United States Government Accountability Office

Report to the Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives

May 2015

MENTAL HEALTH

Better Documentation Needed to Oversee Substance Abuse and Mental Health Services Administration Grantees

Accessible Version

GAO-15-405

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GAO Highlights

Highlights of GAO-15-405, a report to the Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives

Why GAO Did This Study

In 2013, SAMHSA estimated 43.8 million—or 18.5 percent—of adults in the United States suffered from a mental illness. SAMHSA, an agency within HHS, has various programs that aim to reduce the impact of mental illness through CMHS grants awarded to grantees that include states, territories, and nonprofit organizations.

GAO was asked to provide information on CMHS's oversight of mental health grant programs. This report identifies (1) CMHS's criteria for awarding grants to grantees, and how CMHS documents the application of these criteria; (2) the types of information CMHS uses to oversee its grantees; and (3) the steps CMHS takes to demonstrate how its grant programs further the achievement of SAMHSA's goals. GAO reviewed information related to CMHS grants management; reviewed grant documentation from fiscal years 2012 and 2013 for a nongeneralizable selection of 16 grantees within 5 grant programs: the MHBG, PAIMI, and 3 selected discretionary grant programs that GAO selected based on factors such as size of award and type of grantee; and interviewed SAMHSA officials.

What GAO Recommends

GAO recommends that the Administrator of SAMHSA direct CMHS to take steps, such as developing additional program-specific guidance, to ensure that it consistently and completely documents both the application of criteria when awarding grants to grantees, and its ongoing oversight of grantees once grants are awarded. HHS concurred with this recommendation.

View GAO-15-405. For more information, contact Linda T. Kohn at (202) 512-7114 or kohnl@gao.gov.

What GAO Found

The Substance Abuse and Mental Health Services Administration's (SAMHSA) Center for Mental Health Services (CMHS) established criteria for the five grant programs covered by GAO's review that varied by program, but GAO found that CMHS did not document its application of criteria for about a third of the 16 grantees GAO reviewed. An example of how criteria varied by program is that one of the five grant programs required its grantees to state that they will use evidence-based practices to treat individuals with mental illness while the others did not. In addition, CMHS did not document its application of the criteria it used to award grants to 6 of the 16 grantees GAO reviewed. For example, for fiscal year 2012, CMHS did not clearly document the application of most criteria for any of the four Community Mental Health Services Block Grant (MHBG) grantees GAO reviewed. The Department of Health and Human Services' (HHS) grants manual, which CMHS officials told GAO they follow, states that CMHS must maintain appropriate documentation to support funding decisions. GAO found a variety of reasons why CMHS did not adequately document the application of criteria, including a lack of program-specific guidance.

CMHS officials said they use various types of information to oversee grantees, but the documentation of this information was often missing or not readily available during the period GAO reviewed. For each grantee GAO reviewed, there was at least one instance in which the documentation used to oversee grantees was either missing or not readily available—meaning it was either missing entirely, stored outside of the systems designated for storing the information, or was not readily available to all officials involved in the oversight of grant documentation. For example, GAO found that CMHS could not produce documentation of its review of required annual program performance reports covering fiscal year 2012 data for any of the four Protection and Advocacy for Individuals with Mental Illness (PAIMI) grantees GAO reviewed. The grants manual states that CMHS must create and maintain files that allow a third party, such as an auditor, to "follow the paper trail" from program initiation through closeout of individual awards. GAO found a variety of reasons why grant documentation was missing or not readily available, including a lack of program-specific guidance. Without proper documentation of information used to oversee grantees that is readily available, CMHS runs the risk that it does not have complete and accurate information needed to provide sufficient oversight of its grant programs.

CMHS officials told GAO that they take a variety of steps when reviewing grantees' performance measure data to demonstrate how CMHS's grant programs furthered the achievement of SAMHSA's goals. For example, CMHS produces summaries by grant program that are included as part of its budget justification. In addition, CMHS is working to ensure that the performance measure data it collects can be analyzed with performance measure data collected from other grantees awarded through programs across SAMHSA. According to SAMHSA, this analysis can be helpful when demonstrating how CMHS's grant programs further the achievement of SAMHSA's goals.

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Abbreviations

CMHS	Center for Mental Health Services
GPRA	Government Performance and Results Act of 1993
HHS	Department of Health and Human Services
MHBG	Community Mental Health Services Block Grant
PAIMI	Protection and Advocacy for Individuals with Mental Illness
Project LAUNCH	Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health
RFA	request for applications
SAMHSA	Substance Abuse and Mental Health Services Administration

SED	serious emotional disturbance
SMI	serious mental illness

U.S. GOVERNMENT ACCOUNTABILITY OFFICE
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May 12, 2015

The Honorable Tim Murphy
Chairman
The Honorable Diana DeGette
Ranking Member
Subcommittee on Oversight and Investigations
Committee on Energy and Commerce
House of Representatives

According to the Substance Abuse and Mental Health Services Administration (SAMHSA), mental illness is widespread in the United States.[1] In 2013, SAMHSA estimated 43.8 million—or 18.5 percent—of adults in the United States suffered from a mental illness.[2] SAMHSA's mission is to reduce the impact of mental illness and substance abuse on American communities, which it carries out through a variety of activities, including awarding grants to support community-based mental health prevention and treatment services.[3] According to SAMHSA, the Center for Mental Health Services (CMHS), one of SAMHSA's four centers, leads federal efforts to promote the prevention and treatment of mental illness.[4] Each center, including CMHS, supports the strategic initiatives, such as

[1]SAMHSA is an agency within the Department of Health and Human Services (HHS).

[2]Substance Abuse and Mental Health Services Administration, *Results from the 2013 National Survey on Drug Use and Health: Mental Health Findings,* NSDUH Series H-49, HHS Publication No. (SMA) 14-4887 (Rockville, Md.: 2014).

[3]For purposes of this report, the term "grants" includes cooperative agreements.

[4]SAMHSA's other three centers include the Center for Behavioral Health Statistics and Quality, the Center for Substance Abuse Prevention, and the Center for Substance Abuse Treatment.

recovery support, contained within SAMHSA's strategic plan.[5] The strategic initiatives provide a framework for the agency in meeting its mission. Within each strategic initiative, SAMHSA identifies goals that specify how the agency can further the achievement of that strategic initiative. Of SAMHSA's total budget of about $3.35 billion in fiscal year 2013, it allocated approximately $915 million to CMHS. Approximately 90 percent of CMHS's budget funds grant programs for grantees such as states, territories, and nonprofit organizations, to support individuals with mental illness.[6]

Due to increasing attention to the needs of individuals with mental illness, members of Congress held a series of hearings and public forums in 2013 examining how federal agencies, including SAMHSA, support the treatment of individuals with mental illness.[7] In addition, legislation proposed in recent years has aimed to address various aspects of the mental health system, including CMHS's grant programs.[8] In light of these efforts, members of Congress raised questions about CMHS's oversight of its grant programs. Oversight of grant programs is important to help ensure that program funding is used appropriately by grantees, to assist management with decision-making, to help ensure grants are carried out

[5]SAMHSA's eight strategic initiatives for 2011-2014 were prevention of substance abuse and mental illness; trauma and justice; military families; recovery support; health reform; health information technology; data, outcome, and quality; and public awareness and support. For more information, see Substance Abuse and Mental Health Services Administration, *Leading Change: A Plan for SAMHSA's Roles and Actions 2011-2014*, HHS Publication No. (SMA) 11-4629 (Rockville, Md.: 2011). In 2014, SAMHSA released its strategic plan for 2015-2018. For more information see Substance Abuse and Mental Health Services Administration, *Leading Change 2.0: Advancing the Behavioral Health of the Nation 2015-2018*, HHS Publication No. (PEP) 14-LEADCHANGE2 (Rockville, Md.: 2014).

[6]The remainder of CMHS's budget funds prevention and crisis programs as well as administrative functions.

