Virginia Department of Behavioral Health & Developmental Services

DBHDS Budget and Policy Overview

House Appropriations Committee, HHR Subcommittee

January 18, 2016

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Interim Commissioner
Virginia Department of Behavioral Health
and Developmental Services

Summary of DBHDS Budget Actions

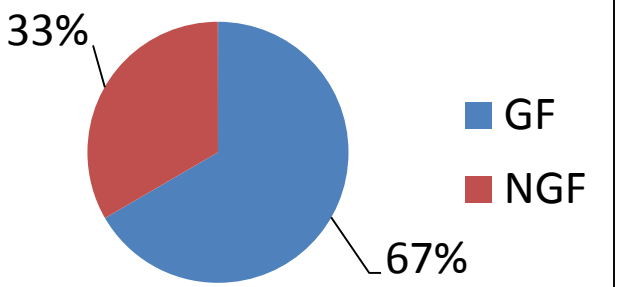
Budget Actions – Operations*	General Fund FY 2016	General Fund FY 2017	General Fund FY 2018
DOJ Settlement Agreement (DBHDS, DMAS, & DARS)	$7.2 million	$37.2 million	$65.9 million
Facility Operations (DBHDS & DMAS)	$518,662	$9.5 million	$8.9 million
Forensic Services	-	$2.4 million	$3.9 million
Community Based Services	$959,057	$1.7 million	$2.5 million
Administrative Adjustments	-	($267,754)	($253,801)
Total	**$8.8 million**	**$50.5 million**	**$80.9 million**
CSB GF Reduction (Medicaid Expansion)	-	($12.1 million)	($29.1 million)

- Governor's budget includes $140.2 million general fund over the next three fiscal years offset by a reduction to the general fund disbursement to CSBs of $41.2M GF.
- The majority of this funding is to comply with the DOJ settlement agreement ($110.3M) over the three years.

* This does not include technical adjustments nor funding to support the proposed state employee and state supported local salary increase or funding in DARS for BH guardianship

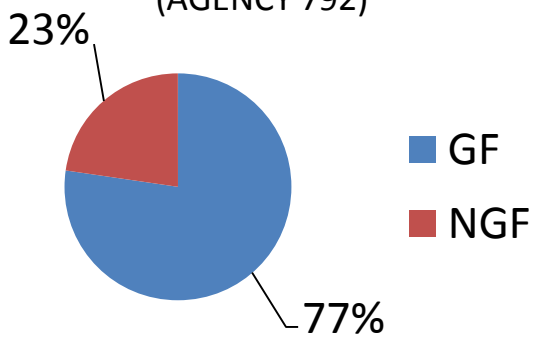
DBHDS Current Budget Chapter 665 FY 2016

Total DBHDS



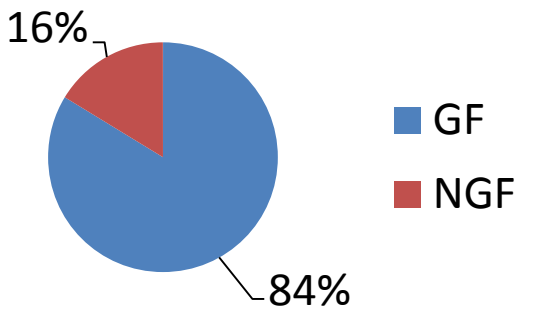
	GF	NGF	Total
DBHDS	$700,024,671	$351,016,827	$1,051,041,498

Mental Health Facilities (AGENCY 792)



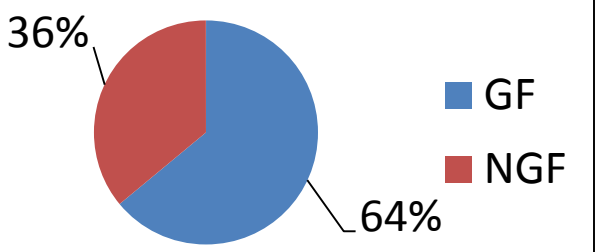
	GF	NGF	Total
AGENCY 792	$259,711,672	$76,227,744	$335,939,416

Community Services Boards (AGENCY 790)



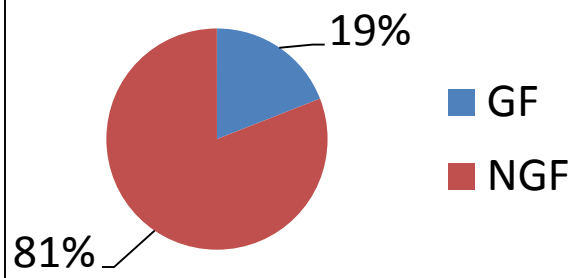
	GF	NGF	Total
AGENCY 790	$317,076,689	$61,679,447	$378,756,136

Central Office (AGENCY 720)



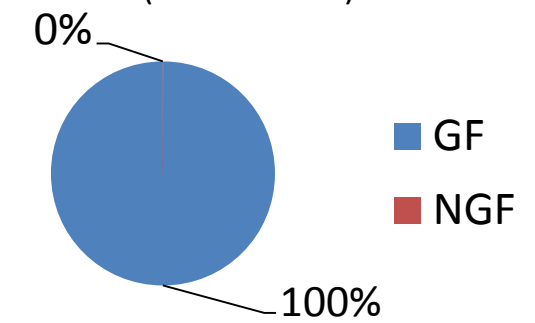
	GF	NGF	Total
AGENCY 720	$50,078,008	$28,199,077	$78,277,085

Training Centers (AGENCY 793)



	GF	NGF	Total
AGENCY 793	$43,504,309	$184,910,559	$228,414,868

VCBR (AGENCY 794)



	GF	NGF	Total
AGENCY 794	$29,653,993	$0	$29,653,993

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DOJ Settlement Agreement

Integration means that individuals with disabilities are living, working, socializing, and recreating with and among individuals who do not have disabilities, i.e. they are not segregated in residence, employment, school, etc.

