

President's Fiscal Year 2023 Budget Summary

Partnership to End Addiction applauds the Biden administration's Fiscal Year 2023 budget request for investing in our nation's mental health and improving our response to the addiction crisis. While Congress ultimately controls appropriations, the President's budget demonstrates the administration's priorities, which clearly recognize the need to take a proactive, health-based approach to addiction and mental illness. Protecting our national security and stability requires much more than funding our military and law enforcement. It requires investing in the mental and physical health of every member of our nation across the lifespan, mitigating the circumstances that increase risk and shoring up the factors known to protect people from developing mental health and substance use problems. This year's budget proposal contains billions of dollars for addressing the mental health and addiction crises, as well as several policy proposals to improve prevention and the accessibility, availability, and quality of care.

Overall, the Department of Health and Human Services (HHS) budget includes \$20.8 billion in discretionary funding for behavioral health programs (a \$4.9 billion increase over FY 2022) and \$11.4 billion (including \$10.8 billion in discretionary funding) for programs to address the substance use crisis. The National Drug Control budget includes \$42.5 billion (\$3.2 billion increase). This includes \$24.3 billion (57.1%) for demand reduction and \$18.2 billion (42.9%) for supply reduction, including \$21 billion for treatment (49.7%), \$3.1 billion for prevention (7.4%), \$11 billion (26%) for domestic law enforcement, \$6.1 billion for interdiction (14.5%), and \$1 billion (2.5%) for international efforts.

Here are some of the highlights:

- **Increased funding for Substance Abuse and Mental Health Services Administration (SAMHSA)** (\$10.7 billion), including for **mental health** (\$4.6 billion), **substance use prevention** (\$312 million), **substance use treatment** (\$5.6 billion), and **health surveillance and program support** (\$183 million). This includes:
 - \$7.5 billion for a new **Mental Health System Transformation Fund** to expand access to mental health services through workforce development and service expansion, including the development of non-traditional health delivery sites, integration of mental health and substance use disorder care into primary care, and dissemination of evidence-based practices.
 - **Increased funding for crisis services**, including \$697 million for the 988 behavioral health crisis hotline and associated behavioral health services.
 - **Increased funding for youth mental health**, including for Project AWARE (\$244 million), the Mental Health Awareness Training Program (\$64 million), the National Child Traumatic Stress Network (\$150 million), the Infant and Early Childhood Mental Health Grant program (\$38 million), Project LAUNCH (\$35 million), and children's mental health services for youth with serious emotional disturbance (\$225 million).
 - **Increased funding for the Community Mental Health Services Block Grant** (\$1.7 billion), including a 10% set-aside for early intervention and prevention for at-risk youth and young adults and an increase in the set-aside for crisis services from 5% to 10%.
 - **Increased funding for the Substance Abuse Prevention and Treatment Block Grant** (\$3 billion), including a new 10% set-aside for recovery services, as well as the **State Opioid Response grant program** (\$2 billion, including \$75 million for the Tribal Opioid Response program).



- **Increased funding for community health centers**, including \$4.1 billion over 10 years to permanently extend funding for Community Mental Health Centers (\$413 million in FY 2023) and \$553 million for the Certified Community Behavioral Health Clinics (CCBHC) Expansion Grant Program.
- **Increased funding for integrated care and wraparound services**, such as the Primary and Behavioral Health Care Integration Program (\$105 million), Homeless Prevention Programs (\$36 million), and Projects for Assistance in Transition from Homelessness (\$70 million).
- **Increased funding for the drug court program** (\$105 million), **Medication Assisted Treatment for Prescription and Drug Addiction Program** (\$137 million), and **Minority Fellowship Program** (\$22 million).
- **Increased funding for health surveillance**, including expanded data collection (\$53 million) and the Drug Abuse Warning Network (\$20 million).
- **Increased funding and policy changes in the Centers for Medicare and Medicaid Services and Department of Labor to improve coverage and increase access to care** in private insurance, Medicaid, and Medicare:
 - **Requires all private plans and issuers to provide mental health and substance use disorder benefits.**
 - **Requires private plans and issuers to use medical necessity criteria for behavioral health services that are consistent with criteria developed by nonprofit medical specialty associations and places limits on the consideration of profit in medical necessity determinations.**
 - **Authorizes HHS, the Department of Labor (DOL), and the Treasury to regulate behavioral health network adequacy and to issue regulations on standards for parity in reimbursement rates.**
 - **Requires private insurance to cover three behavioral health and three primary care visits without cost-sharing.**
 - **Provides mandatory funding for state parity enforcement** (\$125 million over 5 years).
 - **Increases DOL's capacity to enforce parity** through \$275 million over 10 years to increase audits of plans and take action against non-compliant actors, and by authorizing DOL to assess civil monetary penalties for parity violations.
 - **Eliminates the ability of self-insured, non-federal governmental plans to opt out of parity requirements and other consumer protections.**
 - **Expands and converts Medicaid's Demonstration Programs to Improve Community Mental Health Services into a permanent program**, allowing all states and territories to participate in the CCBHC demonstration program, converting programs to a more sustainable Medicaid state plan option, and maintaining the demonstration's enhanced federal matching rate.
 - **Prevents states from prohibiting same-day billing for mental health and physical health visits in Medicaid.**
 - **Requires that Medicaid behavioral health services be consistent with current and clinically appropriate treatment guidelines.**
 - **Establishes a performance bonus fund** (\$2.5 billion over 5 years) to improve behavioral health in Medicaid by awarding states contingent on improvements in behavioral health measures.
 - **Eliminates Medicare's 190-day lifetime limit on psychiatric hospital services.**
 - **Requires Medicare to cover three behavioral health visits without cost-sharing.**