[7]For example, see *After Newtown: A National Conversation on Violence and Severe Mental Illness, Hearing Before the Subcomm. on Oversight and Investigations of the H. Comm. on Energy and Commerce,* 113th Cong. (2013), and *Examining SAMHSA's Role in Delivering Services to the Severely Mentally Ill, Hearing Before the Subcomm. on Oversight and Investigations of the H. Comm. on Energy and Commerce,* 113th Cong. (2013).

[8]For example, see Helping Families in Mental Health Crisis Act of 2013, H.R. 3717, 113th Cong. (2013) and Strengthening Mental Health in Our Communities Act of 2014, H.R. 4574, 113th Cong. (2014).

as intended, and to provide a source of information that can be used to help improve grant programs over time.

You asked us to provide information on CMHS's oversight of its mental health grants, including any monitoring that occurs during the grant award period.[9] This report identifies (1) CMHS's criteria for awarding grants to grantees, and how CMHS documents the application of these criteria; (2) the types of information CMHS uses to oversee its grantees; and (3) the steps CMHS takes to demonstrate how its grant programs further the achievement of SAMHSA's goals.

To identify CMHS's criteria for awarding grants to grantees and to determine how CMHS documents the application of these criteria, we first reviewed information related to CMHS's review and award process, such as requests for applications (RFA) that described the criteria grantees were expected to meet for some grant programs. We also reviewed HHS's Awarding Agency Grants Administration Manual—or grants manual—that CMHS officials said they follow to guide their grant oversight efforts from before the grant is awarded through the end of the grant award.[10] We compared CMHS's process for documenting its application of criteria to award grants to grantees with requirements for documenting significant decisions outlined in *Standards for Internal Control in the Federal Government*.[11] Second, we reviewed grant documentation for a nongeneralizable selection of 16 grantees for fiscal years 2012 and 2013 that we selected based on factors such as size of grant award, grant program, and type of grantee, to identify how CMHS documents its use of criteria to determine whether to award grants to grantees.

[9]We previously provided you with information on federal programs that support individuals with serious mental illness, the extent to which federal agencies coordinate programs, and the extent to which federal agencies evaluate or monitor programs for individual with serious mental illness. See GAO, *Mental Health: HHS Leadership Needed to Coordinate Federal Efforts Related to Serious Mental Illness,* GAO-15-113 (Washington, D.C.: Dec. 18, 2014).

[10]Department of Health and Human Services, *Awarding Agency Grants Administration Manual* (2007).

[11]GAO, *Standards for Internal Control in the Federal Government,* GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999). Internal control is synonymous with management control and comprises the plans, methods, and procedures used to meet missions, goals, and objectives.

Our nongeneralizable selection included 16 grantees that received grants with varying project periods from 5 of CMHS's grant programs—2 formula grant programs: Community Mental Health Services Block Grant (MHBG) and Protection and Advocacy for Individuals with Mental Illness (PAIMI); and 3 discretionary grant programs.[12] Specifically, we reviewed grantees from the following discretionary grant programs: Systems of Care Expansion Implementation Cooperative Agreements, Statewide Consumer Network, and Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health (Project LAUNCH).[13] The majority of grantees we reviewed received one grant from the respective grant program for the period covered by our review.[14] We reviewed the grantees for fiscal years 2012 and 2013, regardless of the duration of the grant's project period. For the MHBG and PAIMI programs, we reviewed information related to the initial application submitted by the grantees, which covered the first year of the grant's project period, as well as information related to applications for continued funding submitted during the course of the grant's project period. For selected discretionary grant programs, we reviewed documentation of criteria used to award grants to grantees for the first year of the grant's project period. For more information on the number of grantees we reviewed from selected CMHS grant programs, see table 1.

[12]CMHS officials stated that the project period for a grant is the period over which all grant activities are to occur. The grant programs from which we selected our sample awarded grants to 196 grantees in fiscal year 2012 and 208 grantees in fiscal year 2013. Across all its programs, CMHS awarded grants to a total of 862 grantees in 2012 and 761 grantees in 2013.

[13]The MHBG supports adults with serious mental illness (SMI) or children with serious emotional disturbance (SED). The PAIMI program supports protection and advocacy systems designed to ensure the rights of individuals with mental illness who are at risk for abuse and neglect. The Systems of Care Expansion Implementation Cooperative Agreements grant program supports mental health services for children and youth with serious mental health conditions and their families. The Statewide Consumer Network provides support for underserved and under-represented consumers, such as veterans. Project LAUNCH provides support for young children through the integration of behavioral and physical health services.

[14]For the PAIMI program, a new grant project period started in fiscal year 2013. As a result, the four PAIMI grantees we reviewed received two grants during the period covered by our review.

Table 1: Center for Mental Health Services Grantees We Reviewed

Selected grant program	Number of grantees reviewed
Formula	
• Community Mental Health Services Block Grant	4
• Protection and Advocacy for Individuals with Mental Illness	4
Discretionary	
• Systems of Care Expansion Implementation Cooperative Agreements	3
• Statewide Consumer Network	3
• Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health	2
Total	**16**

Source: GAO. | GAO-15-405

Note: We reviewed grant documentation for a nongeneralizable selection of 16 Center for Mental Health Services grantees for fiscal years 2012 and 2013 that we selected based on factors such as size of grant award, grant program, and type of grantee.

In selecting discretionary grant programs, we selected 3 of the 7 discretionary grant programs that released an RFA in fiscal year 2012 and for which grants were awarded in fiscal year 2013.[15] We based our selection on factors such as the size of grant award and the type of grantee eligible to receive a grant award. Our nongeneralizable selection of grantees across the grant programs included states, territories, tribal organizations, and nonprofit organizations. For all the grantees we selected, we reviewed information that CMHS uses to oversee its grantees, including documents submitted by the grantee and agency documents related to grants management—which we refer to broadly as grant documentation—for fiscal years 2012 and 2013.[16] To conduct this review, we developed and used data collection instruments to determine whether the grant documentation included evidence of the criteria used to award grants to grantees. To assess the reliability of the data contained in the grant documentation, we reviewed information related to the systems CMHS uses to oversee its grantees, and interviewed officials about how

[15]The other discretionary grant programs that released an RFA in fiscal year 2012 and for which grants were awarded in fiscal year 2013 were the Statewide Family Network, National Child Traumatic Stress Initiative, Primary and Behavioral Health Care Integration, and the Minority Fellowship Program.

[16]In some cases we also reviewed information from fiscal year 2014 if the information was needed to supplement our review of documentation from fiscal years 2012 and 2013. For some grantees we did not review any information from fiscal year 2012 because the grantee did not submit any information until fiscal year 2013.

they maintain and check this information for accuracy. We found the data to be sufficiently reliable for our purposes. While our findings related to the grantees whose documentation we reviewed cannot be generalized to all CMHS grantees and grant programs, they provide examples of CMHS grants oversight under a wide range of circumstances, including differing grant sizes, grant programs, and grantees. Lastly, we interviewed CMHS officials, including officials responsible for overseeing the grantees we selected, about the grant review and award process.

To identify the types of information CMHS uses to oversee its grantees, we reviewed information related to CMHS's grants management efforts, including the grants manual. We reviewed grant documentation for the nongeneralizable selection of 16 grantees described above to identify the types of information CMHS uses to oversee selected grantees and how it uses this information. We also interviewed CMHS officials, including officials responsible for overseeing selected grantees, about reporting requirements for grantees and how they maintain the information they review. We compared the information with requirements for documenting significant decisions outlined in *Standards for Internal Control in the Federal Government*.[17]

To identify the steps CMHS takes to demonstrate how its grant programs further the achievement of SAMHSA's goals, we reviewed information in SAMHSA's strategic plan related to its strategic initiatives and the goals identified within each strategic initiative. We also reviewed information related to CMHS's performance measures for the selected grant programs described above for fiscal years 2012 and 2013.[18] Because we only reviewed information related to performance measures from selected CMHS grant programs, we did not evaluate the accuracy of CMHS's performance measures. Instead, we reviewed CMHS's process for analyzing performance measure data collected through these measures. We interviewed officials about steps CMHS has taken to demonstrate

[17]GAO/AIMD-00-21.3.1.