Department of Justice Settlement Agreement (SA)

Objectives

- ID and DD waivers combined to one process/system of three waivers
- Change current "one size fits all" waivers to more individualized system of supports where we pay for services needed and used, aligning cost with needs
- Changes in services and rates to expand integrated services over congregate and segregated services
- Pre-authorization system to assure appropriate services and costs based on assessed needs
- Required to meet the SA and prevent judicial action

Summary of DOJ Requests	FY 2017 GF	FY 2018 GF
DMAS: Waiver Reform	**$29.3 million**	**$56.7 million**
New and Modified Services	*$3.0 million*	*$5.1 million*
Changes to Rates for Current Services	*$10.2 million*	*$18.0 million*
Required SA Slots (855 slots)	*$14.2 million*	*$31.8 million*
Reserve Slots (100 slots)	*$1.9 million*	*$1.9 million*
DBHDS: Court Ordered/Focus	**$7.9 million**	**$10.8 million**
DBHDS: Critical	**$5.0 million**	**$5.3 million**
DMAS & DBHDS: Training Center Closures	**($5.0 million)**	**($7.0 million)**
Grand Total+	**$37.2 million**	**$65.9 million**

+Includes funding for I/DD guardianship (DARS budget)

DOJ Budget Requests – Court Ordered/Focus

- Requests represent required supports identified in either the original DOJ Settlement Agreement (SA) or the most recent DOJ filed motion.
- Requests are critical because DBHDS has to create the infrastructure for individuals to receive services in their community. A fully functioning crisis system reduces inappropriate utilization of jails, mental health hospitals and premature use of congregate settings.

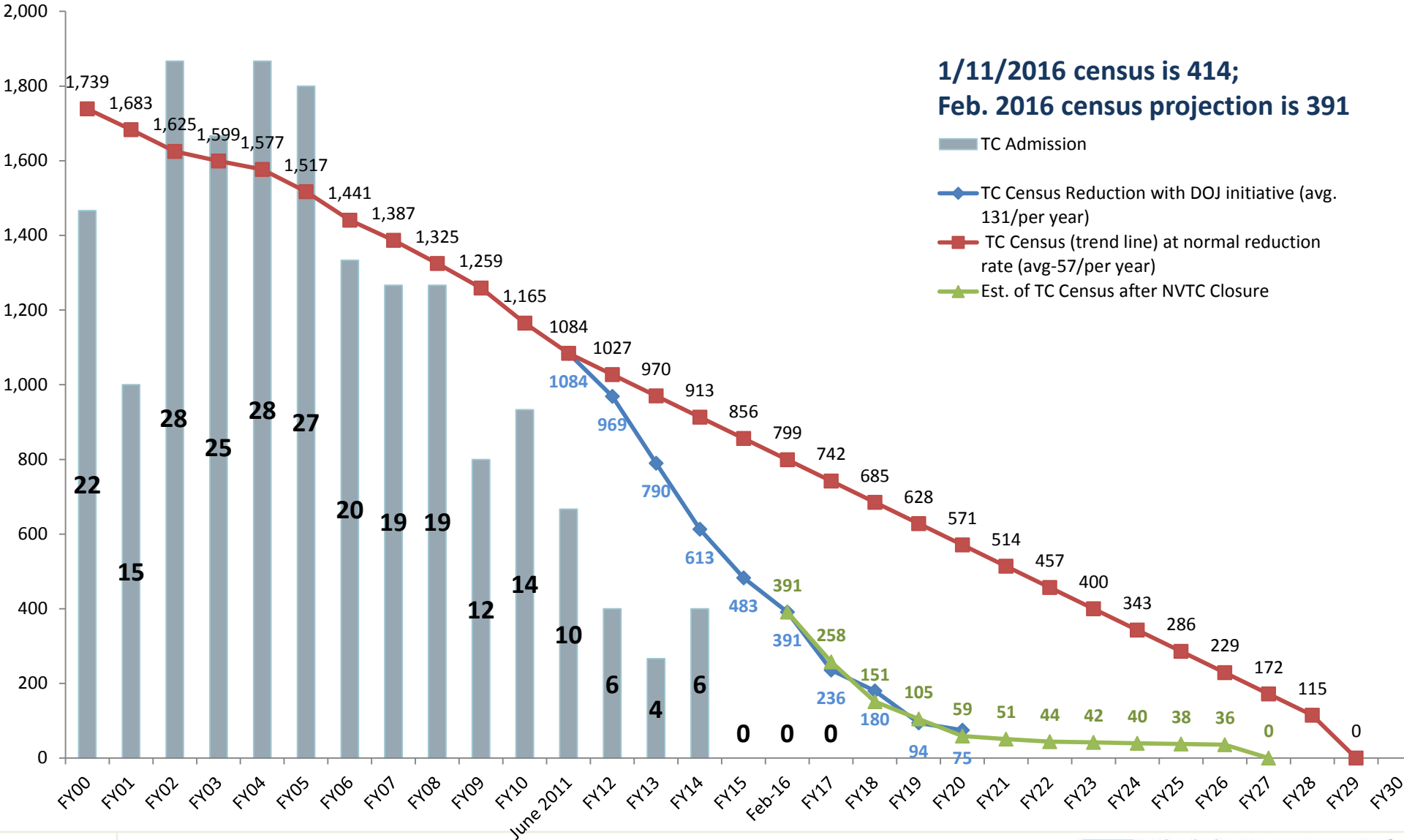
Budget Action	Description	FY 2017 GF	FY 2018 GF
Fund DD Health Support Networks	Transforms residential services provided in large state operated ICF to small community residential options. Includes health education, dental services, and equipment repair. (essential elements of care post training centers)	$1,300,000	$1,300,000
Increase funding for crisis services	Augments crisis services for children and adults with therapeutic homes and mobile units. Includes funds to build two 8-bed therapeutic homes and funds for mobile crisis services, respite services for children, and crisis coordinators in each region.	$4,330,000	$5,327,000
Increase critical community based housing capacity	Enables people with I/DD to live in their own housing with appropriate supports. Reaches national benchmark of 10% of VA's I/DD population living in their own home. Provides funds for 300 rental vouchers.	$1,875,000	$3,750,000
Fund DOJ rental subsidy to provide ongoing support	Ongoing support for initial 3 year pilot program in the SA. Individuals served by this program currently have no stable funding source for subsidies provided, as the program originally funded with one-time dollars.	$400,000	$400,000
	Total Court Ordered/Focus	**$7,905,000**	**$10,777,000**

