



Virginia Department of
Behavioral Health &
Developmental Services

Community Services Boards Performance Contracting

June 23, 2016

Daniel Herr
Assistant Commissioner
Behavioral Health Services

Presentation Overview

- History
- Policy and Statutory Framework
- Performance Contract Contents
- Other Performance Contract Documents
- Accountability in the Performance Contract
- Developments in Performance Based Contracting
- Additional Information

History

- **1971**- DBHDS first funded community services boards (CSBs)
- **1983** – DBHDS developed the performance contract in collaboration with the CSBs to
 - Shift greater responsibility for services to the community
 - Support targeted use of state funds
 - Monitor CSB operations
 - Improve accountability for state funds
- **1985** – DBHDS issued the first contract to CSBs

Policy and Statutory Framework

- **The Performance Contract**
 - Defines the relationship between and the responsibilities of DBHDS and CSBs
 - Is the mechanism by which DBHDS funds community services
 - Communicates state and federal accountability requirements to CSBs
- **Three Types of CSBs** - General Assembly HJR 240/225 (Hall-Gartlan) Joint Subcommittee established three types of CSBs
 - Operating (currently 27 CSBs)
 - Administrative policy (currently 10 CSBs)
 - Policy advisory (currently two CSBs)

Policy and Statutory Framework

- **Single Point of Entry**

- The Joint Sub-committee also established CSBs as the single point of entry into the publically funded behavioral health and developmental services system

- **Funding Mechanism**

- §37.2-508 of the Code of Virginia establishes the performance contract as the funding mechanism for state and federal block grant funds

- **Funding Allocation Limits**

- §37.2-509. A limits state funds for salaries and operating costs to 90% of the total amount state and local matching funds unless DBHDS grants a waiver

Policy and Statutory Framework

- **Local Governments' Role**

- §37.2-504 requires CSBs to submit their performance contracts to local governing bodies
- §37.2-508. B provides local governments with the opportunity to approve the contract but this is not required

- **Performance Contract Process**

- §37.2-508 requires DBHDS to negotiate the contract with the CSBs
- The process begins with a 60 day comment period on the exposure draft in January or February
- DBHDS negotiates the contract in March and April with representatives from the CSBs

Performance Contract Contents

- **The Performance Contract**
 - Is signed by the CSB Chairperson, the CSB Executive Director, and the DBHDS Commissioner
 - Is a 68 pages long standard document with identical provisions and contains Exhibits A through J
- **Performance Contract Exhibits**
 - Exhibit A: Resources and Services displays information about funds and services which is negotiated with each CSB
 - Exhibit B: Continuous Quality Improvement contains 17 performance measures
 - Exhibit C: Discharge Assistance Program requirements

Performance Contract Contents

- **Performance Contract Exhibits (Continued)**
 - Exhibit D: Individual CSB Performance Measures contains negotiated requirements for new funds or actions a CSB has agreed to take to address performance issues
 - Exhibit E: Performance Contract Process
 - Exhibit F: Federal Compliance Provisions
 - Exhibit G: Local Contact For Disbursing Funds
 - Exhibit H: CSB Board Membership
 - Exhibit I: Administrative Performance Requirements such as submission of accurate and complete reports
 - Exhibit J: Other CSB Accountability Requirements such as human rights, licensing, financial management

Other Performance Contract Documents

- **Partnership Agreement**
 - Describes the respective roles and responsibilities of CSBs, DBHDS, state hospitals and training centers
 - Includes sections on core values, accountability, inclusion of individuals receiving services, quality improvement, and technical assistance
- **CSB Administrative Requirements**
 - Contains statutory, regulatory, policy and other requirements including such things as

Other Performance Contract Documents

- **CSB Administrative Requirements (continued)**
 - Continuity of care procedures
 - Substance Abuse Block Grant requirements
 - Unspent balance procedures
 - Continuous quality improvement
 - Financial Management
 - Procurement
 - Human Resources

Accountability in the Performance Contract

- DBHDS monitors CSB performance in various ways including
 - Funds
 - Mid-year and end of fiscal year financial reports on funds and expenditures
 - Services
 - Reports on individuals served and types of services provided
 - Audits
 - CPA audits of operating boards/behavioral health authorities
 - Financial reviews of CSBs identified as being a higher risk
 - Program/Clinical Reviews
 - Have established five regional consultants to provide oversight and technical assistance
 - Developing behavioral health services quality monitoring process with measures and benchmarks

Developments In Performance Based Contracting

- **Appropriations Act Plan**

- Item 315.FF in the 2016 Appropriations Act requires DBHDS to develop a plan to implement a performance based contracting (PCB) system for CSBs with a report due on November 1, 2016

- **Research**

- Shows PCBs that are most effective use mutually agreed upon measures between funder and provider
- Key concept is value of small, incremental rewards and penalties rather than large
- Focus is visibility of provider performance while minimizing disruption to services

Additional Information

- Other resources are available on the Office of Support Services web page at <http://www.dbhds.virginia.gov/professionals-and-service-providers/csb-community-contracting>, including
 - Community Services Performance Contract documents,
 - Core Services Taxonomy 7.3 (service definitions)
 - Regional Utilization Management Guidance
 - CCS 3 Extract and Design Specifications
 - the 2015 Overview of Community Services in Virginia, which presents a description of the community services system
- The DBHDS 2015 Annual Report, a comprehensive picture of the whole behavioral health and developmental services system, is available at [http://leg2.state.va.us/dls/h&sdocs.nsf/By+Year/RD4382015/\\$file/RD438.pdf](http://leg2.state.va.us/dls/h&sdocs.nsf/By+Year/RD4382015/$file/RD438.pdf)