

Update on Implementation of DOJ Settlement Agreement

House Appropriations Committee
May 20, 2013

James W. Stewart, III.
Commissioner

Virginia Department of Behavioral
Health and Developmental Services

Virginia's Movement Towards Community-Based Services

Large training centers (TCs) primary service source

TC Census is 5,240

Medicaid Waiver for Home and Community-Based services and Medicaid State Plan Option developed

Prior to 1960

Late 1960s–1970s

1972

Early-mid 1970s

1991

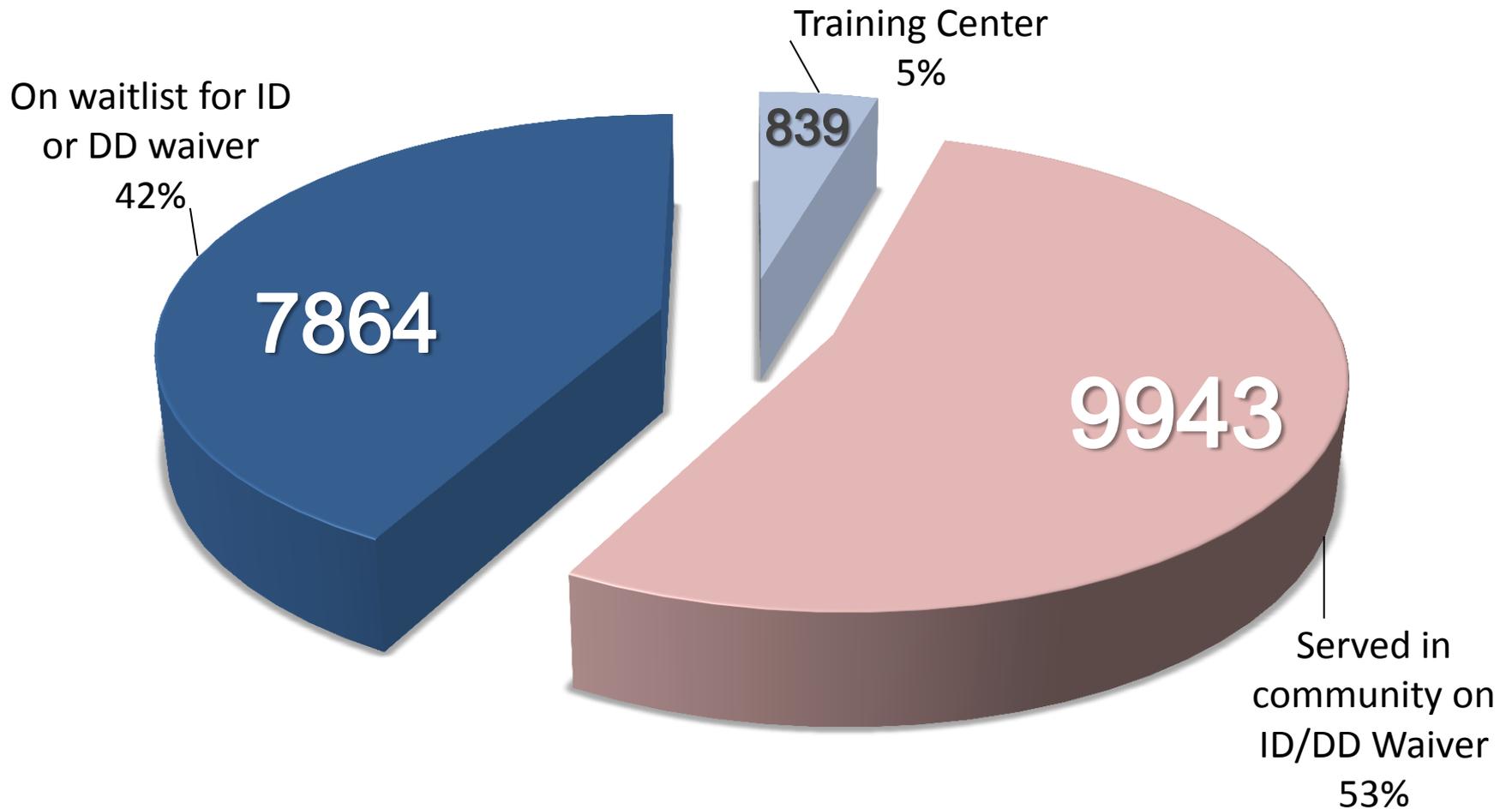
Today

Growth of community services starts with arrival of community services boards

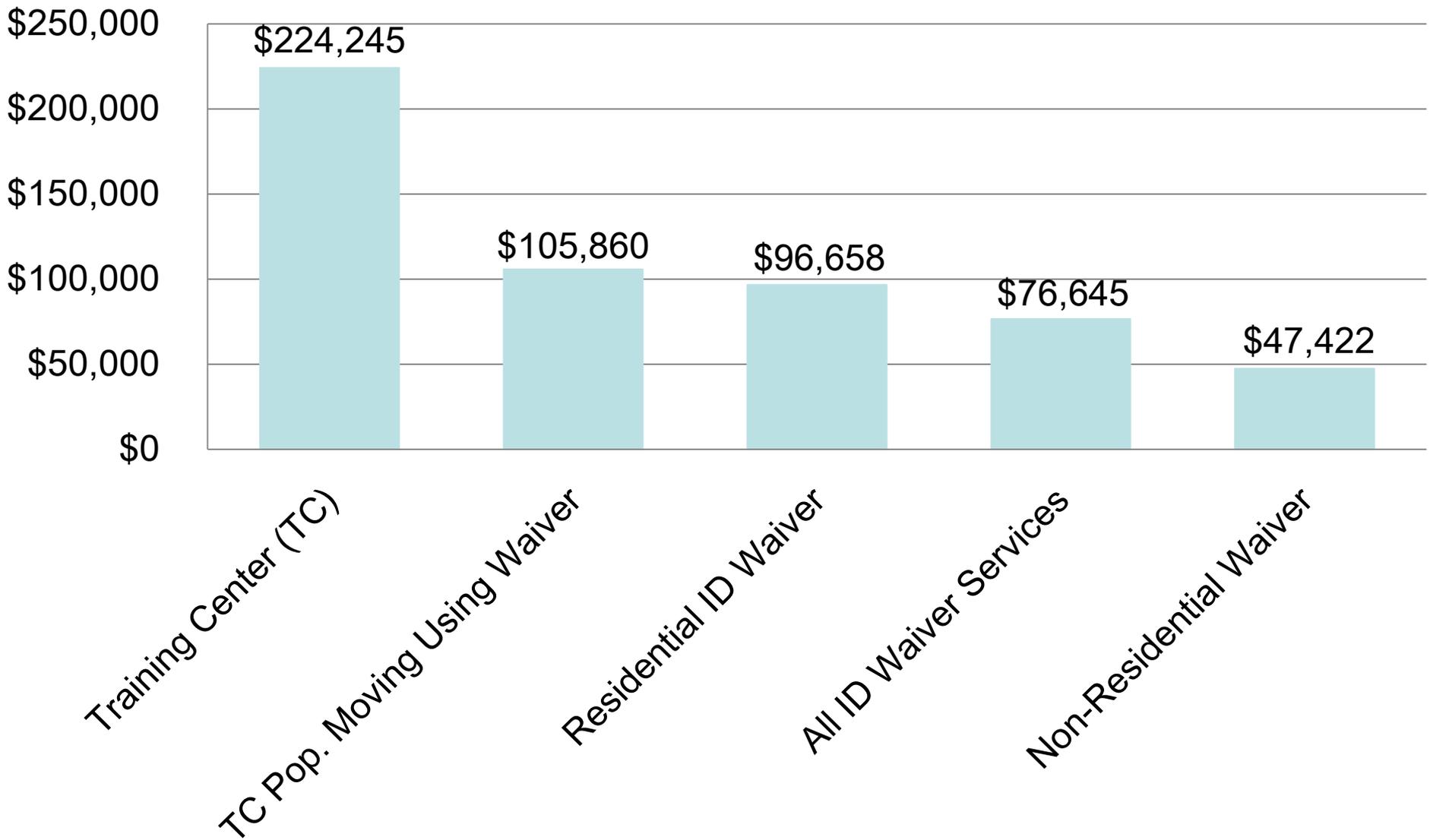
First group homes appear, community vocational services begin

