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## Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century

July 1, 2019, at 1:00 p.m.

Pocahontas Building, Senate Committee Room A

[dls.virginia.gov/interim\\_studies\\_MHS.html](https://dls.virginia.gov/interim_studies_MHS.html)

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The Joint Subcommittee Studying Mental Health Services in the Commonwealth in the 21st Century (the Joint Subcommittee) met in Richmond with Senator R. Creigh Deeds, chair, presiding.<sup>1</sup> The meeting began with introductions and opening remarks followed by presentations and discussion. Materials presented at the meeting are accessible through the [Joint Subcommittee's website](#).

### **Presentation: CSB Funding and Implementation of STEP-VA**

*Jeff Lunardi, HHR Unit Director, Joint Legislative Audit and Review Commission (JLARC)*

Mr. Lunardi presented two JLARC reports: (i) Community Services Board (CSB) Funding and (ii) the Implementation of STEP-VA.

#### *CSB Funding*

The Joint Subcommittee tasked JLARC with identifying the total amount and sources of CSB funding and evaluating the methods of allocating state funds. This identification and evaluation included developing an inventory of funding sources and amounts and describing the criteria used to allocate funding, the alternative models for funding behavioral health services based on other states and other public services, and the potential impacts of adopting alternative funding models.

Currently, the Department of Behavioral Health and Developmental Services (DBHDS) allocates most state and federal funding based on historical CSB budgets rather than the current need for services. Current DBHDS funding allocations do not account for Medicaid reimbursements or local CSB funding. Mr. Lunardi suggested that several different funding formulas could be considered to better support Virginia's goal of effective and efficient CSB funding, including a funding formula model, a reimbursement model, and a grant model. Funding formulas use population and other data to estimate the need for services, reimbursement models pay providers for services delivered, and grants enable providers to request funding to meet unique needs. Mr. Lunardi reviewed each of these models in detail and discussed the advantages and disadvantages of each from the perspective of alignment with need, ease of implementation, transparency, and budget stability.

Mr. Lunardi recommended that, at a minimum, DBHDS should work with the Department of Medical Assistance Services (DMAS) to analyze whether CSBs are maximizing Medicaid reimbursements and should begin to factor in potential Medicaid reimbursements when allocating state funds to CSBs. Additionally, he suggested that the General Assembly consider

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<sup>1</sup> **Members Present:** Senator R. Creigh Deeds, Senator George L. Barker, Senator Emmett W. Hanger, Jr., Senator Janet D. Howell, Delegate Robert B. Bell, Delegate Patrick A. Hope, Delegate Margaret B. Ransone, Delegate L. Nick Rush, Delegate Vivian E. Watts

**Members Absent:** Senator John A. Cosgrove, Jr., Delegate T. Scott Garrett

establishing goals that determine whether CSB services should be consistent statewide or meet unique community needs and then direct DBHDS to submit a plan to adjust the state's allocation strategy to support these goals.

Throughout the presentation, Mr. Lunardi responded to numerous questions from the Joint Subcommittee members regarding the specifics of funding formulas, CSB funding expenditures per citizen, services offered in specific CSB regions, and specific CSB spending.

### *Implementation of STEP-VA*

The General Assembly tasked JLARC with reviewing the implementation of STEP-VA by DBHDS and the CSBs. This review included evaluating the progress toward providing same-day access to behavioral health clinical assessments and reducing wait times for follow-up services (Step One), evaluating progress toward providing primary care screening (Step Two), and evaluating planning for future phases of STEP-VA.

STEP-VA was initiated in 2017 to improve access, consistency, quality, and accountability of community-based behavioral health services at Virginia's 40 CSBs. STEP-VA requires that nine core services be provided by all CSBs by July 2021. These core services include same-day access, primary care screening, outpatient services, crisis services, peer/family supports, psychiatric rehabilitation, veterans' behavioral health, case management, and care coordination. Mr. Lunardi asserted that successful implementation of STEP-VA will require an operational definition for each step that clearly communicates to CSBs the level of services they need to provide and the collection of data that will be tracked to assess CSB progress in implementing each step. In addition, each CSB should be required to create an implementation plan detailing how it will meet the requirements of each step.

