

DATE: August 27, 2021

TO: Regional Behavioral Health Authorities

FROM: Gabrielle Richard, Grants Manager, Division of Grants Administration (DGA)

SUBJECT: MHBG Services to Individuals with an SMI Designation and Individuals diagnosed with SED During Incarceration

This memo is to provide clarification regarding the use of the Mental Health Block Grant (MHBG) to purchase mental health treatment services for members while incarcerated. The Substance Abuse and Mental Health Services Administration (SAMHSA) issued a letter to Mental Health Commissioners on February 11, 2020, stating that treatment for individuals during incarceration is an allowable use of the MHBG, provided that the treatment services and the provider of such services meets the statutory requirements of the MHBG. This applies to individuals with a serious mental illness (SMI) designation as well as individuals diagnosed with serious emotional disturbance (SED).

For MHBG purposes, the SAMHSA definition of incarceration will be used. According to SAMHSA, incarceration is defined as holding a person in a detention center, jail, or prison (State or Federal) because of suspected or actual involvement in criminal activity.

Provision of comprehensive services shall occur through appropriate mental health facilities and providers. Allowable services shall follow current MHBG policies and contracts and may include evaluation and treatment of a psychiatric disorder (including those related to competency restoration).

Although most physical and behavioral health services may be covered by the Arizona Department of Corrections, Rehabilitation and Reentry (ADCRR) or the Arizona Department of Juvenile Corrections (ADJC) during a period of incarceration, there may be times when the use of MHBG funds is appropriate for services not covered by the ADCRR or ADJC (e.g., assessments and treatment planning for members transitioning into the facility to serve their sentence or transitioning out of the facility once a release date is set). MHBG shall continue to be the payor of last resort.

Beginning October 1, 2021, the Regional Behavioral Health Authorities (RBHAs) may choose to use the MHBG to provide mental health treatment during incarceration to eligible individuals. Per the RBHA Non-Title XIX/XXI Contract, 45 days prior to implementation, the RBHA shall submit to AHCCCS a plan for the use of MHBG funds for individuals who are incarcerated. A template for the deliverable will be attached to this memo and available from AHCCCS DGA MHBG staff.

Should you have any questions, please contact the DGA Grants Management mailbox at GrantsManagement@azahcccs.gov.