



COMMONWEALTH of VIRGINIA

JACK BARBER, M.D.
INTERIM COMMISSIONER

DEPARTMENT OF
BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES

Post Office Box 1797
Richmond, Virginia 23218-1797

Telephone (804) 786-3921
Fax (804) 371-6638
www.dbhds.virginia.gov

TO: Community Services Board or Local Government Department Executive Directors and the Behavioral Health Authority Chief Executive Officer

FROM: Paul R. Gilding
Office of Support Services Director

SUBJECT: **FY 2017 AND FY 2018 COMMUNITY SERVICES PERFORMANCE CONTRACT**

DATE: May 6, 2016

The FY 2017 and FY 2018 Community Services Performance Contract and Partnership Agreement are available for your information and use on the CSB Community Contracting web page at <http://www.dbhds.virginia.gov/professionals-and-service-providers/csb-community-contracting>. The FY 2017 and FY 2018 CSB Administrative Requirements, a separate document incorporated into the contract by reference, is also available there. The Department is distributing Letters of Notification and the Community Automated Reporting System (CARS) software electronically now. The letters contain initial allocations of state and federal funds to community services boards, the behavioral health authority, and the two local government departments with policy-advisory CSBs, all of which are referred to as CSBs in the contract documents and this memo.

The contract documents incorporate changes in the FY 2016 Community Services Performance Contract that were negotiated last month with the Performance Contract Committee established by the Department and the Virginia Association of Community Services Boards. Language relating to intellectual disability is changed to developmental disabilities throughout the contract. Substantive changes from the FY 2016 are described below.

Performance Contract Changes

1. Section 4.a.2.) on page 3 is revised to move the requirement for CSBs operating residential crisis stabilization programs to achieve a 75 percent utilization rate from Exhibit B.
2. Section 4.d on page 6 is revised to incorporate language about developmental disabilities.
3. Section 4.e.2) on page 6 contains added language requiring case managers to document observations required by the DOJ Settlement Agreement.
4. Section 4.e.7.) on page 7 contains added language about when case managers shall offer education about integrated community options to individuals in the Settlement Agreement population who are living outside of their own or their family's homes.

FY 2017 AND FY 2018 COMMUNITY SERVICES PERFORMANCE CONTRACT

May 6, 2016

Page 2

5. Section 4.f on page 10 is revised to clarify what are unacceptable methods for satisfying the requirement for immediate access to emergency services and to require coordination with REACH for individuals with developmental disabilities.
6. Section 4.h on page 11 is revised to require CSB compliance with the new *Certification of Preadmission Screening Clinicians* document that was developed jointly by the Department and the CSBs.
7. Section 4.i on pages 11 and 12 contains additional case management requirements related to the DD wait list and time frames for notifying the Department when an individual has been terminated from all DD waivers and submitting the request to retain a slot form.
8. Sections 6.b.4.)d.) through g.) on pages 13 and 14 are revised to reflect changes in prevention services requirements.
9. Sections 6.b.5.) and 6.) page 15 are revised to reflect changes in DD case management training and compliance with the CMS Final Rule for developmental case management services.
10. Section 6.c.1.) e.) on page 16 is revised to reflect changes in prevention reporting.
11. Section 7.f on page on page 23 is revised to include a requirement for the Department to issue new or revised policy, procedure, and guidance documents via letters, memoranda, or emails from the Commissioner, Deputy Commissioner, or applicable Assistant Commissioner to CSB executive directors and to post them on the Department's web site within 10 business days.
12. In Exhibit B, the requirement for CSBs to report measure I.A on percent of individuals who keep a non-emergency service visit within seven calendar days of discharge from inpatient services is eliminated. The Department will monitor this measure using AVATAR and CCS 3 data.
13. Two new measures are added to Exhibit B on page 45 for community engagement discussions and goals; these will be reported quarterly using the Exhibit B report on page 47.
14. Section E in Exhibit J on pages 63 and 64 is revised to require operating CSBs and the BHA to follow the CSB Executive Director Recruitment Process Guidance issued by the Department and to include OSS staff as a voting member of the search committee when recruiting a new executive director.
15. Two new federal grants are added to section II.A in Exhibit J on page 66, and section II.B on disaster response and emergency service preparedness requirements is rewritten to reflect current requirements.