Mr. Lunardi reported that same-day access (Step One) has reduced wait times for behavioral health assessments but availability of same-day assessments varies among CSBs. He stated that CSBs are on track to begin providing primary care screenings (Step Two) by the implementation deadline. Mr. Lunardi asserted that DBHDS has not dedicated sufficient leadership to the oversight of STEP-VA implementation, resulting in fragmented communication between DBHDS and CSBs. He concluded that initiation of the remaining seven steps will require more time than the General Assembly's current July 2021 deadline. Mr. Lunardi recommended that remaining steps be prioritized by each CSB based on community needs and that additional funds not be released until DBHDS demonstrates that sufficient planning is complete for each step.

Throughout the presentation, Mr. Lunardi responded to numerous questions from the Joint Subcommittee members regarding costs of implementing STEP-VA, the specifics of same-day assessments, and qualifications required to perform behavioral health assessments.

### **Presentation: Response to JLARC Findings and Conclusions Related to CSB Funding Formulas and Implementation of STEP-VA**

The Joint Subcommittee heard presentations from the Virginia Association of Community Services Boards (VACSB) and DBHDS in response to the JLARC reports on CSB funding and the implementation of STEP-VA.

## **Virginia Association of Community Services Boards**

*Jennifer Faison, Executive Director, Virginia Association of Community Services Boards*

Ms. Faison began by addressing JLARC's STEP-VA report and affirmed the dedication of the CSBs to full implementation of STEP-VA. She explained that implementation is in preliminary stages for many CSBs and stressed that it is too early in the process to classify implementation of STEP-VA as a success or failure. Ms. Faison detailed the importance of approaching implementation of the remaining steps in an integrated fashion, rather than attempting to implement them on an individual basis. In response to Joint Subcommittee members' concerns regarding current same-day access availability, Ms. Faison explained that each CSB received an expert consultation regarding implementing same-day access based on specific community needs.

Ms. Faison agreed with the JLARC report regarding a need for improved leadership, communication, and implementation oversight from DBHDS. She acknowledged that improvements have since occurred in this area. She explained that the current implementation timeline is concerning and that complete, effective implementation will likely require additional time.

Ms. Faison then briefly addressed the JLARC report on CSB funding. She cautioned the Joint Subcommittee that completely untying the historical funding model of CSBs would have significant implications. She stated that a base plus funding model may be effective because it would provide a set minimum amount of funding for each CSB and then additional targeted funding based on the specific needs of each CSB.

Throughout the presentation, Ms. Faison responded to questions from the Joint Subcommittee members regarding implementation of same-day access, the failure of certain CSBs to meet the local match funding requirements, and potential CSB funding formulas.

## **Department of Behavioral Health and Developmental Services**

*Dr. Hughes Melton, Commissioner, Department of Behavioral Health and Developmental Services*

Dr. Melton began his presentation by explaining to the Joint Subcommittee that in the summer of 2018, DBHDS formed the STEP-VA Advisory Committee (STAC) in an effort to ensure collaboration with VACSB in the effective implementation of STEP-VA. He stated that the purpose of STAC is for VACSB to advise DBHDS on step definitions, metrics, and funding formulas, and to plan for STEP-VA implementation. Dr. Melton explained that STAC has met on a monthly basis since November 2018 and that the Committee consists of numerous CSB executive directors representing the five CSB regions and high-level DBHDS personnel, including himself, the Chief Deputy Commissioner, and the DBHDS senior leadership team.

Dr. Melton proceeded by reviewing STEP-VA milestones achieved to date. He explained that definitions, metrics, and funding formulas are complete for primary care screening and outpatient services. He stated that the CSBs have submitted primary care screening and outpatient service implementation plans and the distribution of funds to implement these plans will begin this month. He asserted that work groups have formed or are in the process of forming for each of the remaining steps to provide subject matter expertise for implementation. Dr. Melton explained that STAC continues to meet on a regular basis to receive feedback and coordinate an effective and integrated implementation of the remaining steps. He then provided an overview and timeline of future tasks STAC plans to address.



Dr. Melton continued by summarizing the implementation status of Step One and Step Two. He explained that same-day access has been a success but additional work remains. He advised that DBHDS will examine the number of hours that CSBs are currently providing same-day access and the impact on accessibility. He indicated that DBHDS will work with STAC to update performance measures to reflect the timeliness of assessments and determine whether same-day access hours are sufficient to meet demand. Dr. Melton explained that phase one of Step Two (primary care screening) has been implemented and must be monitored and evaluated prior to implementation of phase two of this step.

