funds must be used for the purpose of planning, carrying out, and evaluating activities to prevent and treat substance abuse.
- CMHSBG funds must be used for the purpose of carrying out the State plan for comprehensive community mental health services for adults with serious mental illness and children with serious emotional disturbances; for evaluating programs and services carried out under the plan; and for planning, administration and educational activities related to providing services under the plan.

SAPTBG and CMHSBG funds may not be blended in such a way that would render use of those funds subject to only the statute and regulations governing one or the other source of funding. SAPTBG and CMHSBG funds may be provided by the States to service providers for treatment services for individuals with co-occurring disorders. In such instances, the funds from each funding source (i.e., SAPTBG and CMHSBG) must be allocated to the program based on the purposes for which the funds are authorized--that is, in treating this co-occurring disorder population, SAPTBG funds may be used to provide substance abuse treatment services, and CMHSBG funds may be used to provide mental health treatment services so long as such services are provided to adults with serious mental illness or children with serious emotional disturbances as defined at 58 Fed. Reg. 29425 (May 20, 1993). Funds from each block grant must be allocated in a manner which allows them to be appropriately tracked for accounting purposes.

It should be noted that SAPTBG funds may be used for substance abuse prevention activities for those who are at risk of developing co-occurring substance abuse disorders and mental disorders. To the extent that States use the SAPTBG 20% primary prevention set-aside for such activities, they must use such funds in accordance with the statutory and regulatory requirements which govern this set-aside.

There currently exists a significant gap between the need for substance abuse and mental health services and the availability of those services. SAMHSA has an obligation to address the needs of individuals with substance abuse disorders and mental illnesses who do not have co-occurring disorders as well as individuals who do have co-occurring substance abuse disorders and mental illnesses. In clarifying the agency's position with regard to use of the SAPTBG and CMHSBG funds, SAMHSA is not altering the responsibility, authority, and flexibility of the States to determine the allocation of block grant funds to support services in programs for individuals with co-occurring disorders.

1. However, CMHSBG funds may not be used for inpatient services, and SAPTBG funds may not be used for inpatient hospital services except if it is a medical necessity as defined by the law and applicable regulations.