Virginia Department of Behavioral Health & Developmental Services

Behavioral Health Delivery System Accountability & Oversight

SJ47 Joint Subcommittee to Study
Mental Health Services in the 21st Century

July 16, 2018

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Commissioner
&
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Presentation Overview

1. CSB Performance Contracts
2. Licensing of Private Providers
3. BHDS State Board
4. Financing
5. Hospital Census Updates

Types of CSBs

Administration Policy (10)

- A single jurisdiction with few exceptions
- Staff are local government employees
- Eight are city or county government departments; two are not but use local government staff to provide services.
- Examples include: Arlington, Alexandria, Chesterfield, and Henrico CSBs.

Operating (27)

- Multijurisdictional
- Employees work for the CSB or through contractors
- Examples include: Alleghany Highlands CSB, Hampton Newport News CSB, and Harrisonburg Rockingham CSB.

Policy-Advisory (2)

- Do not deliver services but act as an advisory body to the local government agency that does provide the services.
- Examples include: Loudoun County and Portsmouth CSB.

Behavioral Health Authority (1)

- Act as an operating CSB where services are provided through own staff or contracts with other providers, unless the context indicates otherwise
- Chapter 6 authorizes Chesterfield County and the cities of Richmond and Virginia Beach to establish a BHA; only Richmond has done so (RBHA).

CSB Services

Mandated to Provide

Currently:

- Emergency services
- Case management subject to the availability of funds
- Preadmission screening and discharge planning

As of July 1, 2019:

- Same Day Access
- Primary Care Screening

As of July 1, 2021:

- Crisis services for MH or SUD
- Outpatient MH and SUD services
- Psychiatric rehabilitation services
- Peer support and family support services
- Mental health services for armed service members and veterans
- Care coordination services
- Case management services

May Provide A Core of Comprehensive Services

- MH/SA services can be provided directly by CSB
- CSB may contract for services
- Groups of CSBs may contract for services or provide them directly on a regional basis

Statutory and Policy Basis for Performance Contract

- Section 37.2-508 of the Code of Virginia establishes the contract as the mechanism by which DBHDS provides state and federal block grant funds to CSBs for mental health, developmental, and substance abuse services.

- Section 37.2-504 requires CSBs to submit their performance contracts to their local governing bodies (city councils and boards of supervisors) and authorizes CSBs to provide services under their performance contracts and to enter into contracts with other providers for the delivery of services.

- State Board Policy 4018 requires DBHDS and each CSB to enter into a performance contract and makes the contract the primary accountability and funding mechanism for a CSB with DBHDS.

- Section 37.2-509.A limits allocations of state funds for salaries and operating costs to 90% of the total amount of state and local matching funds unless DBHDS grants a waiver pursuant to State Board policy (4010 (CSB) 83-6).

Performance Contract Content & Process Overview

- The FY 2019 performance contract is 84 pages long and consists of:
  - the contract body (34 pages) signed by the CSB chairperson and executive director and the DBHDS commissioner, and
  - 12 exhibits - A through L (50 pages).
- Most of the performance contract is a standard document with identical provisions and requirements applicable to all CSBs and DBHDS.
- Performance Contract update process begins with a 60 day public comment period on an exposure draft of next year's contract (available on the DBHDS web site) in January and February (mandated by §37.2-508 of the Code of Virginia)
- DBHDS negotiates the form contract each year during March and April with a committee of representatives from the Virginia Association of CSBs.
- DBHDS distributes performance contract documents, CARS software for Exhibit A, and allocations of state and federal funds to CSBs in early May.

