



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

November 7, 2013

THE DIRECTOR

The Honorable Tim Murphy  
Chairman  
House Energy and Commerce Committee  
Subcommittee on Oversight and Investigations  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Mr. Chairman:

This letter is a follow-up to our June 5, 2013, letter regarding Federal spending on mental health programs. In that letter we informed the Committee that the Office of Management and Budget (OMB) was developing an analysis of Federal mental health programs and funding levels. Below is a brief description of the Administration's effort in this area and enclosed is a more detailed description of Federal funding of mental health activities and services.

Mental health issues affect nearly every family in our country. As you know, an estimated 45 million Americans suffer from mental illnesses, such as depression, schizophrenia or post-traumatic stress syndrome. Unfortunately, today less than 40 percent of the people experiencing mental illness get the help they need. To address this issue, Federal funding supports a variety of mental health research, prevention and treatment programs and activities as well as critical income support and other social services for individuals with mental illness.

The Administration is committed to raising awareness and improving access to care for Americans living with mental illness. Specifically, the Administration's key priorities in this area are to increase awareness of mental health issues, especially as they are related to children and young adults; improve access to mental health services for veterans; and implement the Affordable Care Act, which expands mental health coverage and parity protections for millions of Americans.

On January 16, 2013, the President announced his *Now is the Time* plan to protect our children and communities and to reduce gun violence across the country. A critical component of this plan is improving awareness of mental health issues and referral to mental health services for those who need them. The President's Budget for fiscal year (FY) 2014 includes funding for these *Now is the Time* initiatives that will help teachers and other adults who work with students recognize signs of mental illness in students earlier and refer them to services if needed; support innovative state-based programs to improve mental health outcomes for young people ages 16-

to-25; and help train 5,000 more mental health professionals with a focus on students and young adults.

On June 3, 2013, the President hosted the National Conference on Mental Health to increase understanding and awareness of mental health issues. The conference brought together people from across the country, including mental health advocates, educators, health care providers, faith leaders, Members of Congress, representatives from local governments and individuals who have struggled with mental health problems. The group discussed how to work to reduce negative attitudes and help the millions of Americans who have struggled with mental illness recognize the importance of reaching out for assistance. At the conference, the President applauded the commitments made by private sector and nonprofit organizations to take steps to raise awareness and combat stigma.

The President also announced that the Department of Veterans Affairs (VA) directed 152 of its health care centers nationwide to conduct Mental Health Summits with community partners, including local government officials, community-based organizations, and Veteran Service Organizations from July 1<sup>st</sup> through September 15<sup>th</sup> of this year. The Summits were meant to identify and link community-based resources to support the mental health needs of veterans and their families, as well as help increase awareness of available VA programs and services.

In conjunction with the National Conference on Mental Health, the Department of Health and Human Services (HHS) launched [www.mentalhealth.gov](http://www.mentalhealth.gov), an online resource for people looking for information about signs of mental illness, how individuals can seek help, and how communities can increase awareness around these important issues. This online resource includes videos of individuals who share their stories about mental illness and recovery.

In addition to these efforts, the Administration continues to implement the Affordable Care Act, which builds on the Mental Health Parity and Addiction Equity Act of 2008 and will expand mental health and substance use disorder benefits and federal parity protections for 62 million Americans. As part of the Executive Actions outlined in the *Now is the Time* plan, the Administration will issue the final rule implementing the Mental Health Parity and Addiction Equity Act of 2008.

As part of the overall effort to increase awareness of mental health issues, and as indicated in our June 5, 2013 letter, OMB worked closely with several Federal agencies to collect information on mental health research, prevention and treatment programs, income support and other social services provided to individuals on the basis of their mental illness. I am attaching this information for your reference. In addition to these programs and services, there are a number of other Federal programs that address mental health as part of broader activities however, these programs do not track funds directed to the mental health component.

There are also Federal services or benefits provided to individuals with mental illness that are not furnished exclusively on the basis of the individual's mental illness.

