$18 million in fiscal 1966. This program began in fiscal 1964 as the result of appropriation language. The hospital improvement project grants program initiates and supports demonstrations to improve the treatment, training, and rehabilitation programs of State mental hospitals and institutions for the retarded. Beginning with the $6 million appropriation in fiscal year 1964, the program was planned to grow in regular steps of $6 million increments each year until a maximum of $36 million is reached in fiscal year 1969. Each of the Nation's approximately 430 State mental hospitals and institutions for the mentally retarded is eligible to apply for a grant, up to a maximum of $100,000 a year for a 10-year period.

The purpose of these grants is to make it possible for an institution to initiate a series of changes which will produce improvement in patient care throughout the entire program of the institution. They are also designed to help the State hospitals and institutions for the retarded achieve a strengthened role as an integral part of comprehensive community-based services.

In the overall mental health project grants program, professional and technical assistance staff have been involved in stimulating, developing, and improving applications and consulting with investigators while the project is underway.

In addition to grants, contracts are used for staff-initiated demonstrations, pilot projects, and program studies; for technical assistance projects or conferences held by States; and for consultation provided by outside experts.

3. History

Following the passage of the National Mental Health Act in 1946, the Community Services Branch was organized in 1947 in the Mental Hygiene Division of the Bureau of Medical Services, Public Health Service. (In 1949 the Mental Hygiene Division became the National Institute of Mental Health.) The prime objective at that time was to extend and strengthen State programs of mental health services. This objective was carried out through (1) grants-in-aid to States for community mental health services; (2) demonstrations and program studies; and (3) professional and technical assistance to State and local programs. Professional and technical assistance was provided on State program administration, outpatient psychiatric clinics and mental hospitals. From that time to the present the public health approach was employed; consultation with nonpsychiatric agencies and groups and mental health education were considered essential for an effective mental health program.

In 1955, the first technical assistance project was initiated, a unique administrative invention financed through contracts. In these projects, outstanding national experts, researchers, and practitioners, meet with staff in an institute or workshop focused on a specific mental health problem. Technical assistance projects have become an essential part of the National Institute of Mental Health program; 20 projects were conducted in fiscal 1965.

In 1956 the Health Amendments Act of 1956 (Public Law 911) established the mental health project grants program (title V). This program provides competitive grants for pilot projects, demonstrations, applied research, and evaluative studies. During the first year of operation (1958), 64 grants were made totaling $1.9 million. It was the first such program in the Public Health Service.