- **Revises criteria for psychiatric hospital terminations from Medicare** to prevent unnecessary hospital closures that limit care availability.
- **Modernizes Medicare mental health benefits** by establishing a benefit category for Licensed Professional Counselors and Marriage and Family Therapists, removing limits on the scope of services for these providers and Clinical Social Workers, allowing payment to Rural Health Clinics and Federally Qualified Health Centers for mental health services provided by these clinicians, enabling Medicare coverage of evidence-based digital applications/platforms that facilitate mental health service delivery, etc.
- **Applies the Mental Health Parity and Addiction Equity Act to Medicare.**
- **Increased funding for expanding the behavioral health workforce**, including through \$2.1 billion for Health Resources and Services Administration's (HRSA) workforce programs, including the National Health Service Corps (including funds specifically dedicated to behavioral health service providers) (\$502 million), Behavioral Health Workforce Development Programs (\$397 million), Preventing Burnout in the Health Workforce (\$50 million), behavioral health integration in community-based settings (\$50 million), and demonstration program to improve provider capacity in Medicaid to address mental health through education, recruitment, integration, reimbursement, and training efforts (\$7.5 billion).
- **Proposes to remove the word "abuse" from the names of HHS agencies** (i.e., Substance Use and Mental Health Services Administration, National Institute on Alcohol Effects and Alcohol-Associated Disorders, National Institute on Drugs and Addiction).
- **Increased funding for school-based mental health services and substance use prevention**, including Department of Education funding to increase the number of counselors, nurses, school psychologists, social workers, and other health professionals in schools (\$1 billion), to support Full Service Community Schools (\$468 million), and to provide resources for school-based substance use prevention activities through School Climate Transformation Grants (\$48.6 million).
- **Increased funding to improve maternal health**, including through HRSA's Home Visiting program (\$467 million), the Maternal Mental Health Hotline (\$7 million), and Screening and Treatment for Maternal Depression (\$10 million).
- **Expands access to affordable, high-quality early child care and learning**, including through \$20.2 billion for HHS's early care and education programs (Child Care and Development Block Grant, Head Start, Preschool Development Block Grants) through the Administration for Children and Families, Centers for Disease Control and Prevention (CDC) research and surveillance on adverse childhood experiences (\$15 million), and a HRSA effort to embed early childhood development experts in community health centers (\$85 million).
- **Advances child and family wellbeing in the child welfare system**, including by expanding prevention services to keep families together (\$4.9 billion over 10 years), providing incentives and support for states to increase kinship care (\$1.3 million over 10 years), and funding the Safe Recovery Together demonstration program to support families affected by domestic violence at the intersection of substance use coercion, housing instability, and child welfare involvement (\$30 million).
- **Increased funding to address behavioral health in rural areas**, including for the Rural Communities Opioid Response Program (\$165 million) and Rural Health Clinic Behavioral Health Initiative (\$10 million), which help address workforce and service delivery challenges and aim to reduce morbidity and mortality from substance use in rural communities.
- **Increased funding for the Office of National Drug Control Policy** (\$450.5 million), including for the High-Intensity Drug Trafficking Area program (\$293.5 million), Drug-Free Communities program (\$106 million), drug court training and technical assistance (\$3 million), and Model Acts Program (\$1.3 million).



- **Increased funding for the Food and Drug Administration (FDA)** to support the development of treatments for opioid overdose reversal and opioid use disorder, interdict shipments of counterfeit pharmaceuticals, and develop, evaluate, and advance digital health medical devices to address opioid use disorder.
- **Increased user fees to support FDA's tobacco programs**, including to enhance product review and evaluation, research, compliance and enforcement, public education campaigns, and policy development.
- **Increased funding for CDC** opioid overdose prevention and surveillance (\$713 million), Opioid Abuse and Overdose Prevention activities (\$244.3 million), surveillance and research for prevention of adverse childhood experiences (\$15 million), maternal health (\$164 million), suicide prevention focused on early intervention (\$22 million), and data collection.
- **Increased funding for the National Institutes of Health**, including for research on opioids, stimulants, and pain (\$2.6 billion), including through the HEAL Initiative, and research on the impact of social media on mental health (\$5 million) and to improve mental health treatment approaches, service delivery, and system transformation (\$5 million), as well as funding for the National Institute on Drug Abuse (\$1.8 billion) and the National Institute on Alcohol Abuse and Alcoholism (\$66.7 million).
- **Increased funding for behavioral health services for veterans**, including suicide prevention initiatives (\$497 million), mental health care services (\$13.9 billion), efforts to end veteran homelessness (\$2.7 billion), and overdose prevention and treatment programs (\$663 million).
- **Provides funding for criminal justice system programs and reform**, such as First Step Act implementation efforts, juvenile justice diversion programs, drug courts and other alternative court systems, and medications for addiction treatment for incarcerated individuals.
- **Provides funding for drug interdiction and anti-drug trafficking efforts** through investigations, law enforcement, and work with other countries, including through the Departments of Defense, Homeland Security, Interior, Justice, State, and Treasury.
- **Protects medical marijuana programs in states and territories that have legalized them**, but does not extend these protections to recreational markets legalized by states. It also retains the rider that prevents D.C. from creating a legalized market for recreational marijuana.
- **Increased funding to address other social determinants of health and conditions related to substance use**, including economic, social, nutrition, and housing support programs; programs to address HIV/AIDS; research efforts; efforts to advance telehealth services; and health equity initiatives.

For more information, see [HHS's Fiscal Year 2023 Budget in Brief](#), [National Drug Control Budget FY 2023 Funding Highlights](#), [Budget of the U.S. Government Fiscal Year 2023](#), and [Budget Appendix](#).