



# COMMONWEALTH of VIRGINIA

DEPARTMENT OF  
MENTAL HEALTH, MENTAL RETARDATION AND SUBSTANCE ABUSE SERVICES

Post Office Box 1797  
Richmond, Virginia 23218-1797

JAMES S. REINHARD, M.D.  
ACTING COMMISSIONER

Telephone (804) 786-3921  
Voice/TDD (804) 371-8977  
[www.dmhmrzas.state.va.us](http://www.dmhmrzas.state.va.us)

June 29, 2007

The Honorable Vincent F. Callahan, Chairman  
House Appropriations Committee  
General Assembly Building, Room 947  
P.O. Box 406  
Richmond, Virginia 23218

Dear Delegate Callahan:

I am pleased to forward to you the Department's Third Quarter Status Report on the System Transformation Initiative. Item 312 of the Appropriation Act directs me to quarterly report to you regarding the activities associated with the most recent investment in community services, including the types and settings of services provided, the number of individuals served, the number of individuals placed in the community through the Mental Retardation Home and Community-Based Waiver Program, reduction in census at state facilities related to proposed facility replacements, changes in staffing at facilities that are proposed for replacement, and progress made in the construction of replacement facilities.

Understanding that the initial year of service development involves delays associated with recruitment, hiring and training of staff, as well as securing or renovating appropriate facilities, the Department worked with community services boards and behavioral health authorities during the third quarter to develop additional strategies for investing any projected first year balances. We disseminated guidelines that assured the linkage of any one-time investments to the appropriation language and the goals of system transformation. I hope that you and your staff find the information in this report helpful. My staff and I are available at your convenience to answer any questions you may have about this report.

Sincerely,

A handwritten signature in cursive script that reads "James Reinhard".

James S. Reinhard, M.D.

JSR/prg

The Honorable Vincent F. Callahan, Chairman  
June 29, 2007  
Page 2

Attachment

cc: The Honorable Marilyn Tavenner  
The Honorable Phillip A. Hamilton  
Susan E. Massart  
Ray Ratke  
Frank L. Tetrick  
Paul Gilding  
✓ Meghan McGuire

**Third Quarter Status Report on System Transformation Initiative**  
**Department of MH, MR and SA Services**  
**June 29, 2007**

**I. INTRODUCTION**

Item 312, paragraph DD of the Appropriations Act includes the following language in reference to the package of appropriations hereinafter identified as the System Transformation Initiative:

*The Department of Mental Health, Mental Retardation and Substance Abuse Services shall report on a quarterly basis to the Office of the Governor, the Office of the Secretary of Health and Human Resources, the Chairmen of the House Appropriations and Senate Finance Committees, and the Department of Planning and Budget on expanded community-based services made available in paragraphs R through CC of this item [the System Transformation Initiative]. The report shall include the types and settings of services provided, the number of individuals served, the number of individuals placed in the community through the Mental Retardation Home and Community-Based Waiver Program, reduction in census at state facilities related to proposed facility replacements, changes in staffing at facilities that are proposed for replacement, and progress made in the construction of replacement facilities.*

This document is the Third Quarter Status Report on the System Transformation Initiative, and includes information for the period January 1, 2007 through March 31, 2007.

**II. SYSTEM TRANSFORMATION - CHANGING THE CULTURE OF SERVICE DELIVERY**

The first quarter report on the System Transformation Initiative summarized the scope and challenges of changing Virginia's behavioral health care system. Addressing any one component of this system presents unique challenges, but the consortium comprised of the DMHMRSAS, public and private stakeholders, and consumers is working to alter the mental health, mental retardation, and substance abuse system that serves Virginia's citizens across the age spectrum. The work on this broad system transformation continues and the third quarter reflects ongoing progress.

Understanding that the initial year of service development does involve delays associated with recruitment, hiring and training of staff, as well as securing or renovating appropriate facilities, the DMHMRSAS worked with community services boards and behavioral health authorities during the third quarter to develop additional strategies for investing any projected first year balances. The Commissioner disseminated guidelines that assured the linkage of any one-time investments to the appropriation language and the goals of system transformation (Attached). Examples of one-time transformation investments are included in Addendum A of this report. The DMHMRSAS also redirected \$450,000 of current Local Inpatient Purchase of Service dollars from six regions to the Southwest Region to address a significant shortage of funds, allowing these losses to be replaced with any projected balances.

### III. TYPES AND SETTINGS OF SERVICES PROVIDED - MH AND MH/SA

Due the extensive variation in the range of community-based services for adult MH and the MH/SA Co-Occurring consumer populations, information is reported within core-service areas.

<b>System Transformation Initiative – Third Quarter Status Report</b>		
<b>Service</b>	<b>Target Served</b>	<b>Served to Date Third Quarter</b>
Emergency Services	2,298	1,372
Acute Psychiatric Inpatient Services	53	46
Community-Based SA Medical Detox Inpatient Services	600	485
Outpatient Services	7,691	4,369
Peer-Provided Outpatient Services	185	133
Opioid Detoxification Services	74	6
Case Management Services	3,000	1,988
Peer-Provided Case Management Services	40	11
Ambulatory Crisis Stabilization Services	308	0
Rehabilitation	212	201
Peer-Provided Rehabilitation	261	372
Residential Crisis Stabilization Services	1,573	709
Intensive Residential Services	185	140
Supervised Residential Services	75	29
Peer-Provided Supervised Residential Services	24	0
Supportive Residential Services	503	176
Peer-Provided Supportive Residential Services	19	19
Discharge Assistance Project Plans	97	67
Consumer-Run Services	577	566
<b>Totals</b>	<b>17,775</b>	<b>10,689</b>

### IV. MENTAL RETARDATION SERVICES

The initiative is a comprehensive effort to shift Virginia's behavioral health care system and the transformation efforts includes investment strategies that are impacting services for individuals with intellectual disabilities.