DOJ Budget Requests – Critical

Virginia is required to provide effective monitoring and oversight for an expanding number of private providers, secure integrated housing and care coordination, and manage the appropriateness and costs of the new Waiver system.

Budget Action	Description	FY 2017 GF	FY 2018 GF
Support critical staffing needs for increase in waiver services & operations	16 positions to support administration of requested increase in waiver services. Will work with CSBs and case managers to transition individuals into the new proposed waiver system.	$659,193	$712,690
Provide transitional funding for individuals leaving Training Centers	One-time costs, e.g. assistive technology, home and vehicle modifications, durable medical equipment.	$636,000	$480,000
Fund critical staffing specialists for community programs	Positions for continued community growth: 10 licensing positions, 2 housing, 3 case management, 1 internal reviewer, 1 quality specialist, 1 regional support team specialist, and 1 SIS position.	$1,726,258	$2,301,595
Provide community supports for individuals in training centers not covered by Medicaid	Support for individuals who currently reside in training centers and are not eligible for Medicaid.	$503,204	$503,204
Support independent reviewer	Supports workload associated with community growth and a rise in serious incidents.	$63,734	$72,544
Support guardianship services (IDD) (DARS)	Provide services for 195 individuals in training centers lacking a qualified guardian.	$500,000	$975,000
Implement Event Tracking Quality Management System	Supports more timely and accurate assessments of Critical Event data allowing state facilities and private providers to proactively prevent the occurrence of events.	$945,952	$244,553
	Total	**$5,034,341**	**$5,289,586**

Training Center Census Decline



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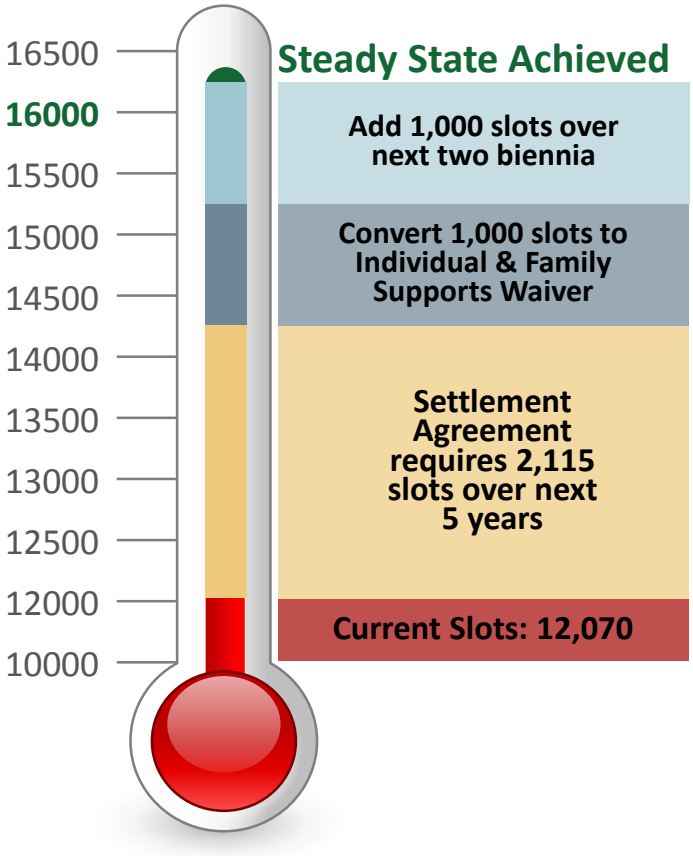
DOJ Budget Requests –Training Center Closures

