
VIRGINIA STATE BUDGET

2001 Special Session I

Budget Bill - HB3 (Introduced)

Bill Order » Office of Health and Human Resources » Item 323

Department of Mental Health, Mental Retardation and Substance Abuse Services

| Item 323 | First Year - FY2001 | Second Year - FY2002 |
|--|---------------------|--|
| Administrative and Support Services (44900) | \$20,088,684 | \$20,960,657 \$21,168,532 |
| General Management and Direction (44901) | \$8,106,334 | \$8,137,993 \$8,345,868 |
| Computer Services (44902) | \$3,536,506 | \$4,366,611 |
| Architectural and Engineering Services (44904) | \$691,989 | \$691,989 |
| Collection and Locator Services (44905) | \$5,425,192 | \$5,435,401 |
| Personnel Services (44914) | \$2,328,663 | \$2,328,663 |
| Fund Sources: | | |
| General | \$18,459,583 | \$19,331,556 \$19,539,431 |
| Special | \$1,104,901 | \$1,104,901 |
| Federal Trust | \$524,200 | \$524,200 |

Authority: Title 37.1, Chapter 1, Articles 1, 2, and 10, Code of Virginia.

A. The Commissioner of the Department of Mental Health, Mental Retardation and Substance Abuse Services shall, at the beginning of each fiscal year, establish the current capacity for each facility within the system. When a facility becomes full, the Commissioner or his designee shall give notice of the fact to all sheriffs.

B. The Commissioner of Mental Health, Mental Retardation and Substance Abuse Services shall work in conjunction with community services boards to develop and implement a graduated plan for the discharge of eligible facility clients to the greatest extent possible, utilizing savings generated from statewide gains in system efficiencies.

C. ~~Out of this appropriation shall be provided \$671,558 the first year and \$2,348,370 the second year from the general fund for implementation of the Sexually Violent Predators Treatment Program. Notwithstanding the provisions of § 37.1-70.10, Code of Virginia, the Department may contract with private or local entities to house and provide treatment to persons involuntarily committed under the provisions of §§ 37.1-70.1 through 37.1-70.19~~

D. Notwithstanding § 4-5.12 of this act and paragraph C of § 2.1-512, Code of Virginia, the Department of Mental Health, Mental Retardation and Substance Abuse Services is hereby authorized to deposit the entire proceeds of the sales of surplus land at state-owned mental health and mental retardation facilities into a revolving trust fund. The trust fund may initially be used for expenses associated with restructuring such facilities. Remaining proceeds after such expenses shall be dedicated to continuing services for current patients as facility services are restructured. The trust fund will receive any *base budget* savings resulting from facility restructuring. Thereafter, the fund will be used to enhance services to individuals with mental illness, mental retardation and substance

abuse problems.

E. Out of this appropriation shall be provided \$250,000 the first year and \$250,000 the second year from the general fund for the Consumer Support and Family Involvement Pilot Project.

F. Out of this appropriation, \$2,570,847 the first year and \$2,570,847 the second year shall be provided from the general fund for a public-private partnership pilot to secure short-term inpatient psychiatric services through competitive contracts with community-based hospitals or other private health care providers, for purposes of serving individuals closer to their homes. Pursuant to individual agreements with the Department, community services boards will reduce their utilization at a selected state facility or facilities for short-term (30 days or less) acute hospitalization by a specified number of beds, and will contract by competitive bidding with community-based hospitals for short-term psychiatric inpatient services. Any savings resulting from the reduced utilization of short-term acute facility beds will be made available under agreement with the Department, to permit the community services boards to contract for additional short-term psychiatric inpatient services. Specific bed utilization targets and competitive contract performance expectations will be included in the performance contracts of these community services boards.