[18]We reviewed SAMHSA's strategic plan for fiscal years 2011-2014 since we reviewed grantees awarded grants in fiscal years 2012 or 2013. This plan identifies SAMHSA's strategic initiatives, such as recovery support, and the goals within each strategic initiative. For more information, see Substance Abuse and Mental Health Services Administration, *Leading Change*. In 2014, SAMHSA released its strategic plan for 2015-2018. For more information see Substance Abuse and Mental Health Services Administration, *Leading Change 2.0*.

how its grant programs further the achievement of the goals identified within SAMHSA's strategic initiatives, including any performance measure data CMHS reviews. We did not assess the accuracy of the data submitted by grantees.

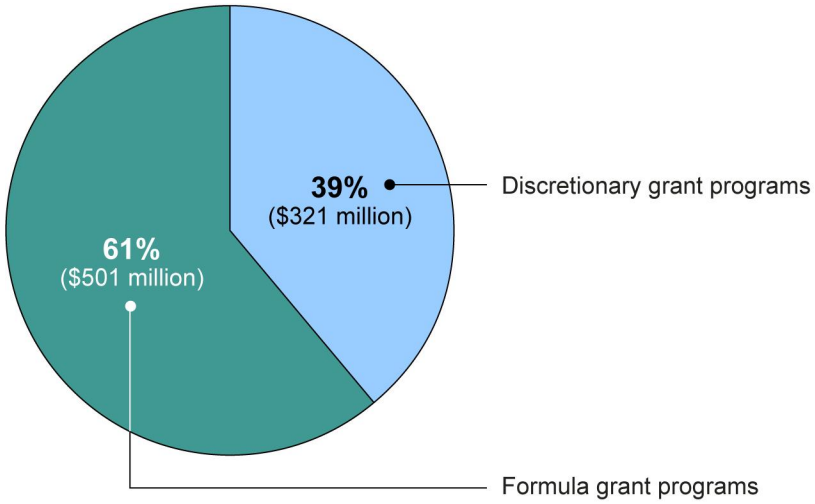
We conducted this performance audit from March 2014 through May 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Grants Awarded by CMHS

CMHS awards two types of grants—formula grants and discretionary grants—to support mental health programs. According to CMHS, in fiscal year 2013, about 61 percent of CMHS's $822 million in grant funding was awarded through formula grants and about 39 percent was awarded through discretionary grants. (See fig. 1.)

Figure 1: Distribution of Grants Awarded by the Center for Mental Health Services, Fiscal Year 2013



Source: GAO review of Substance Abuse and Mental Health Services Administration data. | GAO-15-405

Formula grants are awarded to eligible grantees that meet specified criteria outlined in formulas prescribed by statute or regulation. These formulas may consider factors such as the population-at-risk and cost of services. These grants are generally awarded to states and territories that distribute funds to various governmental or nongovernmental entities, such as a state mental health agency or a community mental health center. In fiscal year 2013, CMHS awarded about $501 million under three formula grant programs:

1. the MHBG program, which supports adults with serious mental illness (SMI) or children with serious emotional disturbances (SED);[19]
2. the PAIMI program, which supports protection and advocacy systems designed to ensure the rights of individuals with mental illness who are at risk for abuse and neglect;[20] and
3. the Projects for Assistance in Transition from Homelessness program, which supports outreach, mental health, and other support services to homeless people with SMI.[21]

Discretionary grants are generally awarded on a competitive basis for specified projects that meet statutory eligibility and program requirements. Discretionary grants allow CMHS to allocate funding to a particular issue, such as suicide prevention, or to areas and populations with the greatest need. CMHS discretionary grants may be awarded to state, local, territorial, and tribal governments; institutions of higher education; other non-profit organizations (including tribal organizations); and hospitals. These grant applications are solicited through RFAs that specify the purpose of the grant, eligibility requirements, and grantee reporting requirements throughout the grant's project period. The duration of a grant's project period and the amount of funding available each year differ by grant program based on program requirements or statutory requirements. In fiscal year 2013, CMHS awarded 589 discretionary

[19]42 U.S.C. §§ 300x-300x-9.

[20]42 U.S.C. §§ 10801-10827.

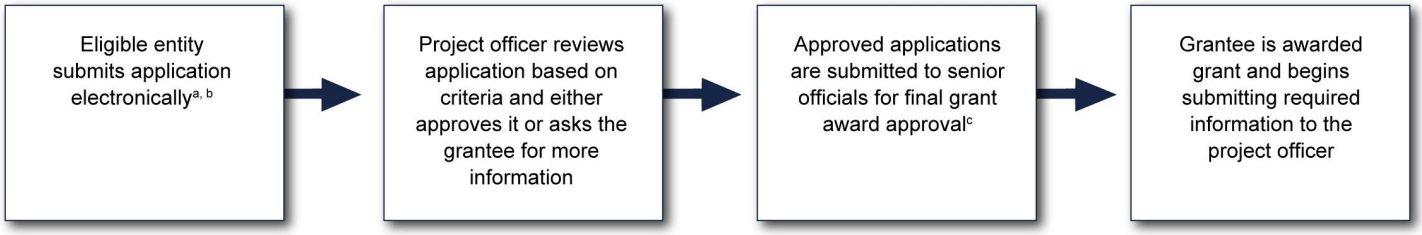
[21]42 U.S.C. §§ 290cc-21 – 290cc-35. We excluded the Projects for Assistance in Transition from Homelessness program from our review because it makes up a small percentage of CMHS's budget for grant funding and it has a separate process for reviewing and awarding grant applications compared to the other grant programs within our scope.

grants totaling about $321 million. The smallest grant award was about $30,000 and the largest grant award was about $6 million.

Grant Review and Award Process

CMHS uses separate processes for reviewing and awarding grants for the formula and discretionary grant programs from which we drew our selection; figures 2 and 3 illustrate these two processes.

Figure 2: Overview of Submission, Review, and Award Process for the Center for Mental Health Services' Community Mental Health Services Block Grant and the Protection and Advocacy for Individuals with Mental Illness Programs



Source: GAO analysis of information from the Substance Abuse and Mental Health Services Administration. | GAO-15-405

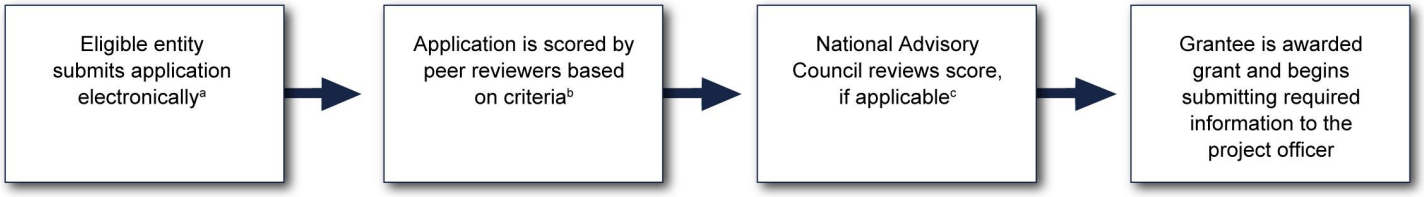
Notes:

[a]Eligible entities for the Community Mental Health Services Block Grant (MHBG) are states and territories. These grantees may distribute funds to governmental or nongovernmental entities, such as a state mental health department or a community mental health center. MHBG grants are awarded for 2-year project periods. For the first year of the project period, the grantee is required to submit a 2-year planning document as part of the initial application. During the second year of the project period, the grantee submits an application for continued funding.

[b]Eligible entities for the Protection and Advocacy for Individuals with Mental Illness (PAIMI) program are protection and advocacy systems within a state, territory, or tribal organization. As of fiscal year 2013, PAIMI grants are awarded for 4-year project periods. For the first year of the project period, the grantee is required to submit an initial application that outlines priorities for the entire 4 years of the project period. For the remaining 3 years, the grantee submits a supplemental application each year for continued funding that provides any updated information such as for the budget. According to CMHS officials, PAIMI applications were submitted electronically as of fiscal year 2014.

