2004 Special Session I

# Budget Bill - HB5001 (Chapter 4)



Comprehensive Services for At-Risk Youth and Families

| Item 299 | First Year - FY2005 | Second Year - FY2006 |
|---|---|---|
| **Protective Services (45300)** | **$242,651,805** | **$256,051,341** |
| Financial Assistance for Child and Youth Services (45303) | $242,651,805 | $256,051,341 |
| Fund Sources: | | |
| General | $186,694,989 | $194,639,663 |
| Federal Trust | $55,956,816 | $61,411,678 |

Authority: Title 2.2, Chapter 52, Code of Virginia.

A. The Department of Education shall serve as fiscal agent to administer funds cited in paragraphs B and C.

B.1.a. Out of this appropriation, $121,088,905 from the general fund and $54,956,816 from nongeneral funds the first year and $129,033,579 from the general fund and $60,411,678 from nongeneral funds the second year, shall be used for the state pool of funds, pursuant to § 2.2-5211, Code of Virginia. This appropriation shall consist of a Medicaid pool allocation, and a non-Medicaid pool allocation.

b. The Medicaid state pool allocation shall consist of $31,166,268 from the general fund and $46,536,818 from nongeneral funds the first year and $34,834,425 from the general fund and $51,991,680 from nongeneral funds the second year. The Office of Comprehensive Services will transfer these funds to the Department of Medical Assistance Services as they are needed to pay Medicaid provider claims.

c. The non-Medicaid state pool allocation shall consist of $89,922,637 from the general fund and $8,419,998 in nongeneral funds the first year and $94,199,154 from the general fund and $8,419,998 in nongeneral funds the second year. The nongeneral funds shall be transferred from the Department of Social Services.

d. The Office of Comprehensive Services, with the concurrence of the Department of Planning and Budget, shall have the authority to transfer the general fund allocation between the Medicaid and non-Medicaid state pools in the event that a shortage should exist in either of the funding pools.

e. The Office of Comprehensive Services, per the policy of the State Executive Council, shall deny state pool funding to any locality not in compliance with federal and state requirements pertaining to the provision of special education and foster care services funded in accordance with § 2.2-5211, Code of Virginia.

2.a. Out of this appropriation, $63,811,084 from the general fund and $1,000,000 from nongeneral funds the first year and $63,811,084 from the general fund and $1,000,000 from nongeneral funds the second year shall be set aside to pay for the state share of supplemental requests from localities that have exceeded their state allocation for mandated services. The nongeneral funds shall be transferred from the Department of Social Services.

b. In each year, the director of the Office of Comprehensive Services for At-Risk Youth and Families may approve

and obligate supplemental funding requests in excess of the amount in 2a above, for mandated pool fund expenditures up to 10 percent of the total general fund appropriation authority in B1a in this Item.

c. The State Executive Council shall maintain local government performance measures to include, but not be limited to, use of federal funds for state and local support of the Comprehensive Services Act.

d. Pursuant to § 2.2-5200, Code of Virginia, Community Policy and Management Teams shall seek to ensure that services and funding are consistent with the Commonwealth's policies of preserving families and providing appropriate services in the least restrictive environment, while protecting the welfare of children and maintaining the safety of the public. Each locality shall submit to the Office of Comprehensive Services information on utilization of residential facilities for treatment of children and length of stay in such facilities. By November 1 of each year, the Office of Comprehensive Services shall report to the Governor and Chairmen of the House Appropriations and Senate Finance Committees on utilization rates and average lengths of stays statewide and for each locality.

3. Each locality receiving funds for activities under the Comprehensive Services Act (CSA) shall have a utilization management process, approved by the State Executive Council, covering all CSA services, and shall provide information as required by the Office of Comprehensive Services, to include, but not be limited to expenditures, number of youth served in specific CSA activities, length of stay for residents in core licensed residential facilities, and proportion of youth placed in treatment settings suggested by a uniform assessment instrument. Localities requesting funding from the set aside in paragraph 2.a. and 2.b. must demonstrate compliance with all CSA provisions to receive pool funding.

4. The Secretary of Health and Human Resources, in consultation with the Secretaries of Education and Public Safety, shall direct the actions for the Departments of Social Services, Education, Juvenile Justice, Medical Assistance Services, Health, and Mental Health, Mental Retardation and Substance Abuse Services, to implement, as part of ongoing information systems development and refinement, changes necessary for state and local agencies to fulfill CSA reporting needs.

5. The State Executive Council shall provide localities with technical assistance on ways to control costs and on opportunities for alternative funding sources beyond funds available through the state pool.

6. Out of this appropriation, $50,000 from the general fund each year is provided for a combination of regional and statewide meetings for technical assistance to local community policy and management teams, family assessment and planning teams, and local fiscal agents. Training shall include, but not be limited to, cost containment measures, utilization management, use of alternate revenue sources, and administrative and fiscal issues. A state-supported institution of higher education, in cooperation with the Virginia Association of Counties, the Virginia Municipal League, and the State Executive Council, may assist in the provisions of this paragraph. Any funds unexpended for this purpose in the first year shall be reappropriated for the same use in the second year.

7. The State Executive Council shall work with the Department of Medical Assistance Services' existing preauthorization and utilization management contract with a qualified medical review organization, in order to provide utilization management of residential placements provided to youth under the Comprehensive Services Act who are not Medicaid eligible. A payment of $175,000 each year from the general fund shall be transferred to the Department of Medical Assistance Services for such utilization management services. The Department of Medical Assistance Services, in cooperation with representatives of the Virginia Association of Counties, the Virginia Municipal League, and the State Executive Council, shall develop the criteria and guidelines to be followed by the utilization management provider.