Dr. Melton then addressed the JLARC report conclusion regarding DBHDS's lack of leadership and oversight over implementation of STEP-VA. He noted that since the Department's internal reorganization, Chief Deputy Mira Singer has led the implementation of STEP-VA. He explained that a team of individuals throughout the agency specializing in project management, finance, information technology and data, community and behavioral health, and child and family services are facilitating the implementation efforts. Dr. Melton agreed that it would be helpful for the General Assembly to consider authorizing additional central office resources for oversight and implementation. Dr. Melton reiterated that an effective leadership, communication, and oversight plan is in place and the momentum of implementation is positive.

Dr. Melton continued by identifying ongoing DBHDS goals for aligning CSB capacity with implementation funding. DBHDS goals include assessing the needs of Virginians for publicly funded behavioral health services, assessing the current capacity of Virginia's behavioral health system to meet these identified needs, recommending system changes to increase access to care and monitor progress toward that goal, and supporting STEP-VA and broader system initiatives such as behavioral health redesign and the state hospital census.

Dr. Melton concluded by addressing the issue of future CSB funding. He remarked that CSBs are operating in a complex environment with several major system transformations underway and that any changes in funding allocations must be considered in this context. He asserted that DBHDS is undertaking several steps to enhance CSB accountability, including a major overhaul of the CSB Performance Contract for fiscal year 2021-2022, utilization of a Community Needs Assessment to align funding with local needs, and utilization of the Behavioral Health Equity Index. Dr. Melton recommended that DBHDS, the CSBs, and the General Assembly return to the issue of CSB funding after full implementation of STEP-VA and any implementation of the behavioral health redesign.

Dr. Melton responded to numerous questions from Joint Subcommittee members throughout the presentation regarding same-day access, leadership, communication, oversight challenges, and future STEP-VA implementation strategies.

### **Presentation: School-Based Mental Health Services in the Commonwealth**

*Martha Montgomery, Office of Student Services, Department of Education*

Ms. Montgomery explained that the Virginia Department of Education (VDOE) is dedicated to improving access to school-based mental health supports and advocating for adequate staffing levels of specialized instructional support staff, including psychologists, social workers, counselors, and nurses. She explained that VDOE is also implementing the Virginia Tiered Systems of Supports (VTSS), which is a data-informed decision-making framework for



establishing the academic, behavioral, and social-emotional supports needed for schools to be effective learning environments for all students.

Ms. Montgomery highlighted three areas within which VDOE is collaborating with schools as a part of the implementation of VTSS. These areas include mental wellness, promotion of trauma-sensitive practices, and Project AWARE. The mental wellness collaboration encourages schools to engage with community partners with expertise in mental health and wellness for staff education and student services. In order to promote trauma-sensitive practices, the VDOE offers a three-day professional learning opportunity that focuses on a foundational understanding of the prevalence of trauma, evaluating the impact trauma may have on an educational community, universal strategies to work with all students in a trauma-sensitive manner, self-care education, and fostering family, student, and community engagement. Finally, Project AWARE, currently being piloted in the Montgomery, Pulaski, and Fairfax school divisions, involves the implementation of a comprehensive school-based mental health framework in collaboration with community partners. Ms. Montgomery also highlighted two mental health education tools VDOE utilizes for staff education: the Youth Mental Health First Aid training curriculum and the Kognito behavior change model.

Ms. Montgomery stressed the reality that mental health services are not prioritized when there is not adequate specialized staffing in schools. She indicated that recent legislation lowering the school counselor to student ratio and requiring that school counselors spend 80% of their time providing direct services to students are steps in the right direction for ensuring student mental health needs are met. Ms. Montgomery concluded by informing the Joint Subcommittee of some specific next steps VDOE plans to take to improve mental health services for students. These steps include revising VDOE's Suicide Prevention Guidelines, revising the Health Education Standards of Learning to add mental health standards for grades kindergarten through 10, and partnering with the Collaborative for Academic, Social, and Emotional Learning (CASEL) to expand social-emotional learning for all Virginia students.

### **Public Comment**

Several citizens addressed the Joint Subcommittee and shared their personal experiences, expressed various concerns, and made suggestions regarding mental health services in the Commonwealth.

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For more information, see the [\*Joint Subcommittee's website\*](#) or contact the Division of Legislative Services staff:

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