~~G. Out of this appropriation, \$500,000 the first year and \$500,000 the second year shall be provided from the general fund for a program to maximize recruitment and retention of graduate medical students in psychiatry to serve in underserved areas.~~

H. Out of this appropriation, \$130,986 the first year and \$130,986 the second year shall be provided from the general fund to establish 2.0 positions to enforce compliance by each state mental health and mental retardation facility with the provisions and requirements outlined in the facility directors' performance agreements with the Department. In addition to providing increased oversight of these performance agreements, these positions will monitor implementation of all settlement agreements with the United States Department of Justice.

I. The agency shall transfer \$171,523 the first year and \$178,508 the second year from nongeneral funds to the Secretary of Health and Human Resources to support the activities of the Office of Inspector General.

J. The Department of Mental Health, Mental Retardation, in cooperation with the Community Services Boards shall develop a plan to clarify the roles and responsibilities of Community Services Boards for the provision of care coordination, case management, and services to mentally disabled individuals, to increase consumer choice of providers and eliminate any perceived conflict of interest for Boards that provide case management and direct services. The Department shall report on its plan to the Chairmen of the House Appropriations and Senate Finance Committees by December 15, 2000.

K. The Department of Mental Health, Mental Retardation, and Substance Abuse Services and the Department of Medical Assistance Services, in cooperation with the Office of Comprehensive Services, Community Services Boards, and Court Service Units, shall develop an integrated policy and plan, including the necessary legislation and budget amendments, to provide and improve access by children to mental health and mental retardation services. The plan shall identify the services needed by children, the cost and source of funding for the services, the strengths and weaknesses of the current service delivery system and administrative structure, and recommendations for improvement.

L. The Department of Mental Health, Mental Retardation, and Substance Abuse Services (DMHMRSAS) and the Department of Medical Assistance Services (DMAS), in cooperation with the Community Services Boards, shall select the specific substance abuse services that shall be available statewide to children and adults.

M. Prior to implementation of Medicaid coverage of substance abuse treatment services, DMHMRSAS and DMAS shall design a process for evaluating the costs and benefits, including cost offsets in other programs, of reimbursement by Medicaid and the Commonwealth's Children's Medical Security Insurance Plan of substance

abuse treatment services on an annual basis. The Departments shall report the results of this evaluation by November 1, 2000, to the Governor and the General Assembly.

N. The Department shall evaluate the number, qualifications, competencies, and service of state facility and regional human rights advocates to ensure that each consumer in a state facility or community program has sufficient access, in terms of timeliness, geography, cultural competence, and community modalities, to a knowledgeable and skilled advocate. The Department shall ensure that these advocates are recruited, hired, trained, and supervised by the Office of Human Rights. The Department shall report on the results of this evaluation by December 15, 2000, to the Governor and General Assembly.

O.1. No facility operated by the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall be sold, privatized, closed, or converted to any other use without the approval of the General Assembly.

2. The Department shall notify the Chairmen of the House Appropriations and Senate Finance Committees of any plans for privatization or contractual initiatives, other than that prohibited by paragraph O1 above, thirty days before implementation of such initiatives. Notification shall include a formal analysis which shall include, but not be limited to, the following components: (i) definition of activity and scope of work to be privatized; (ii) estimated amount and duration of the contract; (iii) number of employees impacted to include position title, grade, length of service and projected severance costs; (iv) options for retraining and/or alternate placements for displaced employees and potential retention rights with prospective contractors; (v) standards and outcome measures to assure maintenance of present levels of service and quality; (vi) comprehensive "make or buy" analysis, including all costs of present and proposed service and projected short-term and long-term savings; and (vii) options for application of contracts on a statewide basis or on a local option basis for facilities with unique geographical and/or service characteristics.

3. These provisions shall not apply to capital outlay services.

4. These provisions shall not extend authority to the Commissioner beyond that granted by the Code of Virginia.

5. No real property under the control of the Department of Mental Health, Mental Retardation, and Substance Abuse Services on behalf of the Commonwealth shall be sold or otherwise conveyed to another party or agency prior to June 30, 2002, without the express approval of the Governor and General Assembly. However, nothing herein shall be construed to prohibit the granting of easements to a locality or other political subdivision of the Commonwealth.