Request	Description	FY 2017	FY 2018
DOJ Rebase – Facility Closure Costs & Savings (DMAS)	DMAS portion of facility closure costs along with projected savings at training center resulting from changes to the training center discharge schedule.	($9,832,972)	($10,907,845)
DOJ Rebase – Facility Closure Costs, MH Backfill and Support Services	DBHDS portion of on-going facility closure costs: continuing insurance benefits, grounds and upkeep to buildings, leave liabilities, retention bonuses, severance payments, and workers compensation.	$4,805,510	$3,938,627
	Total	**($5,027,462)**	**($6,969,218)**

Waiver Slots



- Virginia currently has **12,070** waiver slots.
- The "steady state" is projected to be about **16,000** slots.
- *We Can Achieve Steady State in 5 Years:*
  1. The Settlement Agreement requires another **2,115** slots over the next five fiscal years, including the 855 proposed in the current budget.
  2. The revised Waivers and the patterns of use by new people that up to **1,000** of the current ID Waiver slots may be converted to slots for the less expensive Individual and Family Supports Waiver (and also Building Independence Waiver).
  3. Adding **1,000** slots to proposed budgets (250 slots/year over the next two biennia) would reach steady state and account for additional growth of the waiver system.

IDD Waiting Lists Change

Age Cohorts of Individuals on the Combined ID and DD Waiver Wait Lists (December 2015)						
< Age 5	Age 6 to 13	Age 14 to 17	Age 18 to 21	Age 22 to 27	Age 28 to 64	Age 65 Plus
646	3,018	1,539	1,431	1,691	1,947	107
51% or 5,203			14%	36% or 3,745		

Priority I – w/in One Year	**Priority II – w/in Two Years**	**Priority III – Five Years Out**	***T: 10,288***
Includes youth in transition from schools	Includes individuals with services inadequate to meet needs	Includes individuals with services which may continue to meet needs (many individuals on EDCD Waiver)	***Possible Regrouping After Individual Review***
Estimate of 36% or 3,700 +/-	Estimate of 24% or 2,500 +/-	Estimate of 40% or 4,100 +/-	***Based on Various Factors***
Over Age 22: 36%	New Graduates: 14%	Youth Under Age 18: 51%	***By Age Only****
*Would need to allow for addressing urgent & emergencies regardless of age to adjust categories			

Strategies to Reduce Wait List with Redesign and Managed Wait List to Achieve Equilibrium:

- 1) Shifting Individuals from EDCD Waivers; 2) Changing Mix of Future Waiver Slots for the amended waivers; 3) Focusing on meeting the first Priority I and then Priority II Needs.
- Different Strategies could result in conversion (by individual/family choice) of up to 1,000 Community Living (ID Waiver) waiver slots over four to five years to the Building Independence Waiver (current Day Supports Waiver) and Family & Individual Waiver (Current Developmental Disabilities Waiver), which are roughly half the cost on average.

The Behavioral Healthcare (BH) Landscape

- Comprehensive BH is essential to population health and cost containment
- BH issues drive up to 35% of medical care costs and individuals with BH disorders cost up to 2-3 times as much as those without
- Integration of BH and primary care, as well as housing, employment, schools, social services
- Decreased reliance on institutions and increased focus on community services
- State hospital capacity average: 15 beds per 100,000 people
- National average of state spending on hospitals = 29% of overall BH budget
- National average of state spending on community = 68% of overall BH budget

- How does VA measure up nationally? 31st in BH funding in 2013 GFs, non-Medicaid: $92.58 per person. Median (Ohio) is $100.29 per person.
- Not maximizing our investment
- Roughly 50% of GF funding supports 3% of persons served
- State Hospital Capacity: 17.3 beds per 100,000 people
- Virginia spending on hospitals = 46% of overall BH budget
- Virginia spending on community = 51% of overall BH budget
- Average 200+ individuals ready for discharge in VA's mental health hospitals

Future System: Where we are going

- Consistent Core Services Accessible in Each Locality (from DBHDS Transformation Teams and Certified Community Behavioral Health Clinic (CCBHC) model requirements):
  - Crisis services, outpatient mental health and substance use disorder services, psychosocial rehabilitation, primary care integration, peer support and family, same day access.
  - Care coordination – Include linkages between services/entities such as primary care, housing, employment, schools and social services.
- Quality State Hospital Services that are safe, recovery oriented, and aimed at discharge with an opportunity to succeed in the community.
- Outcomes, including:

Decreased medical and psychiatric hospitalizations	Decreased medical and psychiatric emergency department visits	Increased penetration rate to 70% for SMI* (VA now has estimated 22% rate)	Decreased emergency evaluations by 50% & temporary detention orders by 50%	Meeting the safe standard of 85% occupancy in state hospitals
Decreased number of people with SMI in jail on misdemeanors by 50%	Stable housing metric	90% of SMI age 40+ have seen primary care physician in the past year	200 fewer state hospital beds	No waiting over 7 days for jail referrals

*SMI = Serious Mental Illness

Catawba Hospital

Background

- The DBHDS study in response to General Assembly language (Item 307, Ch. 665) indicates both Piedmont Geriatric and Catawba Hospitals are in major need of renovations to cost $94 million.
- In the report, DBHDS identified two potential options for the future of the geriatric services system. Both options assume that any unneeded general fund match is transferred back to DBHDS from DMAS.