[c]For the MHBG, the CMHS branch chief serves as the final approving official for grant applications. For the PAIMI program, the PAIMI program coordinator serves as the final approving official for grant applications.

Figure 3: Overview of Submission, Review, and Award Process for the Center for Mental Health Services' Discretionary Grant Programs



Source: GAO analysis of information from the Substance Abuse and Mental Health Services Administration (SAMHSA). | GAO-15-405

Notes:

[a]Eligible entities, such as states and nonprofit organizations, vary by request for application and discretionary grant program. Applications are submitted electronically to Grants.gov, a website for federal agencies to post grant funding opportunities. Applications are then transferred to the SAMHSA Grants Information Management System, an electronic system used to process grant applications.

[b]According to CMHS officials, occasionally some grant applications are reviewed by SAMHSA staff, rather than peer reviewers, through a process called objective review.

[c]The SAMHSA National Advisory Council, a council required by statute, makes recommendations to SAMHSA concerning activities carried out by and through the agency, including some discretionary grant programs. CMHS grant awards of $150,000 or less do not require review by the council.

Evidence-Based Practices

After CMHS awards grants, grantees can use a variety of different approaches to treat individuals with mental illness, including evidence-based practices.[22] Since 1997, SAMHSA has sponsored a National Registry of Evidence-Based Programs and Practices, which is a searchable online registry of programs and services that are considered by SAMHSA to be evidence-based.[23] According to SAMHSA the purpose of this system is to help the public, including grantees that have been awarded grants by CMHS, learn more about available evidence-based practices.

[22]SAMHSA defines evidence-based practices as interventions that have documented evidence of effectiveness.

[23]This registry was established as the National Registry of Effective Prevention Programs; it was expanded in 2004 to include mental health and renamed the National Registry of Evidence-Based Programs and Practices. According to SAMHSA, interventions included in this registry must meet minimum requirements such as showing evidence of positive behavioral outcomes in at least one research study.

CMHS's Criteria for Awarding Grants to Grantees Varied by Program, but CMHS Did Not Document Its Application of Criteria for About a Third of the Grantees We Reviewed

The criteria CMHS established for awarding grants to grantees for the MHBG, PAIMI, and selected discretionary grant programs varied by program. CMHS did not document its application of criteria when awarding grants to grantees for about a third of the grantees we reviewed.

CMHS's Criteria for Awarding Grants to Grantees for the MHBG, PAIMI, and Selected Discretionary Grant Programs Varied by Program

The criteria CMHS established for awarding grants to grantees for the MHBG, PAIMI, and selected discretionary grant programs varied by program. These criteria identify the requirements grantees must meet in order to receive a grant, including any requirements identified in statute, regulation, or the terms and conditions for the grant program, such as those outlined in RFAs. For example, one of the five programs that awarded grants to grantees we reviewed—Project LAUNCH—required its grantees to state that they will use evidence-based practices to treat individuals with mental illness in their applications when such practices are available, while the others did not.[24] See table 2 for examples of CMHS's criteria for awarding grants to grantees.

[24]In its fiscal year 2014 appropriation, SAMHSA was directed to require grantees to set aside 5 percent of their MHBG allocations to support evidence-based programs that address the needs for early intervention for individuals with SMI, including psychotic disorders. This requirement did not apply to the MHBG grantees we reviewed for fiscal years 2012 and 2013.

Table 2: Examples of Center for Mental Health Services' (CMHS) Criteria for Awarding Grants to Grantees By Grant Program, Fiscal Years 2012 and 2013

CMHS grant program	Examples of criteria
Formula grant programs	
Community Mental Health Services Block Grant (MHBG)	The extent to which the plan submitted by the grantee as part of its application explains how it will use MHBG funds to provide comprehensive, community mental health services to adults with serious mental illness (SMI) and children with serious emotional disturbance (SED).[a]
	The extent to which the grantee identified the state's priorities as well as the strategies and relevant performance indicators to address those priorities for the subsequent 2 years as part of its application.
	Whether or not the grantee established and maintained a state mental health planning council and showed evidence of its review of the grantee's application.[b]
Protection and Advocacy for Individuals with Mental Illness (PAIMI)	Whether or not the grantee submitted a statement of annual program priorities with quantifiable targets and measurable outcomes.
	The extent to which the grantee provided a demographic profile of the state and its mental health system as part of its application, including the number of adults with SMI and children with SED and information on the state mental health system, such as the number of state-operated facilities and hospitals.
	Whether or not the grantee established a required advisory council—the PAIMI Advisory Council—whose role includes providing independent advice and recommendations to the protection and advocacy system.[c]
Discretionary grant programs	
Systems of Care Expansion Implementation Cooperative Agreements	The extent to which the grantee explained how it intended to assure that services delivered were within a family-driven, youth-guided framework, including how families and youth will be involved in the governance and oversight of grant activities.
	The extent to which the grantee demonstrated how the system of care will collaborate with other child-serving systems such as child welfare, education, juvenile justice, and primary care.[d]
	Whether or not the grantee documented its ability to collect and report required performance data.
Statewide Consumer Network	Whether or not the grantee selected at least two approved activities to achieve its goals and objectives, such as partnering with state and community agencies in policy development to support needed service system improvements.
	The extent to which the grantee demonstrated cultural competence in its application.
	Whether or not the grantee documented its ability to collect and report required performance data.
Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health (Project LAUNCH)	Whether or not the grantee identified the evidence-based practice the grantee proposes to implement for the specific population of focus.
	Whether or not the grantee discussed the population for which the evidence-based practice has been shown to be effective and the extent to which it showed that it is appropriate for the population of focus for the grant.

CMHS grant program	Examples of criteria
	Whether or not the grantee documented its ability to collect and report required performance data.

Source: GAO analysis of Substance Abuse and Mental Health Services Administration information. | GAO-15-405

Notes: Criteria identify the requirements grantees must meet in order to receive a grant. This table does not provide an exhaustive list of all of CMHS's criteria for awarding grants under the programs that awarded grants to grantees we reviewed.

[a]This plan must also include information related to five statutory criteria, such as providing a description of available services and resources in a comprehensive system of care and an estimate of the incidence and prevalence in the state of adults with SMI and children with SED.

[b]The State Mental Health Planning Council is responsible for reviewing the plan submitted to CMHS as well as for monitoring, reviewing, and evaluating the allocation and adequacy of mental health services within the state, among other things.

[c]The PAIMI Advisory Council also works jointly with the governing authority in the development of policies and priorities and submits a section of the grantee's annual report.

[d]A system of care is an organizational philosophy and framework that involves collaboration across government and private agencies, providers, families, and youth for the purpose of improving access and expanding the array of coordinated community-based, culturally and linguistically competent services and supports for children and youth with SED and their families.

CMHS Did Not Document Its Application of Criteria for About a Third of the Grantees We Reviewed and CMHS Lacked Program-Specific Guidance for How to Document This Information

During the 2-year period covered by our review, CMHS did not document its application of the criteria it used to award grants to 6 of the 16 grantees we reviewed. Specifically, we found instances across the 2 years in which CMHS did not clearly document the application of its criteria for 4 MHBG grantees and 2 PAIMI grantees. We found that CMHS documented the criteria it applied when awarding grants to discretionary grantees. The grants manual states that CMHS must maintain appropriate file documentation to support decisions in the financial assistance process, including funding decisions, and that transactions and significant events are to be clearly documented to help management with decision-making to help ensure operations are carried out as intended.[25] In addition, *Standards for Internal Control in the Federal Government* state that all transactions and other significant events need to be clearly documented.[26] CMHS officials said that they follow the grants manual but said that they do not have written guidance that is specific to the MHBG and PAIMI programs that would assist project officers in using the tools that CMHS has developed, such as checklists, to document their application of criteria. Examples of instances in which

[25]Department of Health and Human Services, *Awarding Agency Grants Administration Manual*.

[26]GAO/AIMD-00-21.3.1.