P. The Department, in cooperation with Virginia's community services boards and the Virginia Association of Community Services Boards, shall develop a proposal for implementing all outstanding, applicable recommendations made by the Joint Legislative Audit and Review Commission in its 1997 report, "Services for Mentally Disabled Residents of Adult Care Residences." The Department shall present the proposal to the Governor, the Chairmen of the House Appropriations and Senate Finance Committees, and the Joint Commission on Health Care prior to September 15, 2000.

Q. The Commissioner of Mental Health, Mental Retardation and Substance Abuse Services, or his designee, in cooperation with the directors of Central State Hospital, Southside Virginia Training Center, and Hiram Davis Hospital shall develop an agreement to provide fair and reasonable reimbursement for the use of local emergency medical services.

R.1. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall monitor, on a quarterly basis, federal block grant funds, special project funds, and other items of a categorical nature allocated to community services boards (CSBs). Funds that have been properly allocated but not encumbered by the end of the second quarter shall be considered for reallocation to community services boards that have a demonstrated need for additional one-time funding for the same purposes, unless a community services board can demonstrate

sufficient reason to retain the funds.

2. Reallocations resulting from unencumbered funds of those items cited above shall be reported to the Chairmen of the House Appropriations and Senate Finance Committees no later than January 31 of each year.

3. The provisions in paragraphs 1 and 2 are not applicable to non-categorical CSB funds.

S. Out of this appropriation, \$35,000 the second year from the general fund shall be provided for a study of a center of geriatric excellence on the Eastern State Hospital campus in cooperation with the Virginia Commonwealth University Health System Authority, the University of Virginia School of Medicine, and the College of William and Mary. The Department shall contract with the appropriate departments and institutions for this study. A report on the study shall be provided to the Chairmen of the Senate Finance and House Appropriations Committees, and the Behavioral Health Care Commission by October 31, 2001.

T.1. The Commissioner shall establish a community implementation and transition team consisting of Department staff and representatives of the jurisdictions surrounding and encompassing any institution proposed for restructuring, including local governing officials, consumers, family members of consumers, advocates, facility employees, community services boards, public and private service providers, local health department staff, local social services staff, sheriffs' office staff, and other interested citizens. In addition, the members of the House of Delegates and the Senate of Virginia elected to serve the jurisdictions surrounding and encompassing the relevant institution shall serve on the community implementation and transition team for the relevant institution. Each community implementation and transition team shall advise the Commissioner on (i) the types, amounts, and locations of new and expanded community services needed to successfully implement the restructuring of the mental health system in Virginia; (ii) the development of a detailed implementation plan designed to build community mental health infrastructure; (iii) the creation of new and enhanced community services prior to the restructuring of the relevant institution, the reduction in beds of the relevant institution, the conversion of the use of the relevant institution, or any changes in the services of the relevant institution; (iv) the transition of institutionalized patients to community services; and (v) resolution of issues relating to the restructuring transition process, including employment issues.

2. At least nine months prior to a proposed restructuring, the community implementation and transition team shall submit a plan to the Joint Commission on Behavioral Health Care for review.

3. The Commissioner shall ensure that each restructuring plan includes the following components: (i) a plan for community education; (ii) state-of-the-art practice models, including such models for rural areas; (iii) a plan for assuring the availability of adequate professional treatment staff in the affected community; and (iv) an individual services plan for each patient being transferred or discharged as a result of the restructuring in compliance with § 37.1-197.1(A)(3), Code of Virginia.

4. The Joint Commission on Behavioral Health Care shall make recommendations to the Governor on the relevant plan no later than six months prior to the proposed restructuring date.

5. The Governor shall submit to the General Assembly such legislation and appropriations revisions as necessary to implement the plan.

6. If the necessary legislation and appropriations revisions are enacted, the Commissioner shall ensure that the plan components required by paragraph T.3 of this item are in place and may perform all tasks necessary to facilitate restructuring of the relevant facility.