**EXHIBIT B1 – FEDERAL BLOCK GRANT REQUIREMENTS**

1. **Purpose**
   1. The purpose of this document is to outline the expectations of the Department for the Managing Entity, in relation to the federal Community Mental Health (CMH) block grant, as authorized by 42 U.S.C. s. 300x, and Substance Abuse Prevention and Treatment (SAPT) block grant, as authorized by 42 U.S.C. s. 300x-21.
   2. **Managing Entity Assurance**

The Managing Entity shall assume the responsibility of implementation, administration, and monitoring of the CMH and SAPT block grants, and the associated maintenance of effort requirements.

* 1. The Managing Entity shall ensure that the Department is able to meet the assurances required of the State to the federal government in 45 C.F.R. s. 96.123, to be eligible to receive block grant funding.
  2. The Managing Entity shall be responsible for the implementation, administration, monitoring, and compliance with the requirements of the Block Grants. The Department will provide technical assistance to the Managing Entity. The Managing Entity agrees that failure to comply with the requirements of these federal Block Grants represents a material breach of this contract, and shall subject the Managing Entity to performance deficiencies and financial consequences as specified in **Section 3.4.**

1. **Managing Entity Requirements**
   1. The Managing Entity shall report expenditures, service utilization data, demographic information, and national outcome measures as required by the Catalog of Federal Domestic Assistance (CFDA).
   2. Pursuant to 45 C.F.R. s. 96.122, the Managing Entity shall report expenditures for:
      1. Planning,
      2. Coordination,
      3. Needs assessment,
      4. Quality assurance,
      5. Training of counselors,
      6. Program development,
      7. Research and development, and
      8. Development of information systems.
   3. The Managing Entity shall be responsible for ensuring that the Department can report the following allocations in accord with the requirements set by federal law:
      1. Of the SAPT block grant:
         1. Pursuant to 45 C.F.R. s. 96.124(b), not less than the amount specified in **Exhibit F1** for “Substance Abuse Prevention Services” on primary prevention services for those who do not require treatment;
         2. Pursuant to 42 U.S.C. s. 300x-24, not less than the amount specified in **Exhibit F1** for “HIV Services” on HIV Early Intervention Services.
      2. Of State funds appropriated to substance abuse treatment for adults, pursuant to 45 C.F.R. s. 96.124(c), not less than the amount specified in **Exhibit F1** for “Projects Expansion of Substance Abuse Services for Pregnant Women and their affected families” on services for pregnant women, and women with dependent children.
      3. Of the CMH block grant, not less than the amount specified in **Exhibit F1** for “ME Early Intervention Services for SMI & Pysch Disorder” subcontracted for the implementation of the Coordinated Specialty Care for Early Serious Mental Illness, including First Episode Psychosis, program to serve a minimum number of individuals annually, as negotiated by the Department based on available funding. The subcontract shall specify standards for implementation and base the program design upon:
         1. The NAVIGATE Team Members’ Guide, available at <http://navigateconsultants.org/manuals/>, hereby incorporated by reference, or
         2. The OnTrackNY Team Manual , available at <http://www.ontrackny.org/Resources>, hereby incorporated by reference.
         3. The Managing Entity shall adopt mechanisms for ongoing monitoring of the program for fidelity with the selected program design.
      4. Pursuant to 45 C.F.R. s. 96.131, the Managing Entity shall ensure that subcontractors that receive SAPT block grant funding prioritize treatment services for pregnant women. This shall include:
         1. The development, implementation, and administration of an electronic waitlist to ensure that a pregnant woman that requires treatment services shall be a priority for admission, within 48 hours of seeking treatment. If the clinically appropriate services cannot be provided for the pregnant woman, interim services shall be provided not later than 48 hours after the woman seeks treatment services.
         2. The capacity to track and report the type of service, number of pregnant women served, and amount of services purchased by federal and state sources.
         3. Policies and procedures relating to treatment services for pregnant women and, where appropriate, ensure that families are able to remain together when parents require treatment.
