

---

# VIRGINIA STATE BUDGET

---

1998 Session

## Budget Bill - HB29 (Introduced)

Bill Order » Office of Health and Human Resources » Item 333

Grants to Localities

Item 333 (Not set out)	First Year - FY1997	Second Year - FY1998
<b>Financial Assistance for Health Services (44500)</b>	<b>\$149,665,606</b>	<b>\$147,719,360</b>
Substance Abuse Services (44501)	\$51,004,051	\$52,179,051
Local Administration Services (44503)	\$7,851,146	\$7,851,146
Mental Health Services (44506)	\$62,730,198	\$61,447,850
Mental Retardation Services (44507)	\$28,080,211	\$26,241,313
Fund Sources:		
General	\$115,285,724	\$112,543,724
Special	\$1,590,976	\$1,590,976
Federal Trust	\$32,788,906	\$33,584,660

---

Authority: Title 37.1, Chapter 10, Code of Virginia.

A. It is the intent of the General Assembly that community mental health, mental retardation and substance abuse services are to be improved throughout the state. Funds provided in this item shall not be used to supplant the funding effort provided by localities for services existing as of June 30, 1996.

B. Further, it is the intent of the General Assembly that funds appropriated for this item may be used by Community Services Boards to purchase, develop, lease, or otherwise obtain, in accordance with § 37.1-197, Code of Virginia, real property necessary to the provision of residential services funded by this item.

C. Out of the appropriation for this item, funds are provided to Community Services Boards in an amount sufficient to reimburse the Virginia Housing Development Authority for principal and interest payments on residential projects for the mentally disabled financed by the Housing Authority.

D. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall make payments to the Community Services Boards from this item in twenty-four equal semimonthly installments, except for necessary budget revisions or the operational phase-in of new programs.

E. Failure of a board to participate in Medicaid covered services and to meet all requirements for provider participation shall result in the termination of a like amount of state grant support.

F. Community Services Boards may establish a line of credit loan for up to three months' operating expenses to assure adequate cash flow.

G. Out of this appropriation shall be provided \$20,000 in the first year from the general fund to Child Development Resources.

H.1. Out of this appropriation, \$1,600,000 in the second year from the general fund shall be provided for state hospital census reduction/managed care projects to serve individuals with serious and persistent mental illness and multiple hospital admissions. Funding may be used for similar projects that serve mentally retarded persons in state training centers. The Department, in cooperation with Community Services Boards, consumers and family members, advocates, and local governments, shall plan the projects and report the plan to the Joint Subcommittee Studying the Publicly Funded Mental Health System prior to implementation.

2. Out of the appropriation for this item, the Department shall initiate a Program of Assertive Community Treatment (PACT) pilot project with one or more of the state facilities and communities, to provide services to adults with serious mental illnesses in the community in order to reduce hospitalizations. The pilot project shall be established, administered, and evaluated by the Department. A report on the status of the pilot project shall be made to the Secretary of Health and Human Resources, the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Subcommittee to Study the Publicly Funded Mental Health System, by November 1, 1997.

I. Out of this appropriation, \$2,900,000 the first year and \$2,900,000 the second year from the general fund is provided to the local Community Services Boards for service expansion. No portion of this funding shall be used for administrative costs. Local Community Services Boards may use this funding to expand persons served under the current mental retardation waiver, for supported employment services, or for other community supports. The Department, in conjunction with Community Services Boards, shall report to the Chairmen of the House Appropriations and Senate Finance Committees by September 1, 1996, on the number of persons proposed to be served with the additional funding.

J. The same level of funding for existing Better Beginnings Coalitions as they received in Chapter 853 of the 1995 Acts of Assembly shall be allocated to those coalitions in the 1996-98 biennium. Funds allocated that are not used by existing coalitions may be reallocated by the Department for the purpose of expanding the coalitions to other areas of the state.

K. The Department shall continue a program in the Roanoke Valley to contract with community providers for short-term crisis hospitalization of children and adolescents during fiscal year 1997 and continue the program during fiscal year 1998 contingent upon the availability of special fund balances. The necessary balances shall be released to the program no later than 30 days after year-end close.

L. Out of the appropriation for this item, \$75,000 the second year from the general fund shall be provided to the Hope Center for Women.

M. The Department of Mental Health, Mental Retardation and Substance Abuse Services and the Department of Medical Assistance Services shall review Medicaid fee rates for services covered by State Plan Option and the Home and Community Based Mental Retardation Waiver. This review shall give consideration to factors such as the geographical cost of providing services. The Departments of Mental Health, Mental Retardation and Substance Abuse Services and Medical Assistance Services shall report on the rates and any recommendations for changes to the Governor, the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Subcommittee Studying the Future Delivery of Publicly Funded Mental Health, Mental Retardation and Substance Abuse Services, by September 1, 1997.