TC Census = 839;
Those on Waiver = 9943;
Waiver Waiting List = 7864

Individuals Served By Virginia's Developmental Disability System



FY12 Average Annual Costs Per Person



DOJ-Required Medicaid Waiver Slots

Virginia will create 4,170 waiver slots by June 30, 2021:

State Fiscal Year	Individuals in Training Centers to Transition to the Community	ID Waiver Slots for Individuals on Urgent Wait List	DD Waiver Slots for Individuals on Wait List
2012 ¹	60	275	150
2013	160	225*	25**
2014	160	225*	25**
2015	90	250*	25**
2016	85	275	25
2017	90	300	25
2018	90	325	25
2019	35	325	25
2020	35	355	50
2021	0	360	75
Total	805	2915	450

1. These FY2012 slots have already been funded and assigned to individuals.

*25 slots each year are prioritized for individuals less than 22 years who reside in nursing homes or large ICFs.

**15 slots each year are prioritized for individuals less than 22 years who reside in homes or large ICFs.

Additional Waiver Slots

Over this biennium, the General Assembly has provided Intellectual Disability (ID) and Developmental Disability (DD) waiver slots **IN ADDITION** to those required by the settlement agreement, including:

425	additional community intellectual disability (ID) waiver slots
130	additional developmental disability (DD) waiver slots

DOJ and ID/DD Waivers

- The settlement agreement calls for Virginia to move more rapidly toward a community-based system of supports that provides more integrated environments:
 - Smaller rather than larger living situations
 - Independent/supported employment before day support services
 - For all levels of complexity of disability
- The current ID/DD waivers do not support this type of integration

Improve Waivers to Resolve Current Challenges

Virginia must evaluate methods to move toward a more flexible array of services that support system values and resolves challenges with current waivers:

- Flexibility to address the most complex medical and behavioral needs
- Expand the array of residential supports to include smaller, more integrated environments
- Expand group and individual supported employment options

Improve Waivers to Resolve Current Challenges

Virginia must establish a sustainable program

- The number of waiver recipients is rising and wait lists are growing
- Current waiver “over serves” some individuals who could live more independently
- Current waiver under serves other individuals who then end up in more expensive places such as hospitals, training centers, or incarcerated

Waiver Study Timeline

- DBHDS and DMAS studying possible improvements for waiver changes over the next two years
 - Move to needs-based waivers (not ID/DD based)
 - Recommend needed rate changes to serve those with the most complex needs and align incentives for more integrated environments
- RFP released to retain national organization to assist with study; proposals were due by April 12, 2013; proposals under review.
- We expect to have a contract and vendor begins on June 15, 2013.

Waiver Exceptional Rates Update

- The budget includes \$7.8M for "exceptional" ID waiver rates.
- For Congregate Residential Support (CRS) services for individuals who:
 - Meet certain "exceptional needs" criteria, and
 - Need more intensive medical or behavioral supports in order to live successfully in the community.
- The rate will be an additional reimbursement 25% over and above the usual CRS rate for those qualifying.

Exceptional CRS Rate Criteria

1. More intensive behavioral or medical needs as defined by the Supports Intensity Scale® (SIS); AND
2. Documented evidence over the past 12 months that the individual requires an exceptional level of supports such as, but not limited to:
 - Funding above waiver needed to properly support the person, or
 - Residential plan for supports has been authorized for the maximum hours, yet the placement remains at risk, or
 - Staff to individual ratio has been increased to properly support the person, or
 - Alternative community options (e.g., a smaller settings), etc. were utilized yet the placement remains at risk, or
 - Based on supports needed in the past, any of the above circumstances are anticipated upon discharge of individuals in training centers.

