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# VIRGINIA STATE BUDGET

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2008 Session

## Budget Bill - HB30 (Introduced)

Bill Order » Office of Health and Human Resources » Item 315

Department of Mental Health, Mental Retardation and Substance Abuse Services

Item 315	First Year - FY2009	Second Year - FY2010
<b>Administrative and Support Services (49900)</b>	<b>\$46,085,336</b>	<b>\$46,363,110</b>
General Management and Direction (49901)	\$17,008,203	\$17,285,977
Information Technology Services (49902)	\$7,899,279	\$7,899,279
Architectural and Engineering Services (49904)	\$887,593	\$887,593
Collection and Locator Services (49905)	\$3,485,865	\$3,485,865
Human Resources Services (49914)	\$1,160,465	\$1,160,465
Planning and Evaluation Services (49916)	\$329,862	\$329,862
Program Development and Coordination (49933)	\$15,314,069	\$15,314,069
Fund Sources:		
General	\$31,977,506	\$32,252,506
Special	\$5,645,397	\$5,648,171
Federal Trust	\$8,462,433	\$8,462,433

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Authority: Title 16.1, Article 18, and Title 37.2, Chapters 2, 3, 4, 5, 6 and 7, and Title 2.2, Chapters 26 and 53 Code of Virginia; P.L. 102-119, Federal Code.

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. Notwithstanding § 4-5.12 of this act and paragraph C of § 2.2-1156, 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 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.

D. 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.

E. The Department of Mental Health, Mental Retardation, and Substance Abuse Services, the Department of Juvenile Justice and the Department of Medical Assistance Services, in cooperation with the Office of Comprehensive Services, Community Services Boards, Court Service Units, and representatives from community policy and management teams representing various regions of the Commonwealth shall develop an integrated policy and plan, including the necessary legislation and budget amendments, to provide and improve access by children, including juvenile offenders to mental health, substance abuse, 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. The plan shall also examine funding restrictions of the Comprehensive Services Act which impede rural localities from developing local programs for children who are often referred to private day and residential treatment facilities for services and make recommendations regarding how rural localities can improve prevention, intervention, and treatment for high-risk children and families, with the goal of broadening treatment options and improving quality and cost effectiveness. The Department of Mental Health, Mental Retardation, and Substance Abuse Services shall report the plan to the Chairmen of the Senate Finance and House Appropriations Committees by June 30 of each year.

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

G. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall identify and create opportunities for public-private partnerships and develop the incentives necessary to establish and maintain an adequate supply of acute-care psychiatric beds for children and adolescents.

H. The Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with the Virginia Department of Juvenile Justice, where appropriate, shall identify and create opportunities for public-private partnerships and develop the incentives necessary to establish and maintain an adequate supply of residential beds for the treatment of juveniles with mental health treatment needs, including those who are mentally retarded, aggressive, or sex offenders, and those juveniles who need short-term crisis stabilization but not psychiatric hospitalization.

I. The Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services, in cooperation with Community Services Boards and private service providers, shall ensure that consumers are allowed choices in selecting group home placements and services.

J. The Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with the Department of Criminal Justice Services, shall incorporate information about programs that divert individuals with mental illness, substance abuse and co-occurring disorders from jail or secure detention in the Department's web-based Internet site that is currently under development.

K. On October 1 of each year, the Commissioner of the Department of Mental Health, Mental Retardation, and

Substance Abuse Services shall submit a report to the Chairmen of the Senate Finance and House Appropriations Committees regarding Community Services Board contracts with private service providers, to include contract amounts paid to each private provider, number of patients served, term of inpatient treatment, any savings realized by community-based treatment, and any fiscal impact on state hospitals.

L. In the event the Department of Mental Health, Mental Retardation, and Substance Abuse Services pursues the utilization of a Preferred Drug List, the Commissioner shall ensure the consideration of the value of including those prescription medications which improve drug regimen compliance, reduce medication errors, or decrease medication abuse through the use of medication delivery systems that include, but are not limited to, transdermal and injectable delivery systems.

M. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall consider the feasibility of entering into a public-private partnership or contract with a vendor for the operation of clinical treatment services for the sexually violent predator program. If the department determines that a public-private partnership or contract is feasible and cost-effective, selection criteria shall be developed by the department. Such criteria may include a requirement that the vendor have ongoing experience operating sexually violent predator programs in other states. Such public-private partnership or contract, if entered into by the department, shall enable the department to contract for perimeter security, medical services, transportation, and dietary services for the program from other state agencies and facilities.

N. In the event an individual agrees to provide private funds for the provision of housing and services to the mentally retarded who are aged, the Commissioner of Mental Health, Mental Retardation, and Substance Abuse Services shall submit a proposal to spend the private funds and an equivalent amount of general fund dollars for consideration by the 2009 General Assembly. The general fund amount shall not exceed \$2,000,000.

O. Out of this appropriation, \$696,911 the first year and \$696,911 the second year from the general fund shall be provided for placement and restoration services for juveniles found to be incompetent to stand trial pursuant to Title 16.1, Chapter 11, Article 18, Code of Virginia.

P. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall ensure appropriate and medically necessary access to new atypical, antipsychotic medications funded in this item.

Q. Out of this appropriation, \$50,000 the first year and \$50,000 the second year from the general fund shall be used to pay for legal and medical examinations needed for individuals living in the community and in need of guardianship services.

R. The Department of Mental Health, Mental Retardation and Substance Abuse Services may consider contracting for the operation of the facility-based sexually violent predator program, including clinical treatment services, perimeter security, medical services, transportation, dietary services, and facility maintenance, unless the Department can demonstrate that continued state operation of the facility is at least as cost effective and provides at least an equivalent or higher level quality care than operation by a private entity. The Department may use a public-private partnership or a Request for Proposal to contract with a vendor for such services, with selection criteria developed by the Department. Such criteria shall include a requirement that the vendor have prior experience in the delivery of mental health care and custodial services in other states.

S. The Commissioner of the Department of Mental Health, Mental Retardation, and Substance Abuse Services shall work with the Rappahannock-Rapidan Community Services Board to reopen the Madison County Mental Health Clinic for services as soon as possible.

T. Out of this appropriation, \$1,228,050 the first year and \$1,228,050 the second year from the general fund shall be provided for services for the civil commitment of sexually violent predators as follows: (i) \$506,250 the first year and \$506,250 the second year for clinical evaluations and court testimony for sexually violent predators who are

being considered for release from state correctional facilities and who will be referred to the Clinical Review Committee for psycho-sexual evaluations prior to the state seeking civil commitment, (ii) \$610,200 the first year and \$610,200 the second year for conditional release services, including treatment, and (iii) \$111,600 the first year and \$111,600 the second year for the costs associated with contracting with a Global Positioning System service to closely monitor the movements of individuals who are civilly committed to the sexually violent predator program but conditionally released.

U. Out of this appropriation, \$500,000 the first year and \$500,000 the second year from the general fund shall be used to expand community-based programs that divert individuals with mental illness from jails or for aftercare programs for individuals with mental illness who have been released from jail. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall establish criteria, administer and evaluate the grants provided for this purpose. Beginning October 1, 2007, the Department shall report program information and outcome data annually to the Chairmen of the Senate Finance and House Appropriations Committees and the Joint Commission on Health Care.

V. Out of this appropriation, \$493,000 the first year and \$493,000 the second year from the general fund shall be made available to support workforce development for children's mental health services in underserved areas. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall define the regions of the Commonwealth that lack specialized mental health services for children. The funding shall be used to provide eight internship positions for individuals specializing in child psychology or child psychiatry at a Virginia institution of higher education. Before an internship is awarded, the individual shall sign a written contract under the terms of which he agrees to be employed in a qualified region, as designated by the department. Such employment shall begin within one calendar year after the completion of the internship and continue thereafter until he has been continuously employed in a qualified job for a period of years equal in number to the years that he has been or shall be a beneficiary of the internship program.

W.1. Out of this appropriation, \$270,930 the first year and \$570,930 the second year from nongeneral funds shall be used to develop, implement and maintain a system of electronic medical records, including any necessary system upgrades, for individuals receiving services at state mental health and mental retardation facilities. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall collaborate with the Secretary of Technology to pursue a multi-source procurement. Any agreement signed by the department for health information technology or a health information technology system for the retrieval, storage, or exchange of health information shall be consistent with federal standards for the electronic exchange of health information and include a provision to ensure interoperability.

2. As a condition of this appropriation, the Department of Mental Health, Mental Retardation and Substance Abuse Services, in cooperation with Community Services Boards and the Virginia Information Technologies Agency, shall develop a plan for the development of electronic health records in Community Services Boards and other technology initiatives to further the collection of data to enhance utilization review and management, the development of outcome measures, and quality improvement in providing services for persons with mental illness, mental retardation and substance use disorders. The plan shall include provisions to ensure interoperability and consistency with federal standards for the electronic exchange of health information.

X. The Department of Mental Health, Mental Retardation and Substance Abuse Services, in conjunction with the Department of Medical Assistance Services and related state agencies, the ARC of Virginia, consumers, Parents and Associates of the Institutionalized Retarded, the Virginia Association of Community Services Boards, and private providers shall continue reviewing the Medicaid home- and community-based waiver for persons with mental retardation, pursuant to Item 302 TT. of this act, to determine how the waiver program can be improved to provide a person-centered, individualized support focus. This review shall include an examination of all aspects of funding the continuum, including Medicaid and Medicaid waivers. In addition, the department shall make recommendations for the development and funding of a full continuum of care for consumers with mental retardation. Recommendations shall be made to the Governor and the Chairmen of the House Appropriations and

Senate Finance Committees no later than October 1, 2008.

Y. Out of this appropriation, \$25,000 the first year and \$25,000 the second year from the general fund shall be used to operate a real-time reporting system for public and private acute psychiatric beds in the Commonwealth.

Z. Out of this appropriation, \$3,000,000 the first year and \$3,000,000 the second year from the general fund shall be used to develop and expand jail diversion and reentry services. Funds shall be distributed to community based contractors based on need and community preparedness as determined by the commissioner.