      5. Pursuant to 45 C.F.R. s. 96.126, the Managing Entity shall maintain an electronic waitlist for the sub-contractors that receive SAPT block grant funding and serve injection drug users, and ensure the implementation of the 14/120-day requirement of 45 C.F.R. s. 96.126(b), and provide interim services until such time as the clinically appropriate level of treatment can be provided to the individual.
         1. Outreach services shall be provided, pursuant to 45 C.F.R. s. 96.126(e), and documented so as to demonstrate the provision of these services.
         2. The Managing Entity shall maintain a report of the Network Service Providers that reach 90% capacity, and the monitoring procedures to ensure that this occurs.
      6. Pursuant to 45 C.F.R. s. 96.125, the Managing Entity shall prepare and implement a comprehensive primary prevention program that uses a variety of strategies.
      7. Pursuant to 45 C.F.R. s. 95.127, the Managing Entity shall ensure the provision of tuberculosis services, in compliance with Ch. 65D-30.004(9). F.A.C.
      8. Pursuant to 45 C.F.R. s. 96.126 and s. 96.128, the Managing Entity shall ensure the provision of early intervention services for HIV and in compliance with Ch. 65D-30.004(9), F.A.C.
      9. Pursuant to 45 C.F.R. s. 96.123(a)(7) and s. 96.132(b), the Managing Entity shall ensure that subcontracted Network Service Providers receive continuing education, and this shall be documented to demonstrate the provision of said education.
      10. Pursuant to 45 C.F.R. s. 96.132(a), the Managing Entity shall develop and implement a process for improving referrals to treatment.
      11. The Managing Entity shall ensure that each year, an evaluation of the procedures and activities undertaken to comply with the block grant requirements shall be completed.
      12. The Managing Entity shall ensure that each year, an assessment of need is undertaken that complies with the requirements of 45 C.F.R. s. 96.133, and 42 U.S.C. s. 300x-1 for adults with a serious mental illness, and children with serious emotional disturbances.
      13. The Managing Entity shall ensure that block grant funding is not expended on the restricted activities pursuant to 45 C.F.R. s. 96.135, 42 U.S.C. s. 300x-5, and 42 U.S.C. s.300x-31. Restricted activities include, but are not necessarily limited to, the following. Managing Entitles may consult the Department for technical assistance to address allowability of specific cases before subcontracting.
          1. The CMH block grant and the SAPT block grant may not be used to:
             1. Provide inpatient hospital services;
             2. Fund the enforcement of alcohol, tobacco, or drug laws;
             3. Make cash payments to intended recipients of health services;
             4. Purchase or improve land; purchase, construct, or permanently improve (other than minor remodeling) any building or other facility; or purchase major medical equipment;
             5. Satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;
             6. Provide financial assistance to any entity other than a public or nonprofit private entity; or
             7. Provide any services within prisons or jails.
          2. Primary prevention set-aside funds from the SAPT block grant may not be used to:
             1. Provide Screening, Brief Intervention, and Referral to Treatment (SBIRT) programs; or
             2. Provide Mental Health First Aid or Crisis Intervention Training programs.
      14. Pursuant to 42 U.S.C. s. 300x-3, the Managing Entity shall collaborate with the Department to ensure that members of the planning council are able to undertake their statutory duties. This will include the participation of the Council member at the Managing Entity Board meetings.
2. **Monitoring**
   1. The Managing Entity shall develop, and implement a monitoring process that will demonstrate oversight and corrective action in the case of non-compliance, for all Network Service Providers that receive block grant funds.
   2. The Managing Entity shall:
      1. As a component of Network Service Provider monitoring, include oversight of the block grant requirements;
      2. Develop and utilize standardized monitoring tools;
      3. Provide the Department with access to the monitoring reports, via the electronic vault; and
      4. Develop and utilize the monitoring reports to create corrective action plans for Network Service Providers, where necessary.