CMHS did not document its application of criteria when awarding grants to the grantees we reviewed include the following:

- **MHBG**. For fiscal year 2012, CMHS officials did not clearly document the application of most criteria for any of the four MHBG grantees we reviewed; however, officials did document how they applied most of the criteria for fiscal year 2013. Because fiscal year 2013 was the second year of the grant project period that corresponded to the application for continued funding, it required that CMHS apply fewer criteria than in the initial application for fiscal year 2012. Specifically, CMHS officials use checklists to help them determine whether grantees meet the agency's criteria when deciding whether to award grants to grantees. Grantees are expected to provide sufficient information to demonstrate that they have satisfied the criteria in their grant applications. However, for all four of the grantees we reviewed, the checklists for the application covering fiscal year 2012 data listed "N/A" or had missing responses for most of the items in the checklist—the majority of which were related to criteria identified in statute. One grantee's checklist we reviewed listed "N/A" or had missing responses for nearly all of the items related to statutory requirements. For example, all items related to the five criteria that must be addressed by the required plan submitted as part of the application were listed as "N/A", and none of the items related to the required state priorities were completed by the project officer. One project officer told us that if a required item on the checklist is listed as "N/A", it is because the project officer did not have the specified information from the grantee and would therefore request the information. However, we did not see evidence that the project officer updated the checklists after receiving additional information. In another case, officials told us that there was a technical problem with the system that electronically stores the checklists and the responses were automatically populated with "N/A" for these items.[27] While we found that none of the checklists for the MHBG applications covering fiscal year 2012 data clearly documented how CMHS applied criteria when reviewing applications, we found that the checklists covering fiscal year 2013 data for the four grantees clearly documented the use

[27]Officials stated that the checklists for the applications covering fiscal year 2012 data were prototypes and they tried to address any issues with these checklists in subsequent years. For example, officials told us that the issue identified for the automated checklists we reviewed for the applications covering fiscal year 2012 had been resolved because CMHS had updated the checklist for fiscal year 2014.

of most criteria. However, officials explained that the 2013 application and the corresponding checklist was less extensive because it was an application for continued funding; project officers reviewed 19 criteria for the 2013 checklist compared to 129 for 2012.

- **PAIMI**. For fiscal year 2012, CMHS officials documented the application of criteria for three of the four PAIMI grantees we reviewed. However, we were unable to determine whether CMHS applied the criteria for the fourth grantee because CMHS officials were not able to provide the checklist they used to review this grantee. For fiscal year 2013, we found that accurate documentation of the application of criteria was not available for 2 of the 4 grantees we reviewed. Similar to the MHBG program, officials use checklists to help them determine whether grantees met CMHS's criteria, such as whether the grantee demonstrated that it had identified priorities and objectives that were relevant to the PAIMI program. All four of the grantees' checklists for the fiscal year 2013 applications contained documentation that indicated that the project officer found that the objectives identified by the grantee were not relevant to the PAIMI program. However, CMHS officials said that this finding was an error for two of the grantees, but was correct for the other two grantees. The officials told us that, as of October 2014, they had not conducted any follow-up with the two grantees to request additional information regarding the noted concerns. Officials told us that they would only follow up with the grantees on the noted concerns if they conducted a site visit.[28]

We found that there were a variety of reasons why CMHS did not adequately document the application of criteria when awarding grants to grantees. One reason was that officials told us they lacked program-specific guidance to document the application of criteria for some programs. CMHS has developed tools for project officers to use for their application of criteria, but project officers sometimes had different ideas about how to use those tools and what to do if a grantee could not provide needed information. For example, officials told us that for the MHBG program there was no written guidance, during the period covered by our review, that described how project officers were to complete the application review checklists to help ensure grantees met the grant criteria. Officials developed program-specific guidance for project officers

[28]Officials stated that they generally conduct site visits for about 5 of the 57 PAIMI grantees per year.

in fiscal year 2014 for the review of MHBG applications, but we did not assess whether this guidance fully addressed the issues we identified. CMHS officials told us that they also provide training to project officers and that they believe the process is clear; however, we found that project officers had different understandings of how to complete the checklists that are intended to document their review of criteria. Officials also noted a technical problem in the system used to document the application review checklists in fiscal year 2012. For the PAIMI program, officials told us that there was no formal process to address instances in which a grantee did not meet criteria, including how to follow-up with the grantee, for the period we reviewed. Project officers told us that they would sometimes note concerns in the checklist or on the applications, but these notes were for their own benefit. Further, they told us that they generally do not follow-up with the grantee unless they have a site visit. Without documentation that clearly identifies how criteria have been applied when awarding grants to grantees, CMHS cannot ensure that it is applying criteria consistently and appropriately.

CMHS Stated That It Uses Various Types of Information for Oversight, but the Documentation of This Information Was Often Missing or Not Readily Available

CMHS officials said they use various types of information to oversee grantees awarded grants through the MHBG, PAIMI, and selected discretionary grant programs. However, we found at least one instance during the period covered by our review where documentation of this information was either missing or not readily available for each grantee we reviewed.

CMHS Officials Said They Use Various Types of Information, Such as Financial Information and Progress Reports, to Oversee Grantees

CMHS officials said they use various types of information to oversee grantees awarded grants through the MHBG, PAIMI, and selected discretionary grant programs. The grants manual, which CMHS officials told us they use as guidance for grantee oversight, describes the various types of information that should be used for overseeing grantees. This includes information grantees are required to report during and at the conclusion of the grant, such as financial information and progress reports, and other information the agency uses for grants management, such as documents noting project officer's approval of information submitted by the grantee. According to the grants manual, this

information is intended to hold the grantee accountable to the programmatic and financial conditions of the award and provide a means for ongoing monitoring of grantee performance. Examples of the types of information and related documentation CMHS officials stated they use to oversee grantees we reviewed for fiscal years 2012 and 2013 are outlined in table 3 below.

Table 3: Examples of Information and Related Documentation That the Center for Mental Health Services (CMHS) Officials Said They Use to Oversee Grantees We Reviewed, Fiscal Years 2012 and 2013

Types of information	Examples of related documentation used for grantee oversight
Application materials	Signed copy of the application (and any revisions)[a]
	Notices of award
	Summary statement of peer review for select discretionary grant programs
	Approval and funding recommendation for the grant
	Documentation related to the review and approval of application materials, such as checklists used by the project officer and/or grants management officers to review applications
Progress or performance reports	All progress or performance reports required by the terms and conditions of the award, such as annual reports
	Documentation related to the review of reports by the project officer and/or grants management officers, such as checklists used by the project officer to review reports
	Documentation of approval of the report
Performance measure data	Performance measure data required by the terms and conditions of the award, including those submitted as part of annual reports
	Checklists used by the project officer to review the data
	Documentation of project officer approval of data in an electronic system for select discretionary grant programs
Financial information	Financial information required by the terms and conditions of the award, such as annual expenditures and financial status reports
	Documentation related to the review and approval of financial information, such as checklists used by the project officer and/or grants management officers
Site visit reports[b]	Site visit report
	Documentation of follow-up on recommendations for the grantee, if applicable
Records of communication	Records of telephone calls or e-mails between the grantee and project officer or grants management officers
	Correspondence related to special terms and conditions placed on the award

Source: GAO analysis of information from the Department of Health and Human Services and Substance Abuse and Mental Health Services Administration. | GAO-15-405

Notes: This table does not provide an exhaustive list of all types of information and related grant documentation CMHS officials said they use to oversee grantees we reviewed.

[a]Some grantees are required to submit a continuation application during the course of the project period, such as for the Community Mental Health Services Block Grant program. In those instances, copies of the continuation applications and all documentation of their review and approval are examples of information used to oversee grantees.

[b]Officials explained that a site visit may not be conducted for all grantees. For example, some grantees may not receive a site visit due to limited resources.