Thank you for your interest in these programs and services and your interest to improve mental health prevention and treatment services. If you have any questions, please contact Kristen J. Sarri, Associate Director for Legislative Affairs at (202) 395-4790.

Sincerely,

A handwritten signature in black ink, appearing to read 'SMB', with a long horizontal flourish extending to the right.

Sylvia M. Burwell  
Director

Identical Letter Sent to The Honorable Diana DeGette

cc: The Honorable Fred Upton, Chairman  
The Honorable Henry A. Waxman, Ranking Member

Enclosure

## **Federal Funding of Mental Health Activities and Services**

As part of the overall effort to increase awareness of mental health issues, the Office of Management and Budget (OMB) worked closely with several Federal agencies to collect information on the activities and services that support individuals with mental illness. In Fiscal Year (FY) 2012, \$130 billion in Federal funds were directed to mental health surveillance, research, prevention and treatment activities, income support and other social services provided to individuals on the basis of their mental illness. Of these resources, \$13 billion were discretionary funds and \$117 billion were mandatory funds.

The President's Budget for FY 2014 makes critical investments in new and existing programs to improve access to mental health services and increase awareness of mental health issues. The FY 2014 Budget includes \$147 billion for mental health activities and services directed to individuals with mental illness.

This package includes the following two tables with mental health specific programs and funding levels:

- Surveillance, Research, Prevention, Treatment and Other Mental Health Activities

Various Federal agencies fund surveillance, research, prevention and treatment activities that, in whole or in part, address mental health or serve individuals with mental illness. In FY 2012, the Department of Health and Human Services, Department of Defense, Department of Veterans Affairs, Department of Education, and the Department of Justice collectively spent \$54 billion on these mental health activities. This included \$41 billion in mandatory funds and \$13 billion in discretionary funds. The FY 2014 Budget includes \$62 billion—\$48 billion in mandatory funds and \$14 billion in discretionary funds—for existing and new activities in this area to address mental health and mental illnesses.

- Income and Other Support Services for Individuals with Mental Illness

In addition to supporting surveillance, research and prevention activities and providing treatment for mental health issues, Federal funds also provide income support and other social services to individuals with mental illness. In FY 2012, the Department of Education and the Social Security Administration spent \$76 billion on programs that provide income support and other social services to individuals on the basis of their mental illness. The FY 2014 Budget provides \$85 billion for these services. These services were supported with mandatory funding.

In addition, there are many programs that provide support for mental health, but where agencies do not track these funds separately and these activities are not included in the tables. For example, the tables do not include a number of federally funded activities targeted to address substance abuse, but that benefit individuals with co-occurring substance abuse and mental

illness. Federal funding for substance use disorders services for prevention, early intervention, treatment and recovery can be found in the National Drug Control Strategy's Budget ([http://www.whitehouse.gov/sites/default/files/ondcp/fy2013\\_drug\\_control\\_budget\\_and\\_performance\\_summary.pdf](http://www.whitehouse.gov/sites/default/files/ondcp/fy2013_drug_control_budget_and_performance_summary.pdf)). Also, many of the activities and services reported serve individuals with serious mental illness. However, the majority of agencies do not track these funds separately. Finally, a variety of additional Federal programs provide support for mental health as an indistinguishable component of broader programs. In FY 2012, an additional \$125 billion in Federal funds supported broader activities that include a mental health component and services that support a population that includes individuals with mental illness who are not separately identifiable. The FY 2014 Budget includes another \$144 billion for broader activities that address mental health and serve individuals with mental illnesses as an indistinguishable component of broader programs.