  OPTION 1: Keep Catawba and PGH open.

  OPTION 2: Close Catawba this biennium, close PGH next biennium and construct a 56-bed wing at Western State Hospital.

Rationale for Catawba closure

- $51M projected capital needs at Catawba
- The current system includes 200+ individuals ready for discharge, is balanced toward hospitals rather than community services
- CMS vulnerability, i.e. Hancock loss of Medicaid, which would require GFs to replace AND HHS IG finding that Virginia owes $17 million at Catawba for inappropriate billing during 2006-2010 (continues to bill)
- CMS/DOJ pushing integrated settings per Olmstead/ADA

System Direction and Timing

At some point Virginia will have to decide whether to spend additional dollars to keep Catawba open or invest those dollars in community services. An inpatient bed is $200,000+/year. Most people do not require such intense services for long periods of time and can be treated and supported for much less in community.

Closure Challenges

- Community services must be developed, do not yet exist in sufficient quantity or capability.
- More expensive in short term (two years) to close as funds needed to develop community services while maintaining hospital operations until community is ready and able.
- Job losses (mitigated by Roanoke economy, many health care jobs, Catawba currently struggles to recruit and retain).
- Distance: Most communities lack state hospital in back yard. Transportation to WSH from Roanoke will be longer than to Catawba. However, the needed community provisions will need to include robust private bed purchase for short term acute psychiatric needs and collaboration with local private hospitals to accept the patients.
- Governor's budget calls for DBHDS to plan all details and submit final plan and funding request **for consideration** during 2017 session.

Catawba Budget Action

Budget Action	Description	FY 2016 GF	FY 2017 GF	FY 2018 GF
Planning to Close Catawba Hospital	Provides funds to begin the process of closing this facility by end of FY 2018.	$0	$1,000,000	$0

- Funding will help pay for diversion of admissions through the purchase of private inpatient beds, staff associated with the planning of the closure of the facility, and staff retention.
- $22.3 million capital is included in the bond package to construct a 56 bed addition at Western State Hospital (WSH) in Staunton for adult and geriatric admissions. WSH is designed to operate more efficiently.
- Language also requires DBHDS:
  - Pursuant to § 37.2-316 of the Code of Virginia, to establish a state and community consensus and planning team.
  - Develop a detailed closure plan, including the hospital closure costs and community resources necessary to accommodate individuals served by the hospital, for consideration in the 2017 session of the General Assembly.

Planning to Close Catawba - Timeline

DBHDS developed an overview timeline for the planning process to close Catawba; if approved, detailed planning that would begin in the fourth quarter of FY 2016.

FY 2016 4th Quarter *A Time of Planning*

- **Planning Team** - Establish State & Community Consensus & Planning Team
- **Assess Patients** - Chart review of Catawba patients; assess needs for community placement
- **Assess Community** – Assess need and develop plan for community infrastructure for Catawba's adult and geriatrics
- **Address Workforce** – Communicate with employees, community, and plan for Catawba's workforce needs

FY 2017 *Continued Planning with Focus on Implementation*

- **WSH** – start construction of new beds and develop staffing plan
- **Design and Create New Services** - Work with private providers and CSBs to develop community services and placements
- **Divert and Discharge-** through the increased use of LIPOS and DAP
- **Implement Workforce Plan**
- **Submit Budget Requests** - Specifics related to implementation plans and costs will be presented to GA for funding in the 2017 session

FY 2018 *Transition Patients to Community and WSH*

- **Community Transitions to New Services** – begins in the 1st quarter and continues throughout the rest of the year
- **WSH** – 4th quarter beds come on line and patients are transferred
- **Workforce** – plans continue through closure

FY 2019 1st Quarter *Close Catawba*

Plans to Close Catawba – Community Services

Initial community services needed have been identified and comprehensive community services needs will be included in the planning process, along with stakeholder input.

- Outreach services to include assessment and intervention in the individuals' home community as well as in-home services;
- Multidisciplinary geriatric behavioral health teams who provide expert consultation and support to community based providers;
- An array of living options which include one's own home, living with family, sponsored homes, assisted living facilities, and nursing homes with specialty units; and
- Integrated comprehensive services including primary care, specialty care, care coordination, peer and consumer run services, crisis services.

Will require collaboration with CSBs and private providers to develop/implement.

De-Certification of Hancock Geriatric Treatment Center (HGTC) at Eastern State Hospital (ESH)

- As a result of HGTC's Medicaid decertification, Eastern State Hospital (ESH) will have a resource gap in FY 2016 and in future years.
- These 80 beds would become classified as Acute Psychiatric beds for admitting last resort and forensic geriatric patients.
- DBHDS will need $4.4M GF in FY 2016 and $8.3M GF each year in addition to DMAS Medicaid transfers in the 2016-2018 biennium including:
  - $5.7 million to continue to operate the 80 beds at HGTC, and
  - $2.5 million in LIPOS /DAP funding, to address increase in admissions to HGTC.