There are no changes in the **Central Office, State Facility, and Community Services Board Partnership Agreement**.

CSB Administrative Requirements Changes

16. Section II.A.5.b. on page 7 is revised to expand significantly the topics that human resource management policies and procedures for operating CSBs and the BHA must address.
17. Sections 9.a and b, 11, and 12 in Appendix B on pages 9 and 10 are revised to reflect changing substance abuse prevention requirements.

FY 2017 AND FY 2018 COMMUNITY SERVICES PERFORMANCE CONTRACT

May 6, 2016

Page 3

Contract Process

Once the Department distributes the CARS software and Letters of Notification, CSBs will submit all of the contract's Exhibit A electronically using CARS software. CARS software contains Table 2: FY 2016 CSB Management Salary Costs, which enables CSBs and the Department to respond to requirements in § 37.2-504 of the Code of Virginia. This table also collects FTE information by program area and for emergency and ancillary services, including numbers of peer providers. Peer providers are staff who self-identify as individuals receiving services and have been hired specifically as peer providers. Staff not hired as peer providers, even if they have a mental health or substance use disorder or intellectual disability, should not be reported as peer providers.

To be accepted for processing by the Department, a performance contract must satisfy the requirements and criteria in Exhibits E and I of the contract.

1. Exhibit A and Table 2 must be submitted to Information Services and Technology in the Department using CARS software and must be complete and accurate.
2. Since the contract is being distributed electronically, the parts of the contract that are submitted on paper should be printed, signed where necessary, and mailed to the Office of Support Services when Exhibit A is submitted. See Exhibit E in the contract. These parts are:
 - signature page of the contract body (page 29)
 - signature page of Exhibit B,
 - Exhibit D (if applicable),
 - Exhibit F (two pages), and
 - Exhibit G.

The Department must receive all parts of the contract submitted on paper before a contract submission will be considered complete.

3. Exhibit A must conform to allocations of state and federal funds in the Letter of Notification, unless amounts have been revised by or changes negotiated with the Department and confirmed by the Department in writing. Total funds in each program area (pages AF-1 through AF-8) must equal total costs shown on Forms 11, 21, 31, and 01 or differences must be explained on the Financial Comments form.
4. Contracts must contain actual appropriated amounts of local matching funds. If a CSB cannot include the minimum 10 percent local matching funds in its contract, it must submit a written request for a waiver of the local matching funds requirement, pursuant to § 37.2-509 of the Code of Virginia and State Board Policy 4010, to the Office of Support Services with its contract. More information about the waiver request process is attached to this memo.

The FY 2017 and FY 2018 contract and other materials described above are due in the Department's Office of Support Services by June 24, 2016, except for Exhibit A that is submitted to Information Services and Technology by the same date. Section 37.2-508 or 37.2-608 of the Code of Virginia authorizes the Department to provide up to six semi-monthly payments of state and federal funds to allow sufficient time to complete local government approval and Department negotiation and approval of the contract. Exhibit E automatically provides the first two semi-monthly July payments, whether or not a contract has been submitted. The process conditions the next four semi-monthly payments (two in August and two in September) on the Department's receipt of a complete performance contract.

FY 2017 AND FY 2018 COMMUNITY SERVICES PERFORMANCE CONTRACT

May 6, 2016

Page 4

Once a contract is received in the Department, the Community Contracting Director will review it and notify the CSB within five working days that it is or is not accepted for review by the Department. Unacceptable contracts will need to be revised before the Department will process them. If you have any questions about this memo or the contract documents, please e-mail or call Joel Rothenberg, the Community Contracting Director, at joel.rothenberg@dbhds.virginia.gov or (804) 786-6089 or me at paul.gilding@dbhds.virginia.gov or (804) 786-4982. Thank you.