Performance Contract Contents

Section	Examples of Functions
Scope of Services	• Participation in psychiatric bed registry • DOJ Settlement Agreement requirements • Emergency Services available 24/7/365 • DBHDS certification of preadmission screening evaluators • PACT, CIT, PSH, SDA, and Family Wellness Initiative requirements
CSB Responsibilities	• Manage state hospital bed utilization • Quality of care requirements • Data reporting, compliance, and accountability requirements
DBHDS Responsibilities	• Provide funding for community services • Provide state facility services • Monitor quality of care, establish reporting requirements, and operate human rights system
Subcontracting Terms and Conditions	• Standard contract provisions such as compliance, dispute resolution, remediation process, termination, amendment, liability and severability
Exhibit A: Resources and Services	• DIFFERENT FOR EACH CSB, displays information about the funds and services particular to an individual CSB
Exhibit B: CQI and Performance Measures	• 18 performance measures
Exhibit C: DAP Requirements	• Discharge Assistance Program requirements

Performance Contract Contents (cont.)

Section	Function
Exhibit D: Individual CSB Performance Measures	• Specific to each CSB, attach requirements to new funds or identify actions the CSB will take to address a performance issue
Exhibit E: Performance Contract Process	• Describes process for developing, submitting, and negotiating the contract and reporting consumer, service, revenue, and cost data
Exhibit F: Federal Compliances	• Lists various assurances CSBs must provide regarding restrictions on the use of federal MH and SAPT Block Grants
Exhibit G: Local Contact for Disbursement of Funds	• Identifies local contact to whom DBHDS disburses funds for CSBs
Exhibit H: LIPOS Requirements	• Local Inpatient Purchase of Services requirements
Exhibit I: Administrative Performance Standards	• Contains requirements for submission of accurate and complete contracts and other reports, includes financial penalties
Exhibit J: CSB Accountability Requirements	• Human rights and licensing requirements, CSB board of directors organization and operations, fraud reporting, financial management, and requires DBHDS staff membership on CSB executive directors search committee
Exhibit K: State Hospital Census Management Admission and Discharge Requirements (new)	• Includes additional requirements for CSBs that use more than 8 beds per 100,000 adults

Accountability in the Performance Contract

- DBHDS monitors performance contracts in various ways including:
  - Analysis of mid-year and end-of-the-fiscal year CARS reports on funds and expenditures, which document compliance with federal block grant requirements, local matching funds requirements, Appropriation Act provisions, and CSB membership requirements and provide information on costs of services and CSB FTE staffing by program area
  - Analysis of monthly CCS 3 extracts, which provide information on individuals served and services provided. DBHDS uses this information to measure outcomes and performance.
  - Review of CPA audits from operating CSBs and the behavioral health authority
  - Financial/operational reviews conducted on CSBs identified as being at higher financial risk with a standard screening mechanism.

CSB-DBHDS Performance Contract Outcome Measures

Examples of Performance Contract Outcome Measures

- Maintain a two-month operating reserve funds
- Continuity and timeliness of care requirements for individuals being discharged from state and local hospitals
- Monitor receipt of complete physical exams in the last 12 months
- Ensure adults and children with major depressive disorders receive suicide risk assessment
- SUD initiation, engagement, and retention services

Quality Monitoring by DBHDS

- DBHDS established five regional program consultants to work with CSBs to improve mental health and substance use disorder services. Consultants review consumer and service data and outcome measures to monitor performance and improve outcomes and quality.
- DBHDS senior leadership conducts monthly reviews of key performance and outcome measures.

Performance Contract Oversight

- In the last 4 years, DBHDS has made changes to the Performance Contract to enhance oversight

Fiscal Year	Examples of Accountability Enhancements
2015	• CSB must notify DBHDS of new services or elimination of services • Ensure CSB staff follow the current Medical Screening and Medical Assessment Guidance Materials published by DBHDS • Prohibits CSBs from limiting or denying access to publicly funded services because of individual inability to pay, not enrolled in Medicaid, or involved in criminal justice system
2016	• Revised requirements for emergency services, including immediate access
2017	• Requires state funded crisis stabilization units to have an average annual utilization rate of at least 75% of available bed days • Enhanced qualifications for Preadmission Screening Clinicians • Requires CSBs to include DBHDS staff in executive director search committee
2018	• Requires coordination between REACH and emergency services • Medical Services core service added –CSBs report services and cost data • LIPOS -- minimum regional expenditures or funds reallocated to other regions