3. **Reporting** 
   1. To demonstrate compliance with the requirements of the SAPT and CMH block grants, the Managing Entity shall, on a quarterly basis report on the following activities:
      1. Training and technical assistance;
      2. Access to treatment for injection drug users, including capacity reports;
      3. Follow-up actions taken in response to findings from peer review activities;
      4. Priority access to treatment for pregnant women;
      5. Wait list management for injection drug users and pregnant women;
      6. Compliance with charitable choice provisions;
      7. Monitoring; and
      8. Continuous quality improvement.
   2. To meet the reporting requirements of the State to the federal government, the Managing Entity shall complete and submit **Template 2 – Managing Entity Substance Abuse and Mental Health Block Grant Reporting Template Overview and Instructions** by February 15 and August 15 of each year. This shall be accompanied by a certification of accuracy, from the Chief Executive Officer and Chief Financial Officer, or equivalent positions.
   3. To meet the reporting requirements of the State to the federal government, the Managing Entity shall complete and submit **Template 3 – Narrative Report for the Substance Abuse and Mental Health Block Grant** by May 30 of each year.
4. **Elements to be included in subcontracts with Network Service Providers**
   1. The Managing Entity shall ensure that the following are included in subcontracts with appropriate Network Service Providers:
      1. Requirements to ensure compliance with the SAMHSA Charitable Choice provisions and the implementing regulations of 42 C.F.R. s. 54a;
      2. Requirements to ensure that Network Service Providers that receive block grant funds comply with 42 C.F.R. Part 2;
      3. Provisions to monitor block grant requirements, and activities;
      4. Sufficient detail in a Network Service Provider invoice to capture, report, and test the validity of expenditures and service utilization;
      5. For Network Service Providers that receive CMH block grant funding, and have been designated as a prevention provider for the purposes of H.R. Res. 3547, 113th Cong. (2014) (enacted), compliance with federal requirements.
      6. For Network Service Providers that receive SAPT block grant funding for the purpose of primary prevention, compliance with 45 C.F.R. s. 96.125;
      7. An invoice that includes the minimum data elements to satisfy the Department’s application and reporting requirements; and
      8. Compliance with state or federal requests for information related to the block grant.
      9. In accordance with 45 C.F.R. ss. 96.131(a) and (b), a requirement that providers that receive Block Grant funds and that serve injection drug users publicize the following notice: “This program receives federal Substance Abuse Prevention and Treatment Block Grant funds and serves people who inject drugs. This program is therefore federally required to give preference in admitting people into treatment as follows: 1. Pregnant injecting drug users; 2. Pregnant drug users; 3. People who inject drugs; and 4. All others.”
   2. The Managing Entity shall ensure the following are included in all subcontracts with Network Service Providers for treatment services:
      1. A requirement to discuss the option of medication-assisted treatment with individuals with opioid use disorders or alcohol use disorders.
         1. For individuals with opioid use disorders, the Network Service Provider shall discuss medication-assisted treatment using FDA-approved medications including but not limited to methadone, buprenorphine, and naltrexone.
         2. For individuals with alcohol use disorders, the Network Service Provider shall discuss medication-assisted treatment using FDA-approved medications including but not limited to disulfiram, and acamprosate products.
      2. A requirement to actively link individuals to medication-assisted treatment providers upon request of the individual served;
      3. A prohibition on a denial of an eligible individual’s access to the Network Service Provider’s program or services based on the individual’s current or past use of FDA-approved medications for the treatment of substance use disorders. Specifically, this must include requirements to:
         1. Ensure the Network Service Provider’s programs and services do not prevent the individual from participating in methadone treatment rendered in accordance with current federal and state methadone dispensing regulations from an Opioid Treatment Program when ordered by a physician who has evaluated the client and determined that methadone is an appropriate medication treatment for the individual’s opioid use disorder;
         2. Permit the individual to access medications for FDA-approved medication-assisted treatment by prescription or office-based implantation if the medication is appropriately authorized through prescription by a licensed prescriber or provider.
         3. Permit continuation in medication-assisted treatment for as long as the prescriber or medication-assisted treatment provider determines that the medication is clinically beneficial; and
         4. Prohibit compelling an individual to no longer use medication-assisted treatment as part of the conditions of any program or services if stopping is inconsistent with a licensed prescriber’s recommendation or valid prescription.