Budget Action	Description	FY 2016 GF	FY 2017 GF	FY 2018 GF
Address revenue shortfall at HGTC	Backfills loss of federal revenues as a result of Medicaid decertification. Assumes facility continues to operate 80 beds.	$4,432,600	$8,252,321	$8,252,321
Transfer funds to support HGTC	This transfers the unused general fund match from DMAS to ESH which is required to maintain operations at the facility.	$4,661,987	$6,640,991	$6,640,991

State Hospital Operations

- Direct Care Staff Turnover continues to be a large issue for the state facilities.
  - Direct Care turnover rates increased by seven percent from FY 2014 to FY 2015 to 29.8%. This is the highest level of turnover in 10 years.
  - Average salary trails the national market by 13.3%.
  - Facilities are facing staffing shortages, and overtime is increasing as a result.
- Overtime costs have increased at state mental health facilities by $2M from FY 2014 to FY 2015 as result of turnover, and increased census due to last resort legislation. Budget actions are intended to help mitigate these factors.

Budget Item	Description	FY 2016 GF	FY 2017 GF	FY 2018 GF
Address compensation issues at MH Facilities	Provides support to increase shift differentials at state facilities by up to 30%.	$0	$1,181,177	$1,181,177
Add direct care staffing to address increased high acuity admissions	Adds 6 positions at Western State Hospital to address the increase in admissions, discharges and high acuity clients due to higher TDO and forensic admissions.	$0	$257,670	$515,337
Increase pediatrician services at Commonwealth Center	Provides funds to increase the number of hours that on-site pediatric medical services are available to children and youth admitted to the facility.	$0	$69,096	$69,096

Special Hospitalization

Special hospitalization and medical costs continue to grow at VCBR; current rate of spending for FY 2016 is similar to FY 2015.

VCBR Special Hospitalization Costs by Fiscal Year

FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
$1,294,167	$2,195,287	$2,488,491	$ 2,749,373	$3,925,379

Budget Action	Description	FY 2016 GF	FY 2017 GF	FY 2018 GF
Address growing special hospitalization costs at VCBR	Addresses the anticipated increase in growth with providing medical services and support to this population.	$0	$992,538	$992,538

Forensic Services

Jail Waiting Lists and Extraordinary Barriers List (EBL)

- 37 individuals are now waiting in jails who have been ordered to a state hospital for restoration to competency or other non-emergency reason, primarily at Eastern or Central State.
- Federal Court ruled in Washington state that a person had to be admitted under such circumstances within seven days. Similar rulings in Oregon and Louisiana. Virginia is not bound by this yet, but should meet a similar timeframe.
- Last resort legislation produced a 20% increase in admissions to state hospitals, but a 100% increase for ESH. Individuals sent on temporary detention orders (TDOs) increased by over 400% at ESH. Forensic admissions, state-wide, increased 13.5% despite not being directly impacted by the legislation.

At the same time:

- Approximately 150 people are in state hospitals on the EBL who have been clinically ready to leave for a month (or more), but remain for lack of a community placement, guardian, or other non-clinical “barrier”.
- Another 60-70 individuals are “ready for discharge”, but have not been so long enough to get on the EBL list.
- This situation is difficult for individuals who are waiting in jail, individuals waiting to get out, and hospitals who are struggling with staffing issues and trying to manage a census at near capacity.

Forensic Services Budget Actions

Summary	Description	FY 2017 GF	FY 2018 GF
Support transitional housing continuum for forensic patients	1 therapeutic group home and 1 intensive community residential treatment program in the ESH catchment area. Also supports discharge assistance planning.	$1,536,119	$3,016,492
Expand outpatient competency restoration system	Services for up to 85 individuals, including assessment services to determine cause of the incompetency, one-to-one educational sessions on the legal system, case management services, psychiatry services as needed, and medications.	$85,000	$85,000
Expand availability of resources to conditionally released individuals adjudicated not guilty by reason of insanity (NGRI)	Resources for the conditional release of those found NGRI to support up to 24 additional individuals who were found NGRI, but who can be transitioned into community settings.	$84,000	$84,000
Increase diversion options for persons with mental illness involved in the criminal justice system by creating a Magistrate's Post-Booking Diversion Project	Up to 3 additional post-booking diversion programs to enhance identification, diversion, and connection of persons with mental illness or co-occurring substance abuse disorders involved in the criminal justice system by providing pre-trial mental health and substance abuse services.	$600,000	$600,000
Support oversight system for court ordered evaluations	2 FTE and associated costs of implementing proposed legislation to require the creation and implementation of an oversight system for competency and sanity evaluations. All evaluations would be subject to peer review.	$152,016	$202,689

Community Based Services

Budget Action	Description	FY 2016 GF	FY 2017 GF	FY 2018 GF
Address increasing caseload in the Early Intervention – Part C program	Based on the average annual growth rate of 4.9% over the last 4 years.	$959,057	$1,716,961	$2,512,001