Current FY19 Performance Contract

- Several changes were made to the recently issued FY19 Performance Contract, including:
  - Requires CSBs to attempt to contact and re-engage any individuals who were admitted to services, but who have not received any services within 100 days
  - Establishes requirements for Same Day Access (SDA) and defines how DBHDS will monitor implementation
  - Substantially revises the DBHDS remediation process by listing specific instances of non-compliance and strengthening
  - Adds seven performance measures with definitions, benchmarks, and monitoring language:
    - Continuity of care for local psychiatric inpatient discharges
    - Continuity of care for state hospital discharges
    - Residential crisis stabilization unit utilization
    - Regional discharge assistance program (RDAP) service provision
    - Local inpatient purchase of services (LIPOS) provision
    - PACT caseload
    - Frequency of developmental enhanced case management services
  - Adds a requirement for CSBs to maintain an operating reserve of funds sufficient to cover at least two months of personnel and operating costs
  - A new Exhibit K establishes state hospital census management admission and discharge requirements that CSBs must satisfy, including eight additional requirements for CSBs that use more than eight beds per 100,000 adults

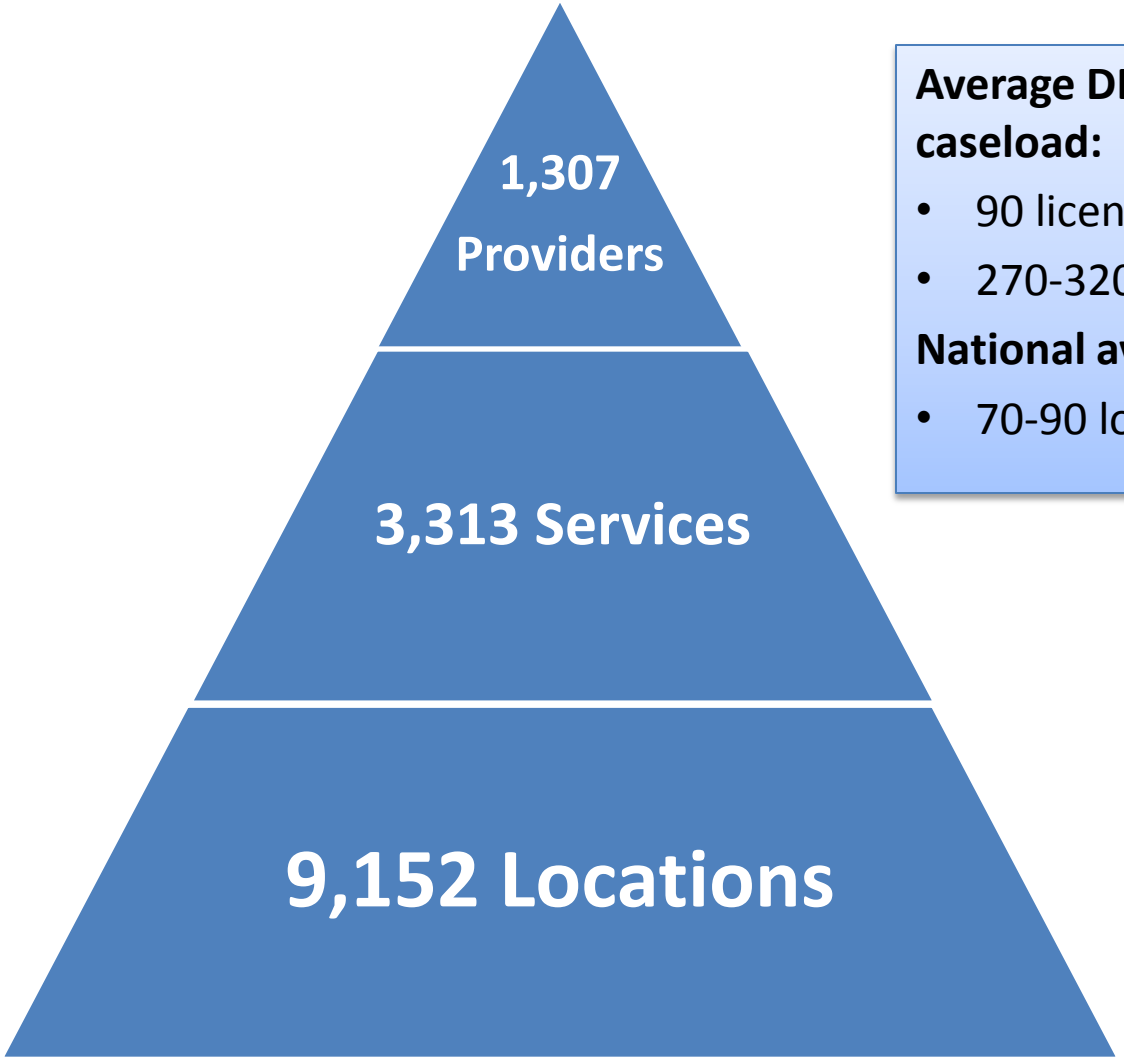
Changes to FY19 Performance Contract

- DBHDS recently requested OAG review of the contract to examine enforcement mechanisms
- DBHDS anticipates amending the FY19 contract, during this fiscal year, to more clearly define accountability, monitoring and enforcement processes:
  - More specificity in the compliance, remediation, and appeal provisions so it is more enforceable
  - Operating reserve fund requirement established in the original FY 2019 contract expanded to include a quarterly reporting requirement
  - Operating reserve length increased from 2 to 3 months to match the Licensing Regulation requirements
- DBHDS will also look to revise the FY20 Contract to align expectations for the DLA20 assessment that begins January 2019 and incorporate new requirements for STEP-VA