8. Out of this appropriation, $70,000 the first year and $70,000 the second year from the general fund is provided for the Office of Comprehensive Services to contract for the support of uniform CSA reporting requirements.

9. The State Executive Council shall require a uniform assessment instrument.

10. The Office of Comprehensive Services, in conjunction with the Department of Social Services, shall determine a mechanism for reporting Temporary Assistance for Needy Families Maintenance of Effort eligible costs incurred by the Commonwealth and local governments for the Comprehensive Services Act for At-Risk Youth and Families.

11. For purposes of defining cases involving only the payment of foster care maintenance, pursuant to § 2.2-5209, Code of Virginia, the definition of foster care maintenance used by the Virginia Department of Social Services for federal Title IV-E shall be used.

C. The funding formula to carry out the provisions of the Comprehensive Services Act for At-Risk Youth and Families is as follows:

1. Allocations. The allocations for the Medicaid and non-Medicaid pools shall be the amounts specified in paragraphs B 1 b and B 1 c in this Item. These funds shall be distributed to each locality in each year of the biennium based on the greater of that locality's percentage of actual 1997 Comprehensive Services Act pool fund program expenditures to total 1997 pool fund program expenditures or the latest available three-year average of actual pool fund program expenditures as reported to the state fiscal agent.

2. Local Match. All localities are required to appropriate a local match for the base year funding consisting of the actual aggregate local match rate based on actual total 1997 program expenditures for the Comprehensive Services Act for At-Risk Youth and Families. This local match rate shall also apply to all reimbursements from the state pool of funds in this Item and carryforward expenditures submitted prior to September 30 each year for the preceding fiscal year, including administrative reimbursements under paragraph C 3 in this Item.

3. Local Administrative Costs. Out of this appropriation, an amount equal to two percent of the fiscal year 1994 pool fund allocations, not to exceed $1,500,000 from the general fund the first year and $1,500,000 from the general fund the second year, shall be allocated among all localities for administrative costs. Every locality shall be required to appropriate a local match based on the local match contribution in paragraph C 2 of this Item. Inclusive of the state allocation and local matching funds, every locality shall receive the larger of $12,500 or an amount equal to two percent of the total pool allocation. No locality shall receive more than $50,000, inclusive of the state allocation and local matching funds. Localities are encouraged to use administrative funding to hire a full-time or part-time local coordinator for the Comprehensive Services Act program. Localities may pool this administrative funding to hire regional coordinators.

4. Definition. For purposes of the funding formula in the Comprehensive Services Act for At-Risk Youth and Families, "locality" means city or county.

D. Any unexpended general fund balance in this Item on June 30 each year shall not revert to the general fund but shall be reappropriated for expenditure in the succeeding year.

E. Community Policy and Management Teams shall use Medicaid-funded services whenever they are available for the appropriate treatment of children and youth receiving services under the Comprehensive Services Act for At-Risk Children and Youth.

F. The State Executive Council for the Comprehensive Services Act shall investigate the reasons leading to the practice of parents relinquishing custody of their children solely to obtain necessary and appropriate mental health services. The State Executive Council shall recommend policy options, including legislative action if appropriate, for abolishing this practice while continuing to make the services available and accessible to children, and report to the Chairmen of the House Appropriations and Senate Finance Committees, and to the Chairman of the Joint Commission on Health Care, by November 1, 2004.

G. Pursuant to subdivision 3 of §2.2-52.06, Code of Virginia, Community Policy and Management Teams shall enter into agreements with the parents or legal guardians of children receiving services under the Comprehensive Services Act for At-Risk Children and Youth. The Office of Comprehensive Services shall be a party to any such agreement. If the parent or legal guardian fails or refuses to pay the agreed upon sum on a timely basis and a collection action cannot be referred to the Division of Child Support Enforcement of the Department of Social Services, upon the request of the community policy management team, the Office of Comprehensive Services shall make a claim against the parent or legal guardian for such payment through the Department of Law's Division of Debt Collection in the Office of the Attorney General.

H. The Office of Comprehensive Services, in cooperation with the Department of Medical Assistance Services, shall provide technical assistance and training to assist residential and treatment foster care providers who provide Medicaid-reimbursable services through the Comprehensive Services Act for At-Risk Children and Youth (CSA) to become Medicaid-certified providers.

I. The Office of Comprehensive Services shall work with the State Executive Council and the Department of Medical Assistance Services to assist Community Policy and Management Teams in appropriately accessing a full array of Medicaid-funded services for Medicaid-eligible children and youth through the Comprehensive Services Act for At-Risk Children and Youth, thereby increasing Medicaid reimbursement for treatment services and decreasing the number of denials for Medicaid services related to medical necessity and utilization review activities.

J. By November 1, 2004, the Office of Comprehensive Services shall report to the Governor and the Chairmen of the House Appropriations and Senate Finance Committees and the Joint Commission on Health Care on progress in increasing Medicaid utilization for CSA services. The report shall also recommend additional strategies, as necessary, for increasing Medicaid utilization.

K. Out of the federal Temporary Assistance to Needy Families block grant, $957,821 the first year and $957,821 the second year shall be designated for the "Community Services Trust Fund for Youth and Families." The Office of Comprehensive Services shall assist the Department of Social Services in developing procedures to support these activities.