Budget Action	Description	FY 2017 GF	FY 2018 GF
Account for savings from federal participation in substance abuse and mental health services	Reduces CSBs budgets to reflect savings associated with Medicaid expansion.	($12,143,442)	($29,144,262)
Fund comprehensive Medicaid benefit package for substance use disorder (SUD) treatment (DMAS)	Fund enhancements that are necessary to meet the CMS requirements for a comprehensive Medicaid benefit that would allow VA to apply for SUD waiver.	$2,602,412	$8,376,260

Substance Use Disorder (SUD) Services

- JLARC estimated 7 years ago that **untreated SUDs cost Virginia at least $613 M per year**.
- **Preliminary data for the first 9 months of 2015 show a 36% increase in the number of fatal heroin overdoses compared to previous year data. Fatal prescription opioid overdoses, however, remain the number one drug category causing or contributing to death in Virginia.**
- Benzodiazepines and cocaine also remain significant causes of overdose deaths. Finally, there has been a **45% increase in overdose deaths involving fentanyl** in 2015 compared to 2014 year-to-date.
- **The McAuliffe and McDonnell Administrations identified opioid addictions and deaths as serious issues Virginia must confront.**
- **Providers, including CSBs, need resources to improve their infrastructure** (detoxification, short-term residential treatment, medication-assisted treatment, peer supports, staff training in evidence-based treatment).

- **Proposal includes:**
  - All benefits for all current Medicaid recipients, rather than just pregnant women
  - Increased rates to increase network of providers (current rates are so low that access for Medicaid individuals is very poor)
  - Training, provider recruitment, and education
  - Pursuit of Waiver (later) would add, via IMD exception, allowing payment for inpatient and residential treatment and substantially increase access to these services

Administrative Adjustments

Central Office (CO) and Facilities

Budget Action	Description	FY 2017 GF	FY 2018 GF
Adjust appropriation to support worker's compensation premiums	Reduces the agencies' premiums based on the allocation of program costs, with overall costs dropping by about $1.1M GF in FY 2017 and FY 2018. DBHDS is able to retain half of this savings through a gain sharing program. While this is a reduction to budgets, it is a reduction in expenses.	($546,930)	($544,147)
Provide funding for new financial system (Cardinal)	Reflects DBHDS network, to include Central Office and facilities, share of the costs associated with the fielding and operation of the new financial system.	$279,176	$290,346

Position Adjustment

DBHDS submitted technical amendments adjusting positions levels in different agencies. These changes resulted in a total reduction of 778 positions across all of the DBHDS agencies, reflecting the closing and downsizing of the training centers and right sizes the position level in the budget based on an internal staffing analysis.

DBHDS Language Only Budget Actions

The Governor's budget includes the following language only actions:

- **Submit plan on performance contracting for CSBs.** Requires DBHDS to develop a plan to implement a performance based contracting system for funds provided to CSBs. DBHDS will work with the boards to define performance based outcome measures; describe data collection, analysis, and reporting requirements and processes; and, identify a funding mechanism and estimated costs. Plan to be submitted to Secretaries of HHR and Finance as well as the Chairs of the Money Committees by November 1, 2016.
- **Eliminate the transfer of interest on the DBHDS Trust Fund to the General Fund.** Enables DBHDS to retain the interest earnings to expend on one time agency activities and initiatives.
- **Authorize DBHDS to certify individuals as peer support specialists and promulgate emergency regulations.** Clarifies responsibilities and current practices.
- **Update language on use of sterilization compensation funding.** Extends date for DBHDS to collect applications and requires report to Money Committees. NOTE: The $400,000 funded in FY 2016, remains in the base for FY 2017 and FY 2018.

DBHDS Capital

- The Governor included the following two DBHDS capital projects in his $2.4 billion dollar bond package:

    1. *Expand and Renovate the Virginia Center for Behavioral Rehabilitation (VCBR)*

    2. *Expand Western State Hospital*

- The capital budget provides $5.0 million the first year and $5.5 million the second year to address deferred maintenance system-wide.

Expand and Renovate VCBR

Burkeville

This project proposes new construction and renovation of the existing 450 bed facility, to provide space for 182 new beds and additional treatment and support services space. Infrastructure and unfinished space would be added to accommodate an additional 76 beds, if needed in the future.

Existing Facility	
Occupancy	450 beds (includes double bunking)
Original Facility:	174,485 SF
Double Bunking:	5,427 SF
Total:	179,912 SF
New Addition	
Occupancy	182 beds, ability to increase by 76 beds
New building space:	188,321 SF
Renovated building space:	48,826 SF
Estimated Project Cost: $116 million	
Construction Cost:	$106 million
Furniture, Fixtures & Equipment:	$ 10 million

VCBR Concept

- **Addresses critical infrastructure requirements associated with growing population** – VCBR experiences a net increase in census of two to three residents each month. Maximum census will be reached in mid-2018.

- **Provides additional treatment space and capabilities** – The designed service capacity of VCBR was based on a population of 300. While interim construction expanded this to serve up to 450 residents, service capacity will be inadequate to serve a census above that number.

- **Improves safety and security** – Multiple studies document the negative consequences and danger of overcrowding. The VCBR expansion provides sufficient treatment, living, activity, and vocational space to reduce crowding, provide a safe environment, and support treatment progress for the growing census.

Western State Hospital Expansion

Staunton

The Western State Hospital (WSH) replacement facility allowed for a future, two-story, patient care unit to be added to the structure. This new 56-bed unit will house adult and geriatric patients.