DBHDS Office of Licensing

- Code of Virginia Mandates:
  - Conduct annual unannounced inspections of each licensed service and required enhanced visits
  - Conduct complaint investigations
  - Renew licenses
  - Modify licenses, as appropriate
  - License new services
  - Initiates actions such as revocations, as appropriate
- Licensing Specialists monitor services in the five regions of Virginia
  - "Review Specialists" review new provider applications, policies and procedures (P&P) reviews (Central Office)
  - "Licensing Specialists" give final approval to P&Ps, recommend conditional, annual, and triennial licenses; conduct inspections; investigate serious injuries, incidents, and death concerns (via CHRIS); renew licensing; issue corrective action plans (CAPs); provide interpretation of licensing regulations and recommend actions.

Licensed Providers and Oversight



Average DBHDS Licensing Specialist caseload:

- 90 licensed services
- 270-320 locations each

National average specialist caseload:

- 70-90 locations each

Provider Growth FY 2012 - 2017

Licensing Growth FY 2012 - 2016							Change from FY 2012
Statistic	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	
Licensed Providers	744	844	917	965	1,041	1,307	+75.7%
Licensed Services	1,860	2,038	2,218	2,319	2,608	3,313	+78.1%
Licensed Locations	6,302	7,063	7,519	8,290	8,447	9,152	+45.2%
FTEs	32	37	37	38	38	47	+31.9%

Categories of Service

New Service Licenses by DBHDS in FY 2017			
Services	**#**	**Services**	**#**
Children's Case Management (CM)	3	Psychosocial Rehab	19
Developmental Disability (DD) Centered Day Support	10	DD In-home respite	3
DD Children's Group Home	2	Children's Residential	7
DD Non-Res Crisis Stab	7	Medication Assisted Treatment (MAT)	11
DD Group Home	68	Mental Health Skill Building (MHSB)	97
DD Non-Centered Day Support	48	MH CM	2
DD Residential Respite	6	Children's Group Home	12
DD Supervised Living	13	Medical Detox	21
Crisis Intervention	3	MH Residential Crisis Stabilization	2
Child Sponsored Residential	1	School TDT	42
Non-School Therapeutic Day Treatment (TDT)	18		

Category of Service Cont.