DOJ Requirement for Discharge Planning from Training Centers

- A consistent discharge process was developed for all training centers in 2011.
- Discharge plans are in place for all individuals residing at training centers and pre- and post-move monitoring process in place.

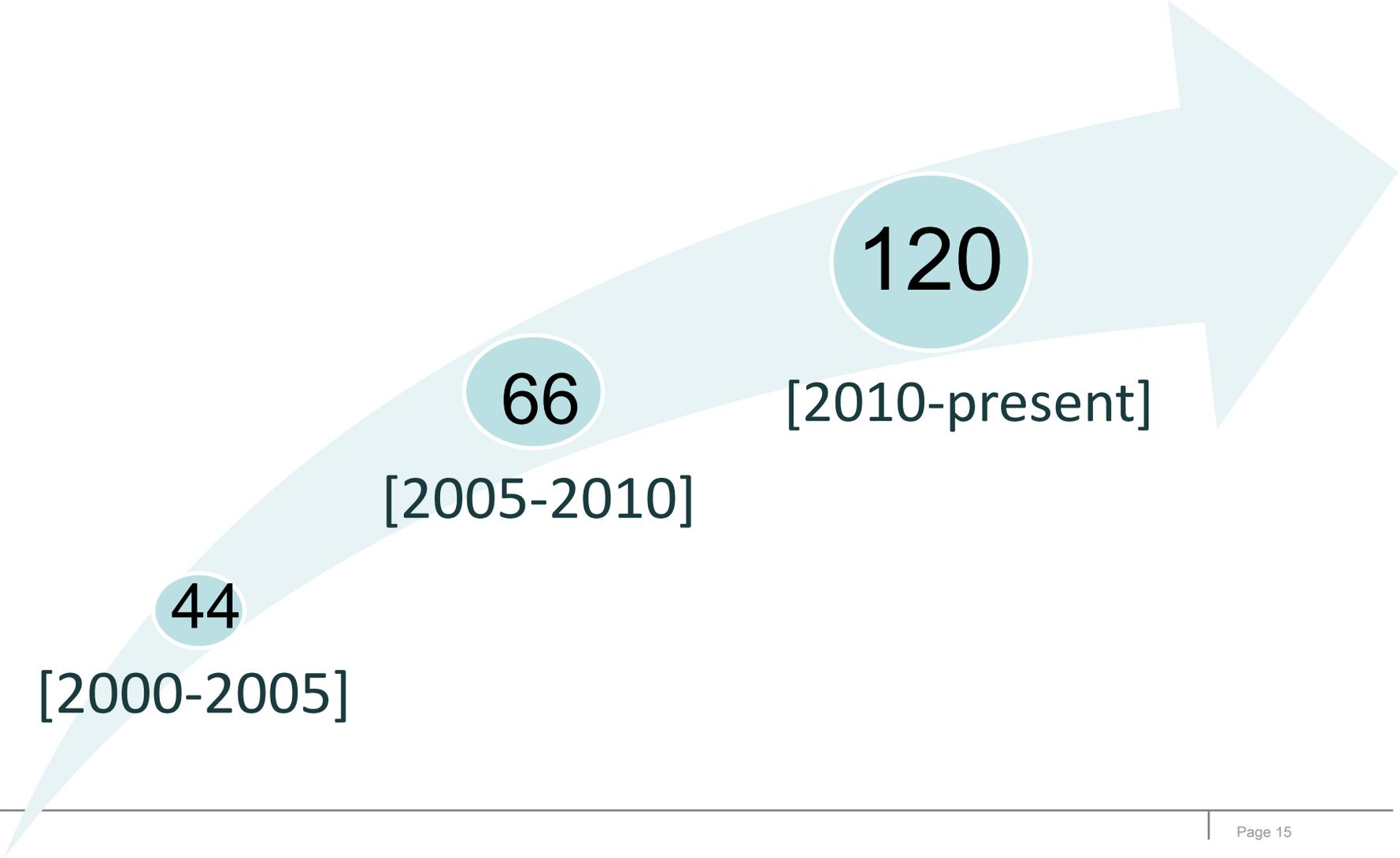
101	Individuals transitioned to the community in FY 2012
109	Individuals transitioned so far in FY 2013 (7/1/12 – 5/1/13)
313	Families currently actively discussing discharge