Existing Facility	
Building area:	354,508 SF
Occupancy:	246 beds
New Addition	
Building area:	52,000 SF
Occupancy:	56 beds
Estimated Project Cost: $22.3 million	
Construction Cost:	$20.3 million
Furniture, Fixtures & Equipment:	$2 million

Western State Hospital Expansion

- **Allows for possible consolidation of state beds by addressing:**
  - Increased TDOs: Overall compared to FY 2014, our hospitals have experienced a 19% increase in total admissions, a 38.9% increase in TDO admissions, and a 13.5% increase in forensic admissions
  - Increased Forensic (NGRI) Acquittals/admissions: 58 in FY 2014 and 90 in FY 2015
- **Reduces waiting lists** – Last resort duties for civil patients used most the bed space and the wait list for forensic patients grew. ESH now averages around 40 individuals and, the average time an individual spent waiting for admission to ESH was 73 days
- **Consolidates delivery of services** – Physical plant, administrative, and other support services
- **Greater operational efficiency** – Base administrative support services require only minimum increase, including: Pharmacy, Food Services, Maintenance, Administration and Human Resources
- **Central systems sized for expansion**

Additional Information

Adult Psychiatric Hospital Beds By Region

Region	State adult staffed beds per 100K population (excluding geriatric and max security)	Private adult staffed beds per 100K population	Total staffed psych beds per 100K population	% of total beds which are state operated
1	19	11	30	0.63
2	7	8	15	0.47
3	30	16	46	0.65
4	14	30	44	0.32
5	14	17	31	0.45
6	24	9	33	0.73
7	24	29	53	0.45

Region 7 which is served by Catawba has the highest number of adult psychiatric beds per 100K population. (53)

Catawba Costs

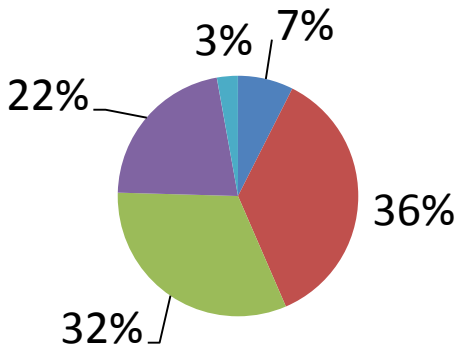
	Capital Costs	FY 2016 GF Cost	FY 2017 GF Cost	FY 2018 GF Cost	Three Year Cost	FY 2019 GF Cost	FY 2020 GF Cost	FY 2021 GF Cost (Annual)	FY 2021 (ANNUAL) GF Appro-priation
OPTION 1:Keep Open / Continue Billing	$45,900,000	$0	$0	$0	$0	$0	$0	$0	$15,335,622
OPTION 2: Close Catawba and Continue Billing	$22,311,000	$0	$13,724,932	$10,557,839	$24,282,771	$4,371,631	$1,643,740	**$1,643,739**	$16,979,361

- Plan outlined in study will require an additional $1.6 million GF in ongoing funding (this assumed a closure date in mid year FY 2018).
- $154,183 GF is needed at Catawba to pay for maintenance and security of property.

DBHDS Current Budget Chapter 665 FY 2016

ALL FUND TOTALS BY AGENCY FOR FY16 BUDGET Chapter 665

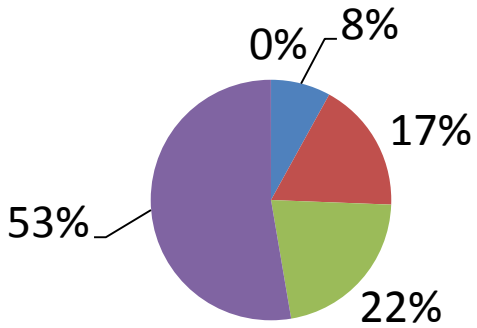
- Central Office (AGENCY 720)
- Community Service Boards (AGENCY 790)
- Mental Health Facilities (AGENCY 792)
- Training Centers (AGENCY 793)



All Fund Total
$1,051,041,498

NON GENERAL FUND TOTALS BY AGENCY FOR FY16 BUDGET Chapter 665

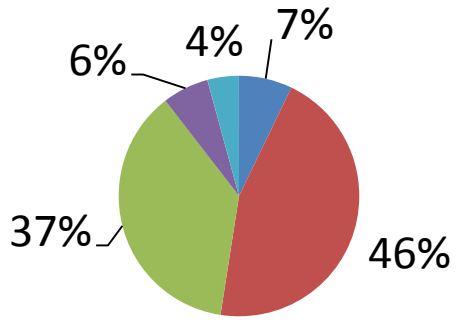
- Central Office (AGENCY 720)
- Community Service Boards (AGENCY 790)
- Mental Health Facilities (AGENCY 792)
- Training Centers (AGENCY 793)



NGF Total
$351,016,827

GENERAL FUND TOTALS BY AGENCY FOR FY16 BUDGET Chapter 665

- Central Office (AGENCY 720)
- Community Service Boards (AGENCY 790)
- Mental Health Facilities (AGENCY 792)
- Training Centers (AGENCY 793)



GF Total
$700,024,671

Virginia Department of Behavioral Health & Developmental Services