New Service Licenses by DBHDS in FY 2017			
Services	**#**	**Services**	**#**
MH Non-Res Crisis Stab	17	Children MH Psych Unit	2
MH Partial Hospitalization	14	SA Case Management (CM)	13
MH/SA Group Home	2	SA Children's Group Home	3
Intensive In-Home (IIH)	56	SA Children's Residential	6
Out of Home Respite	8	SAIOP	82
MH Outpatient	5	SA Partial Hospitalization	2
MH/SA Outpatient	19	SA Residential	4
SA Outpatient	14	SA Supervised Living	6
Program Assertive Community Treatment (PACT)	2	Adult Sponsored Residential	41
Total # of Conditional FY 17	**705**		

FY 2017 Licensing Inspections Conducted by DBHDS

Type of Visit	Number
Investigations (Death, SIR, Complaint)	1,441
Consultation	750
Unannounced Visits	3,375
Follow-Up/Re-Inspection	41
Scheduled	428
Initial and Physical Plant Inspections	266
Total Licensing Inspections	6,301

Medicaid Spending for Community MH Services

Type of Community MH Service	Total Expenditures	% of Total
Mental Health Skill Building	$250,995,665	39.5
Therapeutic Day Treatment	$186,000,194	29.2
Intensive In-Home	$127,614,235	20.1
Psychosocial Rehab	$29,968,435	4.7
Crisis Stabilization	$20,645,574	3.2
Intensive Community Treatment	$13,024,735	2.0
Crisis Intervention	$4,682,024	0.7
Other	$3,220,495	0.5
Total	**$636,151,356**	**100**

Adapted from Farley Health Policy Center Report, "Behavioral Health in Virginia: Alignment, Accountability, and Access," March 2018.

Medicaid Spending – Public v. Private Providers

		Expenditures FY17	% of Total for Each Treatment
Intensive In-Home Treatment Total = $127,614,235	Non-CSB	$126,110,391	98.8%
	CSB	$1,503,845	1.2%
Therapeutic Day Treatment Total = $187,116,301	Non-CSB	$143,557,814	76.7%
	CSB	$43,558,487	23.3%
Mental Health Skill Building Total = $252,678,903	Non-CSB	$238,800,535	94.5%
	CSB	$13,878,368	5.5%
Other Behavioral Health Services Total = $71,171,203	Non-CSB	$30,152,021	42.4%
	CSB	$41,109,182	57.6%
EPSDT Specialty Services Total = $80,672,785	Non-CSB	$80,538,145	99.8%
	CSB	$134,640	0.2%

Adapted from Farley Health Policy Center Report, "Behavioral Health in Virginia: Alignment, Accountability, and Access," March 2018.

DBHDS Licensing: Current v. Future State

Current:

- Licensing regulations are a floor, or minimum set of standards, for providers
- Limited tools for enforcement and sanctions
- Some enhancements for DOJ related requirements

Future:

- Shift to incentivize quality for public and private providers
- Licensing will have tools for enforcement as well as resources to assist with quality improvement and technical assistance

Advancing the Behavioral Health System

- DMAS and DBHDS are partnering to implement a system redesign that addresses all Medicaid mental health services regardless of who provides them – private or public (CSB)
- The DMAS-DBHDS partnership will ensure evidence-based, trauma-informed Medicaid mental health continuum of care that supports STEP VA
  - University of Colorado Farley Center for Health Policy will support DMAS and DBHDS, in coordination with stakeholders, in developing a comprehensive system reform plan for Medicaid community mental health services
  - The continuum of Medicaid mental health services must be evidence-based and trauma-informed
  - Medicaid-covered behavioral health services will incorporate STEP VA into a continuum of evidence-based, trauma-informed, and preventive-focused services available in many settings where individuals present
  - Redesigned continuum will provide those receiving Medicaid services with a more seamless healthcare experience starting with early intervention services

