



Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century

Work Group 1: System Structure and Finance

August 14, 2019, at 10:00 a.m.

Pocahontas Building, Senate Subcommittee Room 1

http://dls.virginia.gov/interim_studies_MHS.html

Work Group 1: System Structure and Finance (the Work Group) of the Joint Subcommittee to Study Mental Health Services in the Commonwealth in the 21st Century (the Joint Subcommittee) met in Richmond with Senator Emmett W. Hanger, Jr., chair, presiding.¹ The meeting began with introductions and opening remarks followed by discussion. Materials presented at the meeting are accessible through the [Joint Subcommittee's website](#).

Discussion: The Existing Publicly Funded Mental Health Service System & Potential Recommendations for Structural Changes

Members of the Work Group discussed the existing publicly funded mental health service system and potential recommendations for changes to the system and identified areas for future study.

Members of the Work Group asked Daniel Herr, Deputy Commissioner for Facility Services, Department of Behavioral Health and Developmental Services (DBHDS), several questions about the status of the existing mental health service system. Mr. Herr reported that Mira Signer has been appointed Acting Commissioner of the Department. With regard to the system, census at state hospitals continues to be high and the Extraordinary Barriers List has grown in recent months. Generally, the number of individuals on the list varies each month as individuals leave state hospitals and move off the list and new individuals move onto the list. On average, more than 750 people are added to the list each year. Increases in Discharge Assistance Planning funds have helped address the growing Extraordinary Barriers List, but funds have not always kept up with demand. Major drivers of the recent increase in the number of individuals on the Extraordinary Barriers List include lack of sufficient placements, particularly nursing home placements and assisted living facility placements for individuals for whom those levels of care are appropriate, and delays in the conditional release process for individuals found not guilty by reason of insanity.

Mira Signer, Acting Commissioner of Behavioral Health and Developmental Services, reported that DBHDS remains committed to implementing System Transformation Excellence and Performance (STEP-VA) and continuing the work currently underway to improve the publicly funded behavioral health system.

Members of the Work Group then asked Jennifer Faison, Executive Director of the Virginia Association of Community Services Boards, several questions about the status of the existing mental health service system. She reported that DBHDS is currently conducting a community

¹ **Members Present:** Senator Emmett W. Hanger, Jr., Senator George L. Barker, Senator R. Creigh Deeds, Delegate Lashrecse D. Aird

Members Absent: Delegate T. Scott Garrett, Delegate Nick Rush

needs assessment as part of the implementation of STEP-VA. The Department of Medical Assistance Services (DMAS) is also continuing to move forward with its behavioral health redesign. The rate setting study is also ongoing, and findings and conclusions from that study will provide information about how changes in Medicaid rates might affect the structure of the existing mental health service system. In response to questions about shifting to a regional model, Ms. Faison noted that DBHDS is currently working with regional consultants to improve community-based mental health services.

Senator Hanger emphasized the need for better data collection and analysis, suggesting that a regional structure, with individuals designated to collect and review data from community services boards (CSBs) in specific regions in order to identify opportunities for improving the overall system, might be one option for reform. Heidi Dix, Deputy Commissioner for Compliance, Legislative and Regulatory Affairs, DBHDS, reported that the Joint Legislative Audit and Review Commission's recent report on implementation of STEP-VA identified insufficient administrative support for collecting, reviewing, and responding to data as one challenge to successful implementation of STEP-VA. She noted that additional administrative funding or authority to use funds designated for STEP-VA for administrative purposes might help address this issue.

Members of the Work Group asked Jennifer Wicker, Director of Intergovernmental Affairs, Virginia Hospital and Healthcare Association (VHHA), about the role of hospitals in the existing mental health service system. She reported that VHHA is working with other stakeholders to address the lack of placements for individuals experiencing a mental health crisis. Some issues for hospitals include a lack of sufficient workforce to address need; limited options for serving individuals with mental health service needs who are also intoxicated and who are often referred to state hospitals for involuntary treatment when other options may be more appropriate; and a need for better collaboration and communication between hospitals and CSBs to provide better options for individuals who are already connected to or receiving services from a CSB. VHHA and other stakeholders are engaging in ongoing discussions about options for addressing these issues. Marvin Figueroa, Deputy Secretary of Health and Human Resources, reported that the work group established pursuant to Senate Bill 1488 (2019) is considering a number of these issues and will have recommendations for legislative action by November. Those recommendations will be reported to the Joint Subcommittee at its November meeting.

Senator R. Creigh Deeds asked Dr. Sandy Lewis, Executive Director, Virginia Treatment Center for Children (VTTC), about VTTC's work in serving children. Dr. Lewis reported that VTTC experienced some issues during its first few months of operation but is now fully operating. VTTC staff has been working with the staff of the Commonwealth Center for Children to understand how best to work with different populations served by VTTC. One challenge has been the length of time many children remain at VTTC. Initially, the average length of stay for each child was expected to be less than seven days. However, many children are remaining at VTTC for much longer. Reasons for this include unique and severe needs of the child, difficulties in navigating the local service process, and family issues that prevent families from caring for their children.

Members of the Work Group asked Dr. Alyssa Ward, Ph.D., LCP, Department of Medical Assistance Services (DMAS), questions regarding DMAS's behavioral health redesign. Dr. Ward reported that DMAS continues to move forward with the redesign, with a proposed implementation date of January 1, 2021. A financial analysis is currently underway to determine



the overall cost and identify any potential savings that may offset those costs. Moving forward, DMAS will apply for a § 1115 waiver to support this work.

Two members of the public provided comments. One member of the public, a citizen, spoke on the importance of prevention activities and trauma-informed approaches to care. Another member of the public, representing a behavioral health service provider, noted the shortage of providers able to serve individuals with more significant service needs or individuals with special needs in addition to mental health service needs, and the need to develop funding mechanisms more specifically tailored to meet these needs.

At the end of the meeting, the members discussed some ideas for the Work Group to consider moving forward. Potential topics include:

- A review of the process by which individuals are found to be not guilty by reason of insanity, treatment options for such individuals, and the process by which such individuals are treated by and released from state hospitals;
- Options for addressing the lack of beds for individuals involved in the involuntary commitment process, including options for serving individuals who are also intoxicated and options for increasing the period of emergency custody to provide services and reduce demand on state hospitals;
- Options for increasing availability of placements for individuals moving out of state hospitals, including nursing home and assisted living facility placements and placements in the community and options for changing the Auxiliary Grant program;
- Options for encouraging and supporting development of community-based services and transitioning more individuals out of state hospitals;
- Workforce challenges and options for addressing these challenges;
- Impact of Medicaid expansion on CSBs; and
- Organization of the publicly funded behavioral health system, including appropriate level of control at the state and local levels and potential changes to the performance contract, and options for improving state support of CSBs and other stakeholders.

In addition to considering these items, the Work Group will specifically focus on the appropriate role of state hospitals in the publicly funded mental health service system, including defining the populations that state hospitals are intended to serve and evaluating ways to treat other individuals in more appropriate settings. Staff will research approaches that other states take to address these matters and provide a report at the next Work Group meeting.

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

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