Documentation of Some Information CMHS Officials Said They Used to Oversee Grantees Was Either Missing or Not Readily Available for Each of the Grantees We Reviewed and CMHS Lacked Program-Specific Guidance

For each of the 16 grantees we reviewed, we found at least one instance during the period covered by our review in which the documentation CMHS officials said they used to oversee grantees was missing or not readily available—meaning it was either missing entirely, stored outside of the systems CMHS designated for storing the information, or was not readily available to all officials involved in the oversight of grant documentation. Because this information was missing or not readily available, we were unable to identify all of the information project officers used to oversee these grants. The grants manual states that CMHS must create and maintain files that allow a third party, such as an auditor, to "follow the paper trail" beginning with program initiation through closeout of individual awards, including decisions made and actions taken in between. As previously noted, examples of the types of information that should be documented include all information required by the conditions of the award, such as financial and performance reports. According to the grants manual, this documentation should provide a complete record of the history of an award and serve as a means to support funding decisions and provide ongoing monitoring of grantee performance. In addition, *Standards for Internal Control in the Federal Government* state that all transactions and other significant events need to be clearly documented, and the documentation should be readily available for examination and properly managed and maintained.[29] CMHS officials said that they follow the grants manual. However, where we found documentation missing or not readily available, CMHS often lacked program-specific guidance to assist project officers in documenting their oversight of grantees. Table 4 below provides information on the types of issues identified for the grant documentation for grantees we reviewed from each of the three grant programs.

[29]GAO/AIMD-00-21.3.1.

Table 4: Grant Documentation That Was Missing or Not Readily Available for the Grantees We Reviewed from the Center for Mental Health Services (CMHS) By Grant Program, Fiscal Years 2012 or 2013

	Documentation was missing or not readily available in at least one instance		
Types of information[a]	**MHBG**	**PAIMI**	**Discretionary**
Application materials	√	√	
Progress or performance reports	√	√	√
Performance measure data	√	√	√
Financial information	√	√	√[b]
Site visit reports[c]			
Records of communication	√	√	√

Source: GAO analysis of information provided by the Substance Abuse and Mental Health Services Administration. | GAO-15-405

Notes: We reviewed grant documentation from 16 grantees from 5 of CMHS's grant programs—the Community Mental Health Services Block Grant (MHBG) program, the Protection and Advocacy for Individuals with Mental Illness (PAIMI) program, and 3 of CMHS's discretionary grant programs: System of Care Expansion Implementation Cooperative Agreements, Statewide Consumer Network, and Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health. The checkmarks indicate that we found at least one instance in which documentation was missing or not readily available—meaning it was either missing entirely, stored outside of the systems CMHS designated for storing the information, or was not readily available to all officials involved in the oversight of grant documentation.

[a]For more information on the related documentation for each of the types of information outlined in this table, please refer to table 3 above.

[b]The discretionary grantee that was missing financial information was a tribal organization. Officials indicated that this grantee is an outlier amongst other grantees due to its high need and low resource capacity.

[c]Officials explained that site visits may not be conducted for all grantees. Of the 16 grantees we reviewed, 7 grantees received a site visit in fiscal year 2012 or 2013—3 MHBG grantees, 1 PAIMI grantee, and 3 discretionary grantees.

Specific examples of grant documentation that was missing or not readily available for grantees we reviewed from each of the three grant programs include the following:

- **MHBG**. Financial information grantees are required to report was missing for two of the four MHBG grantees we reviewed because, according to CMHS officials, the grantees did not submit it.[30] We

[30]The two grantees that did not submit financial information were territories. Officials indicated that territories may have a more difficult time submitting grant documentation, including financial information, compared to states for various reasons, including lack of resources and significant staff turnover. In these cases, officials told us that they work closely with the grantees and provide additional technical assistance.

found that one grantee had not submitted final financial expenditures for fiscal years 2012 or 2013. The other grantee had not yet submitted final expenditures for fiscal year 2013. CMHS officials provided documentation that indicated that these grantees subsequently submitted this information after our review was complete. In addition, we found that the same two MHBG grantees had not submitted required information to show that they have maintained a required level of state mental health expenditures.[31] Further, we found that there was no documentation from either of these grantees or from CMHS officials that indicated that a waiver had been approved to relieve the grantee of this requirement or that CMHS had determined that the grantee had materially complied despite not maintaining the required level of expenditures. This documentation is required in instances in which the grantee has not complied with the spending level. These grantees submitted other required financial information after our review was complete and CMHS officials told us that as a result this documentation was no longer needed. In addition, for all four grantees we reviewed, documentation of the final approval by the branch chief for the application covering fiscal year 2012 was not readily available. Specifically, the approval in the application review system was marked pending. According to officials, the application did not appear to have been approved because there were technological issues with the system CMHS maintains to record approvals. As a result, the branch chief provided final approval verbally for these grantees but did not document it.

- **PAIMI**. CMHS could not produce documentation of its review of the required annual program performance reports covering fiscal year 2012 data for any of the four PAIMI grantees we reviewed. Project officers told us that they typically document their review of the reports by writing notes in the margin of a paper copy of the annual report; however, we did not see evidence of any notes in the paper copy reports we reviewed or any other documentation of their review. According to CMHS officials, CMHS developed a checklist in 2013 to help project officers document their review of future annual reports.

[31]Also known as the Maintenance of Effort requirement, MHBG grantees are required to maintain an aggregate state mental health expenditure level for authorized activities for adults with SMI and children with SED that is not less than the average level of such expenditures maintained for a 2-year period preceding the year for which the state is applying for a grant. Officials noted that grantees, including states and territories, have had difficulty meeting the Maintenance of Effort requirement in recent years due to budget constraints that have resulted in cuts to state mental health spending.

We found that CMHS had completed these checklists for all four grantees we reviewed. However, one checklist indicated that the priorities and goals were poorly written and not all of the objectives listed were relevant to the PAIMI program. Officials told us that they did not have any other documentation related to these issues, including any communication with the grantee. In addition, each year officials use data submitted by grantees to calculate aggregate performance measure data across all PAIMI grantees. Officials explained that this information is hand-tallied on paper worksheets. We found that officials did not keep records of the hand-tallied worksheets they used to calculate aggregate performance measure data for fiscal year 2012. Officials told us that they saw no need to retain documentation of these calculations once the data were published in the annual report. Officials also told us that although senior officials review the worksheets for consistency and completeness, they did not maintain any documentation of this review.

- **Discretionary**. For seven of the eight discretionary grantees we reviewed, some performance measure data had not been approved by the project officer in CMHS's performance measure data tracking system. CMHS officials said that project officers are expected to record their approval of performance measure data in CMHS's performance measure data tracking system. For the eighth discretionary grantee we reviewed, the grantee had not submitted any performance measure data since the grant was awarded in July 2013.[32] According to CMHS officials, the performance measure data did not appear to have been approved because CMHS's performance measure tracking system locked, meaning that it did not allow the project officer to enter his or her approval, to enforce project officer deadlines. In some of these cases, project officers used other methods to document their approval of performance measure data, such as hand-written notes. However, according to officials, these notes are generally stored at project officers' workstations and cannot be easily accessed by other CMHS officials, making it difficult for a third party to follow the trail of project officer oversight and for other officials to access the documents if the project officer is unavailable. In other cases, there was no documentation that the project officer approved this performance measure data.

[32]This grant supports a tribal organization. Officials indicated that this grantee is an outlier amongst other funded grantees due to its high need and low resource capacity.

We found that there were a variety of reasons why documentation used to oversee grantees was missing or not readily available. For example, officials told us that in some cases they lack program-specific guidance for the processes officials use to document their oversight of MHBG and PAIMI grantees. For the MHBG program, officials told us that they did not have program-specific guidance for the period of our review that indicated how project officers and the branch chief are to document their approval of the application if there are technological problems with the application review system. For the PAIMI program, officials told us that they have some program-specific guidance; however, officials told us that there is no written guidance with instructions for how officials are to calculate the PAIMI aggregate performance measure data from the data submitted by grantees. Further, there is no written guidance that describes how this information should be maintained. For its discretionary grant programs, CMHS does have program-specific guidance that indicates how project officers should review some performance measure data submitted by grantees; however, this guidance does not indicate how project officers should approve performance measure data after the system locks. CMHS officials said that some grantees have difficulty meeting the requirements of their grants because they serve high need populations. However, most of the problems we identified were related to documentation that is to be completed by CMHS officials for grants management and not due to issues with the grantees. Without proper documentation of information used to oversee grantees that is readily available, CMHS runs the risk that it does not have complete and accurate information needed to provide sufficient oversight of its grant programs. CMHS officials said that SAMHSA began efforts in fiscal year 2015 to update existing guidance and develop additional guidance for its grant programs, including those administered by CMHS. However, since these efforts are still in early stages, it is too soon to determine whether they will resolve the issues we identified.