Advancing the Behavioral Health System Deliverables

- Evidence brief focusing on best practices for Medicaid services across the lifespan
- Service gap analysis for the Medicaid population
- Recommendations report of individual and population level metrics and quality outcomes
- Recommendations report on DBHDS licensing and regulations to produce a system that ensures quality and accountability whether an individual is served with state general funds or Medicaid by a public or private provider
- Stakeholder engagement report of the process and how the data collected informed the evidence synthesis, measures, and strategic plan
- Recommendations report on continuum of evidence-based, trauma-informed, preventive-focused Medicaid community mental health services including early intervention services, school-based behavioral health services, and integrated primary care and behavioral health with recommended provider qualifications and reimbursement rates

The State Board of Behavioral Health and Developmental Services

- Established in Chapter 2 of §37.2 of the Code of Virginia
- Established as a Policy Board as defined in §2.2-2100 to promulgate public policies or regulations
- State Board consists of 9 members appointed by the Governor for 4 years terms which can be renewed once

The Code of Virginia requires the State Board to include:

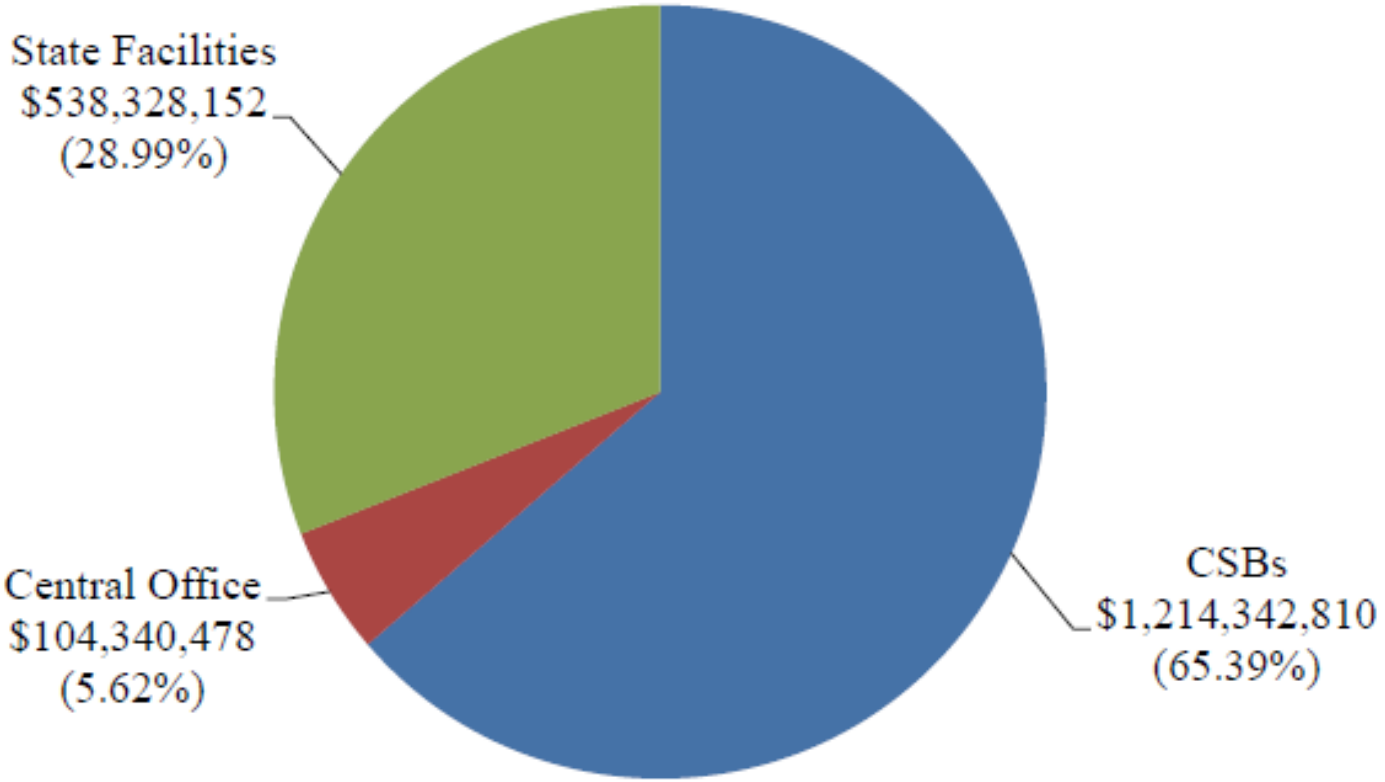
- 1 individual who is receiving or who has received services,
- 1 family member of an individual who is receiving or who has received services,
- 1 individual who is receiving or who has received services or family member of such individual,
- 1 elected local government official,
- 1 psychiatrist licensed to practice in Virginia, and
- 4 four citizens of the Commonwealth at large.