Federal Mental Health Spending (\$ in millions)

Mental Health Surveillance, Research, Prevention and Treatment Activities					
Agency/Bureau	Activity	Type of Funding	FY 2012 Actual	FY 2014 President's Budget	
CMS	Medicare - Fee For Service/Medicare Advantage	Mandatory	15,382.00	17,254.00	
CMS	Medicaid - Federal	Mandatory	24,880.00	30,320.00	
CMS	CHIP - Federal	Mandatory	560.00	620.00	
Subtotal, CMS			40,822.00	48,194.00	
NIH <sup>1</sup>	Mental Health Research	Discretionary	2,035.00	2,032.00	
Subtotal, NIH			2,035.00	2,032.00	
SAMHSA	Youth Violence Prevention	Discretionary	23.16	23.16	
SAMHSA	Programs of Regional & National Significance, All Other	Discretionary	297.60	338.12	
SAMHSA	Community Mental Health Services Block Grant	Discretionary	459.76	459.76	
SAMHSA	Children's Mental Health Services Program	Discretionary	117.32	117.32	
SAMHSA	PATH Homeless Formula Grant	Discretionary	64.79	64.79	
SAMHSA	Protection and Advocacy	Discretionary	36.24	36.24	
SAMHSA	Health Surveillance/Program Support - Mental Health	Discretionary	48.68	75.06	
Subtotal, SAMHSA			1,047.53	1,114.44	
HRSA <sup>2</sup>	Mental and Behavioral Health	Discretionary	12.89	2.89	
HRSA	Health Center MH Services	Discretionary	125.00	125.00	
HRSA	National Health Service Corps	Mandatory	88.50	91.50	
HRSA	Rural Health	Discretionary	2.00	2.00	
Subtotal, HRSA			228.39	221.39	
AHRQ	Mental Health		8.80	8.80	
Subtotal, AHRQ			8.80	8.80	
Indian Health Service (IHS)	Mental Health Treatment Services	Discretionary	76.00	80.00	
Subtotal, IHS			76.00	80.00	
Subtotal, HHS			44,217.73	51,650.63	

Federal Mental Health Spending (\$ in millions)

Mental Health Surveillance, Research, Prevention and Treatment Activities					
Agency/Bureau	Activity	Type of Funding	FY 2012 Actual	FY 2014 President's Budget	
Defense Health Program	Surveillance, Research, Prevention and Treatment	Discretionary	2,258.90	2,415.10	
Office of the Secretary of Defense	Counseling and Suicide Prevention	Discretionary	608.00	604.00	
US Navy	Mental Health Research	Discretionary	5.30	0.80	
US Army	Mental Health Research	Discretionary	37.70	26.90	
<b>Subtotal, Defense<sup>3</sup></b>			<b>2,909.90</b>	<b>3,046.80</b>	
VA / Veterans Health Administration (VHA)	Mental Health Treatment	Discretionary	6,246.37	7,210.90	
VA / VHA	Mental Health Research	Discretionary	107.00	109.00	
VA / VHA	Mental Health Workforce Development, Health Professions Trainees	Discretionary	107.62	108.00	
<b>Subtotal, VA</b>			<b>6,460.99</b>	<b>7,427.90</b>	
Department of Education/Office of Special Education and Rehabilitative Services	National Institute on Disability and Rehabilitation Research	Discretionary	7.00	4.00	
<b>Subtotal, ED<sup>4</sup></b>			<b>7.00</b>	<b>4.00</b>	
Department of Justice (DOJ)/ Bureau of Prisons	Inmate Care and Programs - Salaries and Expenses	Discretionary	145.69	155.86	
	Mentally Ill Offender Act - Justice and Mental Health Collaboration Program	Discretionary	8.00	0.00	
<b>Subtotal, DOJ<sup>5</sup></b>			<b>153.69</b>	<b>155.86</b>	
<b>TOTAL, Mental Health Specific<sup>7*</sup></b>			<b>\$ 53,749.30</b>	<b>\$ 62,285.19</b>	
<b>TOTAL, MANDATORY - Mental Health Specific</b>			<b>\$ 40,910.50</b>	<b>\$ 48,285.50</b>	
<b>TOTAL, DISCRETIONARY - Mental Health Specific</b>			<b>\$ 12,838.80</b>	<b>\$ 13,999.69</b>	

Federal Mental Health Spending (\$ in millions)

<sup>1</sup> NIH does not expressly budget by disease or condition. The FY 2014 figure is an estimate that will change based on actual research projects funded.

