

**DBHDS**

Virginia Department of  
Behavioral Health and  
Developmental Services

# Department of Behavioral Health and Developmental Services

## DOJ Stakeholders Meeting

August 13, 2014

Don Darr

Assistant Commissioner

Finance & Administration

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# DOJ Settlement Agreement 10 Year Summary

	Base Projections	Current Projections
Total Cost <sup>1</sup>	\$2.4 Billion	\$2.5 Billion
GF Share of the Cost	\$1.2 Billion	\$1.2 Billion
GF savings and offsets <sup>2</sup>	\$826.9 Million	\$795.4 Million
<u>New</u> GF required <sup>3</sup>	\$380.7 Million	\$449.8 Million

<sup>1</sup> Includes total state and federal costs to implement the DOJ settlement include ID/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.

*Note: The current projections account for both Chapter 2 and the additional costs needed to support the NVTC delay.*

# 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 2015 are \$156K.
- ✓ Costs are variable and directly related to the most recent and available discharge targets.
- ✓ Capital costs are not included.

# DOJ Funding & Expenditures

Actuals through June 30, 2014 <i>Dollars in Millions</i>	FY14 Budget	FY14 Actuals	FY12- FY14 Actuals	FY15 Budget	FY16 Budget
Facility Transition ID Waivers <sup>1</sup>	\$19.53	\$17.51	\$25.56	\$29.20	\$34.97
Community ID & DD Waivers <sup>1</sup>	\$27.64	\$25.06	\$42.62	\$28.83	\$48.39
Individual Family & Support	\$3.80	\$3.60	\$5.25	\$3.20	\$3.20
Rental Subsidies <sup>2</sup>	\$0.80	\$0.09	\$0.09	\$0.00	\$0.00
Crisis Stabilization <sup>3</sup>	\$12.23	\$12.08	\$19.84	\$12.15	\$16.25
Facility Closure Costs <sup>4</sup>	\$7.69	\$7.69	\$10.44	\$28.00	\$22.32
Independent Review <sup>5</sup>	\$0.33	\$0.33	\$0.69	\$0.33	\$0.33
DBHDS Administration <sup>6</sup>	\$1.81	\$1.54	\$3.05	\$1.86	\$1.89
DMAS Administration <sup>6</sup>	\$0.79	\$0.20	\$0.20	\$0.74	\$0.77
Quality Management <sup>6</sup>	\$0.30	\$0.16	\$0.31	\$0.50	\$0.50
Database Warehouse	\$0.96	\$0.74	\$0.74	\$0.71	\$0.74
Database Licensing	\$1.10	\$0.00	\$0.00	\$0.00	\$0.20
Discharge Monitoring	\$0.14	\$0.15	\$0.15	\$0.40	\$0.14
DMAS MMIS	\$0.25	\$0.25	\$0.25	\$0.00	\$0.00
Community Provider Training <sup>7</sup>	\$0.07	\$0.03	\$0.03	\$0.07	\$0.07
Supports Intensity Scale <sup>7</sup>	\$1.21	\$0.77	\$0.77	\$1.13	\$1.79
DD Health Supports Network	\$0.00	\$0.00	\$0.00	\$2.00	\$2.60
NVTC Bridge Funding	\$3.15	\$0.00	\$0.00	\$2.75	\$0.00
Facility Savings <sup>8</sup>	(\$19.36)	(\$16.32)	(\$21.89)	(\$44.47)	(\$59.82)
<b>Total</b> (including base funding of \$21.8M)	\$62.43	\$53.86	\$88.09	\$67.39	\$74.35

<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.

<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, and quality service reviews.

<sup>7</sup> DBHDS funds some portion of the expense internally.

<sup>8</sup> Direct and indirect savings realized from closing Training Centers.

*\* The FY14 actuals displayed above should not be considered final until the October report is submitted.*

*\* There is an outstanding carry forward decision brief that may alter the available funding for FY 2015.*

# DOJ Settlement Agreement Budget Actions

<b>DOJ Settlement Agreement Budget Actions (DBHDS and DMAS)</b>	<b>General Fund* FY 2015</b>	<b>General Fund FY 2016</b>
<b>DBHDS Central Office (720)</b>		
Independent Reviewer	\$330,000	\$330,000
DBHDS Administration	\$1,860,000	\$1,888,000
Quality Service Reviews	\$500,000	\$500,000
Database Warehouse	\$710,000	\$742,000
Licensing	\$0	\$200,000
Discharge Monitoring	\$400,000	\$140,000
Support Intensive Scale (SIS) Assessment Redesign	\$1,076,250	\$1,740,000
<b>DBHDS Grants to Localities (790)</b>		
Individual and Family Support Program	\$3,200,000	\$3,200,000
Crisis Stabilization	\$2,100,000	\$6,200,000
DD Health Support Networks	\$2,000,000	\$2,600,000
NVTC Bridge Funding	\$2,750,000	\$0
<b>DBHDS State Mental Health Hospitals (792)</b>		
Mental Health Backfill (Replace Lost SF Support)	\$2,900,000	\$4,700,000
Support Services Transfer from SVTC to CSH	\$10,200,000	\$10,200,000

# DOJ Settlement Agreement Budget Actions

<b>DOJ Settlement Agreement Budget Actions (DBHDS and DMAS)</b>	<b>General Fund* FY 2015</b>	<b>General Fund FY 2016</b>
<b>DBHDS Training Centers (793)</b>		
Facility Closure Costs (Representing GF Portion)	\$1,830,000	\$920,000
<b>DMAS</b>		
Facility ID Base Slots (FY2012 – FY2014)	\$23,243,553	\$23,243,553
Community ID/DD Base Slots (FY2012 – FY2014)	\$16,151,175	\$16,151,175
Facility ID New Slots (FY2015 – FY 2016)	\$5,953,886	\$11,725,774
Community ID/DD New Slots (FY2015 – FY 2016)	\$1,089,347	\$20,655,048
Facility Closure Costs (SF Cost Reimbursed Portion)	\$13,068,679	\$6,504,758
Facility Savings	(\$44,469,616)	(\$59,816,103)
DMAS Administration	\$739,360	\$772,145
<b>GF TOTAL*</b>	<b>\$45,632,634</b>	<b>\$52,596,350</b>

\* Includes \$2.8 million in GF FY2014 balances and \$5.4 million in Trust Fund support

# Facility Savings Targets

Training Center	FY 2013	FY 2014	FY 2015	FY 2016
	<i>Actual</i>		<i>Chapter 2</i>	
CVTC	(\$1.6)	(\$1.6)	(\$5.9)	(\$10.9)
NVTC	\$0.0	(\$2.8)	(\$6.9)	(\$15.0)
SVTC	(\$4.0)	(\$9.8)	(\$25.8)	(\$25.9)
SEVTC	\$0.0	(\$0.8)	(\$4.0)	(\$4.7)
SWVTC	\$0.0	(\$1.3)	(\$1.9)	(\$3.4)
<b>Total</b>	<b>(\$5.6)</b>	<b>(\$16.3)</b>	<b>(\$44.5)</b>	<b>(\$59.8)</b>

✓ Savings consists of personnel and indirect savings associated with the closure of the training centers. Some examples of non personnel savings are: power plant, food services, laundry, and housekeeping.

✓ The NVTC savings targets that align with Chapter 2 do not account for the NVTC delay. This delay is currently estimated to cause a decrease in savings during FY 2016 of \$8.4M.

# Facility Savings Targets