State Board Activities

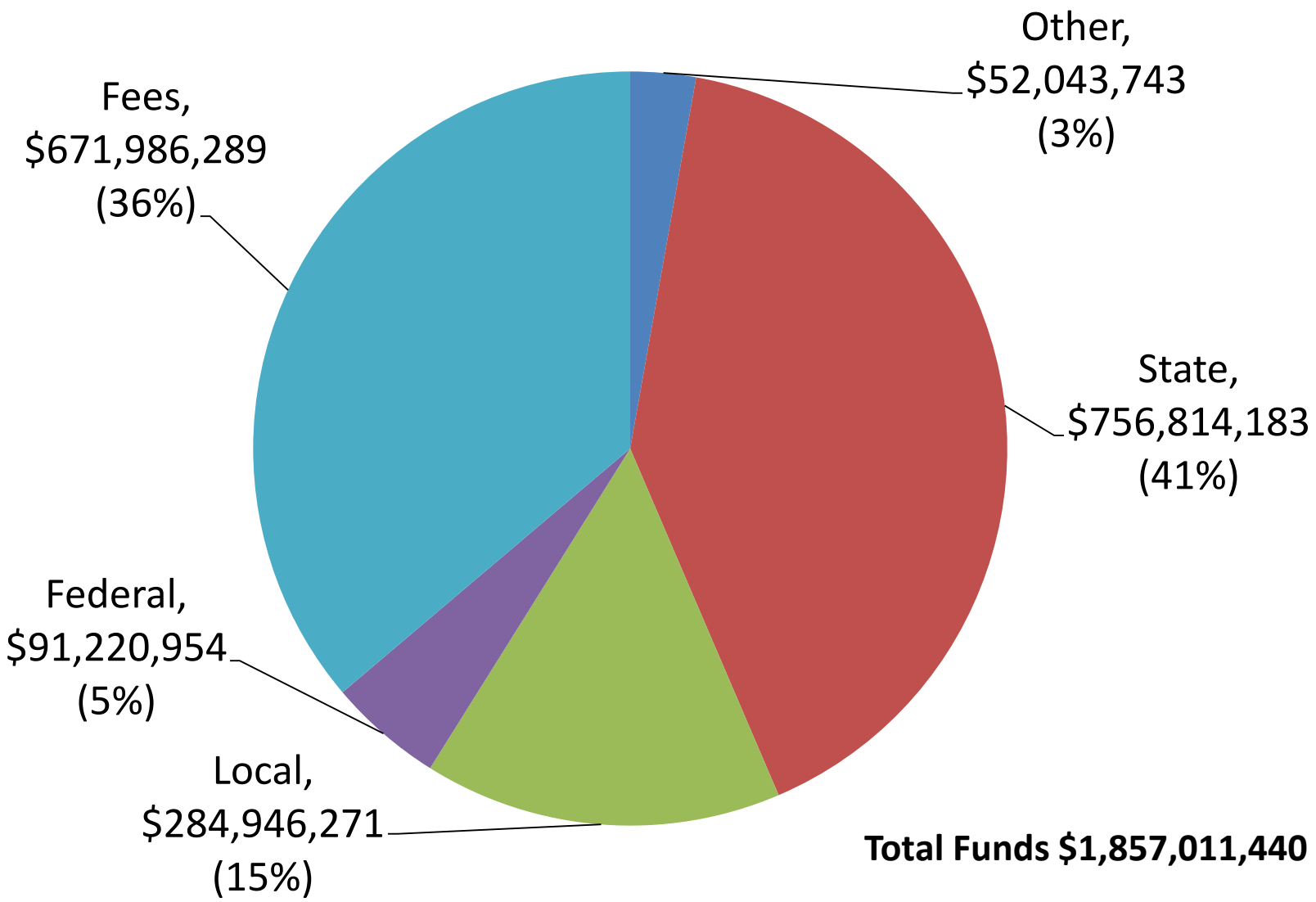
- Meets four times per year
- Operates with a chair and vice-chair and is supported by DBHDS staff
- The Board's primary responsibility per the Code of Virginia is to approve regulations. Additionally, the Board:
  - Reviews and establishes State Board Policies that guide Central Office, facility, and CSB operations
  - Provides input into Departmental priorities
  - Tours facilities and programs and hears feedback from staff and stakeholders
  - Hears public comment