Virginia's Five Training Centers

May 1, 2013

Name	2000 Census	2005 Census	2010 Census	Current Census	Percent Decrease
Southside (SVTC) Closure date: 2014	465	371	267	144	69%
Northern (NVTC) Closure date: 2015	189	182	170	139	26%
Southwestern (SWVTC) Closure date: 2018	218	214	192	159	27%
Central (CVTC) Closure date: 2020	679	564	426	309	55%
Southeastern (SEVTC) Remains open at 75 beds	194	192	143	88	55%
TOTAL	1,745	1,523	1,198	839	52%

Statewide Average Annual Discharges



44
[2000-2005]

66
[2005-2010]

120
[2010-present]

Moves to Community Homes

July 1, 2012 – May 1, 2013

Training Center	Number of Moves
CVTC	21
NVTC	10
SEVTC	16
SVTC	50
SWVTC	12
TOTAL	109

Types of Community Homes Chosen

July 1, 2012 – May 1, 2013

Training Center	Group Home	Sponsored Residential	Intermediate Care Facility	Nursing Facility	Returned to TC	Family Home
CVTC	7	5	8	0	0	1
NVTC	8	1	1	0	0	0
SEVTC	3	0	12	1	0	0
SVTC	43	1	0	6	1	0
SWVTC	1	10	0	0	0	1
TOTAL	62	17	21	7	1	2

Locations of Homes Chosen

July 1, 2012 – May 1, 2013

Training Center	Returned to Home CSB	Moved to Region of Home CSB	Moved Outside Home Region
CVTC	7	3	11
NVTC	7	2	1
SEVTC	10	6	0
SVTC	13	26	11
SWVTC	5	7	0
TOTAL	42	44	23

Positive outcomes related to individuals' moves:

- Increased skill development
- more participation in community integration activities
- increased family involvement
- reduction in targeted behaviors
- more choices given to individuals

Positive outcomes related to individuals' homes:

- 95.8% of the 24 individuals with identified need had been provided all needed supports for adapted environment and equipment
- 96.9% of their homes were free of any safety issues
- 100% of their homes were clean and had adequate food and supplies
- 92.3% of their homes were located near community resources

Workforce Development and Outplacement Services

- SVTC's workforce development resource center provides on-site guidance about employment opportunities and career building. Employee forums held monthly.
- Programs to improve employability; e.g., skill-building workshops, skills inventory assessments, resume assistance, career counseling and job fairs. SVTC is having a career (job) fair on June 13th with CSBs and private providers.
- On-site placement assistance from other state agencies, other hospitals within DBHDS, CSBs, and private providers.
- Virginia Retirement System will assist with counseling and completion of needed information.
- Linking employees with private providers and equipping them with information to learn how to become providers themselves.

Progressive Retention Bonus Plan

- Designed to help retain a viable working staff as the facility completely closes.
- Pays bonus at the end of each quarter after the employee has met all the specified performance criteria.
- Bonuses are progressive to retain adequate staff and to assure the continued presence of mission critical skills.
- Currently in place at SVTC and will be implemented at other facilities as their closure dates near.

SVTC Layoffs (as of March 2013)

	Layoff with severance	WTA enhanced retirement	WTA eligible yet opted for severance	Total Classified	Wage employees separated	TOTAL
ROUND 1 1/25/13	1	12	2	15	3	18
ROUND 2 5/25/13	9	13	2	24	6	20
ROUND 3 7/15/13	79	19	1	99	14	113

Note: The numbers for Round 2 and 3 may change if staff identified for layoff voluntarily resign or transfer to another state agency.