Enclosures (4)

pc: Dawn M. Adams, DNP
Peggy S. Balak
Jack W. Barber, M.D.
Mary Begor
Cleopatra L. Booker, Psy.D.
Gabriella C. Caldwell-Miller
Connie L. Cochran
Mindy Conley
Donald D. Darr
Sterling G. Deal, Ph.D.
Andrew Diefenthaler
Kathy B. Drumwright
Chris J. Foca
William R. Frank
Stacy H. Gill, LCSW
Marion Y. Greenfield
Kenneth M. Gunn, Jr.
Daniel L. Herr, J.D.

Kevin A. Howard
Virgil Kopf
Martha Kurgens
Margaret Anne Lane
Eric S. Leabough
Deborah M. Lochart
Janet S. Lung
Kate Marshall
Holly E. Mortlock
Dev J. Nair, PhD, MPH
Heather A. Norton
Diane Oehl
Susan D. Pauley
Tammy E. Peacock, Ph.D.
Stacy L. Pendleton
Phil R. Peter, MBA
Mellie E. Randall
Cecily J. Rodriguez

Beverly D. Rollins
Joel B. Rothenberg
Michael A. Schaefer
Randy B. Sherrod
Challis H. Smith
Debbie A. Smith
Becky L. Sterling
Gail M. Taylor
Dawn A. Traver
Julie M. Truitt
Allen Wass
Charlotte Watts, Ph.D.
Florence B. Wells
Allyson K. Tysinger, J.D.
Jennifer M. Faison
Susan E. Massart
Mike Tweedy

MINIMUM TEN PERCENT LOCAL MATCHING FUNDS WAIVER REQUEST ATTACHMENT

A CSB should maintain its local matching funds at least at the same level as that shown in its FY 2016 performance contract. The 2016 Appropriation Act prohibits using state funds to supplant local governmental funding for existing services. If a CSB is not able to include at least the minimum 10 percent local matching funds required by § 37.2-509 of the Code of Virginia and State Board Policy 4010 in its performance contract or its end of the fiscal year performance contract report, it must submit a written request for a waiver of that requirement, pursuant to that Code section and policy, to the Office of Support Services with the contract or report.

In accordance with section 7.g of the Community Services Performance Contract, if only a CSB's receipt of state funds as the fiscal agent for a regional program, including regional DAP, acute inpatient (LIPOS), or state facility reinvestment project funds, causes it to be out of compliance with the 10 percent local matching funds requirement in § 37.2-509, the Department will grant an automatic waiver of that requirement related to the funds for a regional program allocated to the other participating CSBs. The amount of state funds the CSB uses for its own participation in the regional program is not eligible for this automatic waiver. The CSB must submit a written request for the waiver, identifying the specific amounts and types of those funds that cause it to be out of compliance with the local matching funds requirement, but without the documentation required below in items 3, 4, and 5, and the Department will approve an automatic waiver in a letter to the CSB.

1. State Board Policy 4010 defines acceptable local matching funds as local government appropriations, philanthropic cash contributions from organizations and people, in-kind contributions of space, equipment, or professional services for which the CSB would otherwise have to pay, and, in certain circumstances, interest revenue. All other funds, including fees, federal grants, other funds, and uncompensated volunteer services, are not acceptable.
2. Section 37.2-509 of the Code of Virginia states that allocations of state funds to any CSB for operating expenses, including salaries and other costs, shall not exceed 90 percent of the total amount of state and local matching funds provided for these expenses. This section effectively defines the 10 percent minimum amount of local matching funds as 10 percent of the total amount of state and local matching funds.
3. The written waiver request must include an explanation of each local government's inability to provide sufficient local matching funds at this time. This written explanation could include, among other circumstances, the following factors:
 - a. an unusually high unemployment rate compared with the statewide or regional average unemployment rate,
 - b. a decreasing tax base or declining tax revenues,
 - c. the existence of local government budget deficits, or
 - d. major unanticipated local government capital or operating expenditures (e.g., for flood damage).
4. Additionally, the waiver request must include information and documentation about the CSB's efforts to obtain sufficient local matching funds. Examples of such efforts could include newspaper articles, letters from CSB members to local governing bodies outlining statutory matching funds requirements, and CSB resolutions.
5. Finally, the waiver request must include a copy of the CSB's budget request that was submitted to each local government and a copy or description of the local government's response to it.