Total Funds in Public System

Figure 4: FY 2017 Total Funds in the Publicly Operated Behavioral Health and Developmental Services System: $1,857,011,440



Total Funds Received by CSBs and DBHDS in FY 2017



Update: Hospital Census

State Hospital Census 6/25/18 at 8:00 AM			
Hospital	**Actual Census**	**Capacity**	**Percent**
CAT	111	110	100.9%
CSH Civil	162	155	104.5%
ESH	298	302	98.7%
PGH	124	123	100.8%
NVMHI	136	134	101.5%
SVMHI	69	72	95.8%
SWVMHI	181	179	101.1%
WSH	250	246	101.6%
Average	**1331**	**1321**	**100.8%**

Update: Hospital Census

- DBHDS is partnering with Virginia Health and Hospital Association (VHHA) to discuss several short term and long term solutions including the following:
  - Ensure adherence to doctor-to-doctor communication for individuals with medical issues
  - Adopt procedures to escalate admission denials to appropriate facility administrators as needed
  - Identify trends in the reasons for denial by private hospitals and implement targeted remedial measures
- In addition to this work with VHHA, DBHDS:
  - Established bed search expectations for CSBs that are included in the Performance Contract and reviewed as part of DBHDS' quality oversight process
  - Developed contracts with two private hospitals which provide for the admission of individuals who would otherwise go to state hospitals
  - Requires state funded crisis stabilization programs to admit individuals under a TDO and to operate at no less than 75% of capacity
  - Ensures that emergency services workers consult with developmental disability professionals on any individual with a developmental disability in crisis prior to recommending a TDO

STEP-VA and Financial Realignment
FY19 and Beyond

Expand Access to Services

- Continue implementation of STEP-VA
- Increase availability of Permanent Supportive Housing (PSH)
- Identify steps to create a comprehensive ID/DD and BH crisis response system

Medicaid Integration

- Ensure Medicaid expansion incorporates STEP-VA
- Complete BH Redesign (Farley Center) to create evidence and trauma informed MH services

Strengthen Quality & Accountability

- Implement DLA20 to monitor costs and outcomes in CSBs
- Overhaul performance contract with the CSBs
- Partner with DMAS, providers, and others to address BH workforce challenges
- Establish standards for BH jail services

Improve Facilities

- Partner with VHHA to reduce state hospital bed utilization
- Modify "bed of last resort" legislation
- Advance *Financial Realignment*: require CSBs to submit plans in preparation for FY22 realignment
- Continue detailed planning for new Central State Hospital in Petersburg

Complete Roadmap for future

- Plan for the complete build out of STEP-VA services
- Develop long-range plan for right -sizing state hospitals