CMHS Takes A Variety of Steps When Reviewing Performance Measure Data to Demonstrate How Its Grant Programs Further the Achievement of SAMHSA's Goals

CMHS officials told us that they take a variety of steps when reviewing grantees' performance measure data to demonstrate how CMHS's grant programs furthered the achievement of SAMHSA's goals, which are identified through the strategic initiatives contained within SAMHSA's strategic plan. CMHS collects performance measure data from grantees as a way to assess grant program performance. CMHS officials said that their performance measure data generally indicate that CMHS has made progress in achieving SAMHSA's goals.[33] The data collected is based on performance measures CMHS developed in response to the Government Performance and Results Act of 1993 (GPRA), as amended by the GPRA Modernization Act of 2010.[34] Examples of these measures include the number of evidence-based practices implemented, the number of children screened for mental health or related interventions, and the number of people served by the public mental health system. Grantees provide data to CMHS officials in response to these measures periodically, based on the requirements designated by each grant program. For example, the discretionary grantees we reviewed were required to report performance measure data either biannually or on a quarterly basis, while the MHBG and PAIMI grantees we reviewed were required to report performance measure data on an annual basis. (See app. I for more information on the performance measures for the grantees we reviewed.)

CMHS officials stated that they take a variety of steps when reviewing performance measure data to demonstrate how CMHS grant programs further the achievement of SAMHSA's goals. First, CMHS officials stated that they review performance measure data reported by grantees for each grant program on an annual basis as part of their budget planning and formulation process. Specifically, CMHS produces summaries by grant program that are included as part of its budget justification. Officials stated that these summaries include tables with performance measure data that demonstrate how the grant programs further the achievement of

[33]Because we only reviewed information related to performance measures from selected CMHS grant programs, we did not evaluate the accuracy of CMHS's performance measures. Instead, we reviewed CMHS's process for analyzing performance measure data collected through these measures.

[34]See Pub L. No. 103-62, 107 Stat. 285 (1993), as amended by Pub. L. No. 111-352, 124 Stat. 3866 (2011). GPRA requires, among other things, that federal agencies develop strategic plans that include agency-wide goals and strategies for achieving those goals. We have reported that these requirements also can serve as leading practices for planning at lower levels within federal agencies, such as individual programs or initiatives.

SAMHSA's goals. For example, SAMHSA's fiscal year 2015 budget justification provides information on the number of people served by the public mental health system for the MHBG program who lived in private residences during fiscal year 2012, which CMHS indicated is related to SAMHSA's goal to ensure that permanent housing and supportive services are available for individuals in recovery from mental health and substance use disorders. Second, some grant programs produced additional reports that demonstrated how these grant programs furthered the achievement of SAMHSA's goals. For example, CMHS produces a summary report of performance measure data across discretionary grant programs on an annual basis. The report provides graphs with performance measure data across several discretionary grant programs for a given year, and describes how this performance measure data furthers the achievement of SAMHSA's goals. Third, CMHS officials stated that performance measure data is reviewed by officials assigned to each strategic initiative who report to the administrator of SAMHSA on an ongoing basis to demonstrate the progress of the agency in furthering the achievement of its goals. For example, through this effort, officials stated that they reviewed performance measure data to demonstrate the agency's progress in achieving the goals within the recovery support strategic initiative and presented these reports to the administrator of SAMHSA.

In addition to these steps, in January 2015, CMHS began its implementation of the Common Data Platform for its discretionary grant programs. This platform is an electronic system that allows officials to generate reports on performance measure data collected from grantees awarded grants through programs across SAMHSA's centers, including CMHS. According to SAMHSA, analyzing performance measure data across SAMHSA's centers can assist the agency in evaluating the overall effectiveness of its grant programs and in ensuring that each program furthers the achievement of SAMHSA's goals. For example, SAMHSA documentation indicates that the Common Data Platform will help officials identify the number of people served by SAMHSA grantees in a particular state and compare that number to previous years' data as a way of measuring the impact of SAMHSA's grant programs. While CMHS has begun its implementation of the Common Data Platform for discretionary grant programs, officials stated that CMHS will extend the platform in 2017 to include performance measure data collected from the MHBG and PAIMI programs.

Conclusions

CMHS's grant programs support services for individuals with mental illness, which is widespread in the United States. Among the grantees we reviewed, we identified concerns with CMHS's documentation of its application of criteria when awarding grants to grantees and of the information it used to oversee grantees. We found that there were several reasons why documentation was missing or not readily available for the grantees we reviewed. These reasons included a lack of program-specific guidance for the tools and processes that CMHS officials have developed to document the oversight of grantees. While CMHS has developed tools and processes for its staff to use to document key elements of grants oversight, CMHS staff did not always understand how to use them. CMHS has developed some program-specific guidance to help officials oversee grantees and officials stated that SAMHSA began efforts in fiscal year 2015 to update existing guidance and develop additional guidance for CMHS's grant programs; however, because these efforts are still in early stages, it is too soon to determine whether they will address the issues we found. CMHS officials said that some grantees have difficulty meeting the requirements of their grants because they serve high need populations. However, most of the problems we identified were related to documentation that is to be completed by CMHS officials for grants management and not due to issues with the grantees. Both the grants manual, which CMHS officials said they follow to guide their grant oversight efforts, and *Standards for Internal Control in the Federal Government*, which apply to all government transactions, state that all transactions and other significant events need to be clearly documented, and that the documentation should be readily available. Without complete documentation of key elements of the oversight of its grant programs, CMHS does not have reasonable assurance that it is overseeing its grant programs effectively to achieve SAMHSA's goals.

Recommendation for Executive Action

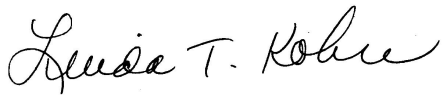
To assure the consistent documentation of the application of criteria to award grants to grantees and of the information used for oversight, the Administrator of SAMHSA should direct CMHS to take steps, such as developing additional program-specific guidance, to ensure that it consistently and completely documents both the application of criteria when awarding grants to grantees, and its ongoing oversight of grantees once grants are awarded.

Agency Comments

We provided a draft of this report to HHS for comment. HHS provided written comments, which are reprinted in appendix II. HHS concurred with our recommendation and stated that the administrator of SAMHSA directed the agency, including CMHS, to initiate efforts to ensure that it consistently and completely documents both the application of criteria when awarding grants to grantees and its ongoing oversight of grantees once grants are awarded. HHS also provided examples of efforts SAMHSA is undertaking to improve the management of its grant programs, including revising and updating guidance used for grants management. However, because several of the efforts are still in development, it is too early to determine whether these efforts will address the issues we identified. In addition, HHS provided technical comments, which we incorporated as appropriate.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies to the Secretary of Health and Human Services. In addition, the report will be available at no charge on GAO's website at http://www.gao.gov.

If you or your staffs have any questions about this report, please contact me at (202) 512-7114 or at kohnl@gao.gov. Contact points for our Office of Congressional Relations and Office of Public Affairs can be found on the last page of this report. Other major contributors to this report are listed in appendix III.



Linda T. Kohn
Director, Health Care

Appendix I: Examples of Performance Measures for the Center for Mental Health Services Grantees We Reviewed

This appendix provides additional information on the performance measures that the Center for Mental Health Services (CMHS) developed for the grantees we reviewed from five CMHS grant programs—Community Mental Health Services Block Grant (MHBG), Protection and Advocacy for Individuals with Mental Illness (PAIMI), Systems of Care Expansion Implementation Cooperative Agreements, Statewide Consumer Network, and Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health (Project LAUNCH). CMHS collects performance measure data from grantees based on these measures periodically as a way to assess grant program performance. CMHS developed its performance measures in response to the Government Performance and Results Act of 1993 (GPRA), as amended.[1] See table 5 for examples of performance measures for the grantees we reviewed.