Summary of the 10 Year DOJ Settlement Agreement

	Projections
Total Cost ¹	\$2.4 Billion
GF Share of the Cost	\$1.2 Billion
GF savings and offsets ²	\$ 826.9 Million
<u>New</u> GF required	\$ 387.7 Million

¹ Includes total state and federal costs to implement the settlement including ID/DD waivers, crisis management, family support, facility transition waivers, administration, monitoring, quality management systems, and facility closure costs.

² Includes facility savings, appropriations that were in place in FY 2012 before the Trust Fund was established (base funding) and \$60 million in Trust Funds that were provided in fiscal years 2012 and 2013.

Settlement Agreement Budget Assumptions

Key Assumptions

- Separations costs initially lessen savings available for community programs. Full year savings can be achieved up to 12 months after a training center closes.
- Savings are not maximized until an entire building, unit, or training center is closed because fixed costs such as utilities, maintenance, and security will be required until the entire building, unit, or center is closed.
- Savings presented are contingent upon DBHDS not being required to contribute the cost of enhanced retirement benefits to VRS.
- Even after a training center closes, there will be some costs for minimal maintenance and security. These cost are not Medicaid reimbursable.

DOJ Funding & Expenditures (Dollars in Millions)

	FY 2012 Actuals	FY 2013 Budget	FY 2013 Actuals thru 5/7/13	FY 2014 Budget
Facility Transition ID Waivers ¹	\$0.0	\$11.3	\$10.1	\$19.5
Community ID & DD Waivers ¹	\$0.1	\$19.6	\$17.8	\$27.6
Individual Family & Supports Program	\$0.0	\$2.4	\$0.6	\$3.2
Rental Subsidies ²	\$0.0	\$0.8	\$0.0	\$0.0
Crisis Stabilization ³	\$0.0	\$7.8	\$7.1	\$10.0
Facility Closure Costs ⁴	\$0.0	\$2.7	\$2.7	\$8.4
Independent Review ⁵	\$0.1	\$0.3	\$0.2	\$0.3
Administration ⁶	\$0.2	\$1.3	\$0.9	\$1.8
Quality Management ⁶	\$0.0	\$1.8	\$0.1	\$1.5
Facility Savings ⁷	\$0.0	(\$5.8)	(\$5.6)	(\$23.4)
Total	\$0.4	\$42.2	\$34.0	\$49.1

¹ State match for waiver slots for those transitioning from training centers to community and those on community waiting list.

² One-time fund to provide and administer rental assistance to increase access to independent living options such as individuals' own homes or apartments. Plans currently being developed for distribution.

³ Crisis stabilization programs offer a short-term alternative to institutionalization or hospitalization for individuals who need inpatient stabilization services.

⁴ Separation costs for training center employees, such as severance and retention bonuses.

⁵ Required independent reviewer that reports to the federal judge on DBHDS compliance with the DOJ settlement.

⁶ Expenses at DBHDS and DMAS, e.g., licensing and human rights positions for community oversight, systems development, data warehouse.

⁷ Direct and indirect savings realized from closing training centers.

Allocation of 2012-2014 Savings

	% of Closed Beds ¹		Estimated Savings	
	FY 2013	FY 2014	FY 2013	FY 2014
SVTC	71%	53%	\$4,151,362	\$12,383,204
CVTC	29%	23%	\$1,695,627	\$5,373,843
NVTC	0%	18%	\$0	\$4,205,616
SWVTC	0%	6%	\$0	\$1,401,872
Total Savings			\$5,846,989	\$23,364,535

¹ Percentage of closed beds is based on the total number of beds scheduled to close during the fiscal year.

Other Achievements

DBHDS, with partners agencies and stakeholders, has implemented several other initiatives related to the settlement agreement:

- START Crisis Program for Adults
- Individual & Family Support Program
- Enhanced Licensing, Human Rights, and Case Management visits
- Employment and Housing Strategic Plans
- Regional Support Teams

Continued Commitment to Quality Services at SVTC

- Facility had successful CMS survey week of November 8, 2012
- Substantiated abuse/neglect cases reduced from 31 in 2011 to 9 in 2012
- Overall incidents reduced by 25% in 2012:
170 for first 6 months to 127 for second 6 months