

# **Department of Behavioral Health and Developmental Services**

**DOJ Stakeholders Meeting  
May 21, 2014**

**Don Darr  
Assistant Commissioner  
for Finance & Administration**

## Summary of the 10 Year DOJ Settlement Agreement

	<b>Base Projections</b>	<b>Current Projections</b>
<b>Total Cost<sup>1</sup></b>	\$2.4 Billion	\$2.5 Billion
<b>GF Share of the Cost</b>	\$1.2 Billion	\$1.2 Billion
<b>GF savings and offsets<sup>2</sup></b>	\$ 826.9 Million	\$806.0 Million
<b><u>New</u> GF required<sup>3</sup></b>	\$ 380.7 Million	\$439.0 Million

<sup>1</sup> Includes total state and federal costs to implement the DOJ settlement include I/DD waivers, crisis management, family support, facility transition waivers, administration, monitoring, quality management systems, and facility closure costs.

<sup>2</sup> 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.

<sup>3</sup>Base projections reflect actions by 2013 session of the General Assembly which added \$30.4 million in adult crisis funds and \$10 million in children's crisis funding over nine years

# Key Assumptions

- ✓ Employee separation costs initially lessen savings available for community programs. It takes up to 12 months after a training center closes before full year savings can be achieved.
- ✓ 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 Training Center is closed.
- ✓ Even after a training center closes, there will be some costs for minimal maintenance and security. The projected long-term maintenance costs for FY 2014 are \$156K.

# DOJ Funding & Expenditures (Dollars in Millions)

	FY 2012 Actuals	FY 2013 Actuals	FY 2014 Budget	FY 2014 Actuals
Facility Transition ID Waivers <sup>1</sup>	\$0.0	\$8.0	\$19.5	\$14.1
Community I/DD Waivers <sup>1</sup>	\$0.1	\$17.4	\$27.6	\$23.3
Individual Family and Supports Program	\$0.0	\$1.7	\$3.8	\$3.5
Rental Subsidies <sup>2</sup>	\$0.0	\$0.0	\$0.8	\$0.2
Crisis Stabilization <sup>3</sup>	\$0.0	\$7.8	\$12.2	\$9.4
Facility Closure Costs <sup>4</sup>	\$0.0	\$2.8	\$7.7	\$2.8
Independent Review <sup>5</sup>	\$0.1	\$0.3	\$0.3	\$0.3
Administration <sup>6</sup>	\$0.2	\$1.3	\$2.6	\$1.1
Quality Management <sup>6</sup>	\$0.0	\$0.2	\$2.9	\$0.8
Supports Intensity Scale	\$0.0	\$0.0	\$1.2	\$0.1
Bridge Funding	\$0.0	\$0.0	\$3.2	\$0.0
Facility Savings <sup>7</sup>	\$0.0	(\$5.6)	(\$19.4)	(\$16.1)
<b>Total</b>	<b>\$0.4</b>	<b>\$33.9</b>	<b>\$62.4</b>	<b>\$39.5</b>

<sup>1</sup> State match for waiver slots for those transitioning from the Training Centers to the community and for those on the community waiting list. The match for the facility and community slots is transferred to DMAS at the end of the fiscal year. Until the transfer takes place, DBHDS populates the line items with estimated accrued expenses based on average costs generated by DMAS.

<sup>2</sup> A one-time fund to provide and administer rental assistance to increase access to independent living options such as individuals' own homes or apartments. Funds are provided to the CSB prior to being distributed to a third party. Funds may be pulled back prior to the end of the fiscal year if they are not tied to an individual.

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

<sup>4</sup> Separation costs for Training Center employees, such as severance and retention bonuses.

<sup>5</sup> Required Independent Reviewer that reports to the federal judge on DBHDS compliance with the DOJ settlement.

<sup>6</sup> Expenses at DBHDS and DMAS that include licensing and Human Rights positions for community services oversight, systems development, data warehouse.

<sup>7</sup> Direct and indirect savings realized from closing TCs.

✓ Appropriation Act language provides that any funds unspent as of June 30, 2014, may be carried forward into the next fiscal year.

# Facility Savings Targets

	Actual	Forecast		
Savings by TC	FY 2013	FY 2014	FY 2015	FY 2016
<b>CVTC</b>	(\$1,615,877)	(\$1,936,454)	(\$5,910,540)	(\$10,869,512)
<b>NVTC</b>		(\$3,291,971)	(\$6,915,295)	(\$14,990,704)
<b>SVTC</b>	(\$3,956,112)	(\$11,618,721)	(\$25,770,698)	(\$25,874,506)
<b>SEVTC</b>		(\$968,227)	(\$3,991,621)	(\$4,703,000)
<b>SWVTC</b>		(\$1,549,162)	(\$1,904,802)	(\$3,378,380)
<b>Total</b>	<b>(\$5,571,989)</b>	<b>(\$19,364,535)</b>	<b>(\$44,492,955)</b>	<b>(\$59,816,103)</b>