[1]See Pub L. No. 103-62, 107 Stat. 285 (1993), as amended by Pub. L. No. 111-352, 124 Stat. 3866 (2011).

Table 5: Examples of Performance Measures for Center for Mental Health Services' (CMHS) Grantees We Reviewed By Grant Program, Fiscal Years 2012 and 2013

CMHS grant program type	Title of Grant program	Examples of performance measures
Formula grant programs	Community Mental Health Services Block Grant (MHBG)	• The number of evidence-based practices implementeda • The percentage of the service population receiving any evidence-based practices • The number of people served by the public mental health system
Formula grant programs	Protection and Advocacy for Individuals with Mental Illness (PAIMI)	• The number of people served by the PAIMI program • The number of people attending public education or constituency training and public awareness activities • The increase in the percentage of complaints of alleged abuse, neglect, and rights violations substantiated and not withdrawn by the client that resulted in positive change through the restoration of client rights, expansion or maintenance of personal decision-making, and elimination of other barriers to personal decision-making as a result of PAIMI involvement
Discretionary grant programs	Systems of Care Expansion Implementation Cooperative Agreements	• The number of organizations collaborating/coordinating/sharing resources with other organizations as a result of the grant • The number of organizations or communities that demonstrate improved readiness to change their systems in order to implement mental health-related practices that are consistent with the goals of the grant • The number of consumers or family members representing consumer or family organizations who are involved in ongoing mental health-related planning and advocacy activities as a result of the grant
Discretionary grant programs	Statewide Consumer Network	• The number of organizations or communities implementing mental health-related training programs as a result of the grant • The number of people credentialed or certified to provide mental health-related training programs as a result of the grant • The number of people in the mental health and related workforce trained in specific mental health-related practices/activities as a result of the grant
Discretionary grant programs	Cooperative Agreements for Linking Actions for Unmet Needs in Children's Health	• Number of persons trained in mental illness prevention or mental health promotion as a result of the grant • The number of organizations collaborating/coordinating/sharing resources with other organizations as a result of the grant • The number of children age 0-8 referred to mental health or related interventions

Source: GAO analysis of Substance Abuse and Mental Health Services Administration information. | GAO-15-405

Notes: This table does not provide an exhaustive list of all performance measures for the CMHS grantees we reviewed.

[a]This performance measure allows CMHS to track the extent to which grantees may have used evidence-based practices, although CMHS officials told us that the use of evidence-based practices was not required as a condition of approval for receiving an MHBG grant award during fiscal years 2012 and 2013.

Appendix II: Comments from the Department of Health and Human Services

DEPARTMENT OF HEALTH & HUMAN SERVICES

OFFICE OF THE SECRETARY

Assistant Secretary for Legislation
Washington, DC 20201

APR 2 2 2015

Linda T. Kohn
Director, Health Care
U.S. Government Accountability Office
441 G Street NW
Washington, DC 20548

Dear Ms. Kohn:

Attached are comments on the U.S. Government Accountability Office's (GAO) report entitled, "*Mental Health: Better Documentation Needed to Oversee Substance Abuse and Mental Health Services Administration Grantees*" (GAO-15-405).

The Department appreciates the opportunity to review this report prior to publication.

Sincerely,

Jim R. Esquea
Assistant Secretary for Legislation

Attachment

GENERAL COMMENTS OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS) ON THE GOVERNMENT ACCOUNTABILITY OFFICE'S (GAO) DRAFT REPORT ENTITLED: MENTAL HEALTH: BETTER DOCUMENTATION NEEDED TO OVERSEE SUBSTANCE ABUSE AND MENTAL HEALTH SEVICES ADMINISTRATION GRANTEES (GAO-15-405)

The U.S. Department of Health and Human Services (HHS) appreciates the opportunity from the Government Accountability Office (GAO) to review and comment on this draft report.

GAO Recommendation

GAO recommends that the Administrator of Substance Abuse and Mental Health Services Administration (SAMHSA) direct the Center for Mental Health Services (CMHS) to take steps, such as developing program-specific guidance, to ensure that it consistently and completely documents both the application of criteria when awarding grants to grantees, and its ongoing oversight of grantees once grants are awarded.

HHS Response

HHS concurs with GAO's recommendation. HHS appreciates the review provided by GAO of the management of the agency's grant process in Fiscal Years (FY) 2012 – 2013. HHS embraces a continuous quality improvement approach to examine and improve all of the agency's operations, including grants management. The SAMHSA Administrator has directed not only CMHS but all agency components to initiate efforts to ensure that the agency consistently and completely documents both the application of criteria when awarding grants to grantees, and its ongoing oversight of grantees once grants are awarded.

In addition, SAMHSA leadership has undertaken specific efforts to improve its management of its grant programs across the agency including:

- Development of Internal Operating Strategies to improve SAMHSA's internal business operations, including the management of its grant programs.
- Review of agency management systems used to support its grants management activities. As a result, SAMHSA is in the process of implementing a Grants Enterprise Management System to streamline and make more efficient its processes across the spectrum of grants management from pre-award to post-award monitoring.
- Development of a risk assessment of the agency's grants administration life cycle and remediation protocol which will become an integral part of the agency's management processes and will integrate with its systems capabilities.
- Development of a new on-line Common Data Platform (CDP) to improve the monitoring of grantee and grant program performance and assure comparative data reporting and analysis across the agency.
- Development of a standard operating procedure for completing the review of both the Mental Health Block Grant (MHBG) and Protection and Advocacy for Individuals with Mental Illness (PAIMI) applications as well as program-specific guidance and materials to assist staff on grants management activities including documentation. This includes

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application checklists, on-line communication logs, performance reporting systems, monitoring protocols and staff training for both the MHBG and PAIMI programs. Continued staff training and reviews are being implemented throughout this process. This also will include using the CDP for both of these programs.

- Initiation of a process to review, catalogue, and update its Policies and Procedures. This will culminate in a centralized book of Policies and Procedures that relate to the management of grants.

- Revision and updating of its Grants Management Project Officer Manual, which applies to all SAMHSA staff involved in monitoring and managing grants. This manual provides details on the management of grants including project monitoring, review of reports, decisions on continuation and carryover requests, and related activities.

- A comprehensive staff development effort through providing training on all agency policies and procedures, including specific training on various aspects of grants management and documentation.

The activities noted above are examples of HHS's commitment to improving its grant oversight and performance monitoring systems. In so doing, HHS is proud to be a responsible steward of taxpayer dollars, charged with reducing the impact of substance abuse and mental illness on America's communities.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Linda T. Kohn, (202) 512-7114 or kohnl@gao.gov

Staff Acknowledgments

In addition to the contact named above, Tom Conahan, Assistant Director; Cathy Hamann; Amy Leone; Dan Ries; Rebecca Rust Williamson; and Jennifer Whitworth made key contributions to this report.

Appendix IV: Accessible Data

Data Table for Figure 1: Distribution of Grants Awarded by the Center for Mental Health Services, Fiscal Year 2013

Grant program	Funding	Percentage
Discretionary grant programs	$321,161,368	39.07%
Formula grant programs	500,940,004	60.93%
Total	822,101,372	100%

Data for Figure 2: Overview of Submission, Review, and Award Process for the Center for Mental Health Services' Community Mental Health Services Block Grant and the Protection and Advocacy for Individuals with Mental Illness Programs

- Eligible entity submits application electronically /a/, /b/
- Project officer reviews application based on criteria and either approves it or asks the grantee for more information
- Approved applications are submitted to senior officials for final grant award approval /c/
- Grantee is awarded grant and begins submitting required information to the project officer

Data for Figure 3: Overview of Submission, Review, and Award Process for the Center for Mental Health Services' Discretionary Grant Programs

- Eligible entity submits application electronically /a/
- Application is scored by peer reviewers based on criteria /b/
- National Advisory Council reviews score, if applicable /c/
- Grantee is awarded grant and begins submitting required information to the project officer

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