<sup>2</sup> FY 2012 funding for the HRSA Mental and Behavioral Health activity includes funds to be used over a three-year period, FY 2012 - FY 2014.

<sup>3</sup> The Department of Defense (DOD) also spends roughly \$600 million on activities that address mental health, including family support, wounded warrior, sexual assault, Yellow Ribbon, and respite care programs. At this time, DOD is unable to identify the amount of funding specifically targeted to the mental health component of these programs.

<sup>4</sup> The Department of Education also spent \$52 million in FY 2012 on an Elementary and Secondary Counseling program that included mental health activities; however, the specific amount targeted to the mental health activities can not be distinguished. The FY 2014 Budget program includes funding for this program, and others, in a much broader initiative to address school climate.

<sup>5</sup> The President's FY 2014 Budget combines the Justice and Mental Health Collaboration and Drug Court programs to form the Problem Solving Justice Program. The Budget includes \$44 million for the combined program. The funding to be directed to the mental health component of the combined program can not be distinguished.

<sup>6</sup> In FY 2012, the DOJ OJJDP spent an additional \$60 million on programs that included a mental health component that is indistinguishable from total program spending. The President's Budget for FY 2014 includes more than \$130 million for broad DOJ OJJDP programs that will likely address mental health issues.

<sup>7</sup> In addition to the programs listed, the SSA spent \$35 million in FY 2012 on disability-related research to inform the delivery of quality disability decisions and services. The FY 2014 Budget includes \$52 million for these research activities. SSA research address a variety of disabilities and funding directed to mental health can not be separately identified.

\*The data was collected from agencies prior to finalization of FY 2013 spending levels. Thus, these data are not included here.

Federal Mental Health Spending (\$ in millions)

Income Support and Other Social Services for Individuals with Mental Illness					
Agency/Bureau	Title of Income Support or Other Service	Type of Funding	FY 2012 Actual	FY 2014 President's Budget	
Department of Education/Office of Special Education and Rehabilitative Services	Vocational Rehabilitation services	Mandatory	1,078.00	1,140.00	
<b>Subtotal, Education</b>			<b>1,078.00</b>	<b>1,140.00</b>	
Social Security Administration (SSA) <sup>1</sup>	Disability Insurance - Federal Benefits	Mandatory	48,880.00	52,786.00	
SSA <sup>1</sup>	SSI - Federal Benefits	Mandatory	26,081.00	30,754.00	
<b>Subtotal, SSA<sup>2</sup></b>			<b>74,961.00</b>	<b>83,540.00</b>	
<b>TOTAL, Mental Health Specific<sup>3*</sup></b>			<b>\$76,039.00</b>	<b>\$84,680.00</b>	
<b>TOTAL, MANDATORY - Mental Health Specific</b>			<b>\$76,039.00</b>	<b>\$84,680.00</b>	
<b>TOTAL, DISCRETIONARY - Mental Health Specific</b>			<b>\$0.00</b>	<b>\$0.00</b>	

<sup>1</sup> Program funding includes discretionary funds for administrative expenses.

<sup>2</sup> In FY 2012, SSA also spent \$75 million on Beneficiary Services, such as vocational rehabilitation programs. The FY 2014 Budget includes \$84 million to fund these services, as well as other work incentive and beneficiary advocacy programs that lapsed in FY 2012.

<sup>3</sup> In addition to the programs listed, VA and HUD provide services to individuals with disabilities, including mental illness; however, the amount provided to individuals with mental illness is not tracked separately. The VA spent roughly \$49 billion in FY 2012 various vocational rehabilitation and employment support programs and compensation for veterans with disabilities, including, but not limited to, mental illness. The FY 2014 Budget includes \$60 billion for these activities. Likewise, HUD estimates spending \$4 billion in FY 2012 and FY 2014 on housing assistance programs for individuals with mental illness and other disabilities. HUD estimates are based on special tabulations of administrative data and the estimated percentage of funds serving individuals with mental illness and other disabilities.

\* The data was collected from agencies prior to finalization of FY 2013 spending levels. Thus, these data are not included here.