#### A. Community Integration

To date, there have been twenty-four slots used during FY 2007 at Central Virginia Training Center (CVTC) to support development of community-based services for residents or individuals that would have been admitted without these resources. Ten slots have been used at the Southeastern Virginia Training Center (SEVTC) during the fiscal year. All 115 Community Waiver slots have been assigned to individuals on the Urgent Wait List.

Just more than \$200,000 of community capacity funds has been distributed to 72 individuals placed by the CSBs through use of the slots made available in 2007. Not all individuals placed request community capacity funds. In addition to these services, community capacity funding has been used to:

- Establish one full year of training in the College of Direct Support for providers of community services for persons using the Waiver, enhancing the skills and qualifications of the direct care staff.
- Training and endorsement for an additional 25 in individuals in the Southwest region of Virginia in Positive Behavioral Supports adding to the number of qualified behavior therapists in the community.
- Funds for assessment and intensive support needs for individuals engaging in high risk behavior in the southeastern part of the Commonwealth who are at risk of institutional placement.

#### **A. Impact of MR Waiver Rate Increases**

Information on the impact of the increase of Waiver rates is currently being obtained through the activities of the study of the MR Waiver, led by DMHMRSAS, OMR. Six Focus Teams, made up of individuals with special interests and abilities in the area of focus, are looking at the positive impact of the MR Waiver and areas where it can be improved to provide person centered, individualized support. Waiver rates are part of the discussion. In addition, the OMR with the assistance of the Community Services Boards (CSBs) have organized local/regional Discussion Groups with public and private providers statewide. The discussions are around aspects of the Waiver that are positive for providers and those that are barriers. The Waiver study will be completed in September 2007.

#### **B. Waiver Services for Children**

All 110 Waiver slots for children under the age of 6 that were on the Urgent Wait list were distributed in July of 2006 and services have been initiated. The majority of services requested by the families, whose children received the 110 Waiver slots, were consumer directed services. Families want the ability to hire and train individuals to provide respite and personal assistance services to their children. Services were also frequently requested for in-home residential support, skilled nursing, and assistive technology/environmental modifications.

#### **C. Guardianship**

The DMHMRSAS entered into an agreement with the Virginia Department of Aging to develop public guardianship services for persons living in state training centers and persons living in the community who have need of public guardianship services. A Request for Proposals (RFP) was released, proposals reviewed, and contracts were given to five public guardianship organizations statewide.

In FY 2007, 83 individuals living in on of Virginia's training centers were assigned to a public guardianship organization. One hundred twenty-two individuals living in the community were assigned a public guardianship organization. All individuals have either completed the court procedure establishing guardianship services or are still involved in that process. In addition, funds totaling up to \$750 per individual were made available to more than 130 individuals to be used to help pay for the costs associated with petitioning the courts for guardianship.

## V. SERVICES FOR CHILDREN AND ADOLESCENT

### A. System of Care Projects

As of 3-31-07 systems of care demonstration projects are continuing to provide an array of services, including evidence-based practices, to children and adolescents throughout the Commonwealth. These systems of care demonstration projects were first funded in FY 2006 (Richmond Behavioral Health Authority and Planning District 1) and later in FY 2007 (Alexandria and Cumberland Mountain. The goal of the projects is to further the implementation of a system of care philosophy throughout the Commonwealth of Virginia resulting in an increase in community based services for youth with serious emotional disturbance who are at risk for residential placements, and to create a framework for reporting valuable outcome data to measure service quality that will inform future funding and program planning decisions.

Services provided by these projects are:

- Functional Family Therapy (Alexandria, Cumberland Mountain and Planning District One)
- Multi Systemic Therapy (Richmond)
- Alternative Day Support Services (Cumberland Mountain)
- Crisis Response Services (Planning District One)
- Psychiatric Services (Planning District One)

#### Service Provision Data for Evidence Based Practices (3rd Quarter, State Fiscal Year 2007)

	Referrals	Enrolled	Completers
<i>PD 1 3rd quarter SFY 2007</i>	26	19	10
<i>PD 1 cumulative to date</i>	86	33	13
<i>RBHA 3rd quarter SFY 2007</i>	10	7	10
<i>RBHA cumulative to date</i>	29	30	20
<i>Cumberland Mountain 3rd quarter SFY 2007</i>	15	12	5
<i>Cumberland Mountain cumulative to date</i>	20	21	5

	Referrals	Enrolled	Completers
<i>Alexandria 3rd quarter SFY 2007</i>	0	0	0
<b>Alexandria cumulative to date</b>	0	0	0
<i>All sites 3rd quarter SFY 2007</i>	51	38	24
<b>All sites cumulative to date</b>	195	84	38

Referrals are any child with contact information provided to the site for possible enrollment into the project. Referrals not enrolled are children who, for a variety of reasons, were not enrolled into the project. Referred and currently pursued are children who are eligible for the project and project staffs are working to get them enrolled. Enrolled are children currently enrolled and receiving services in the project. A non-completer has dropped out or was prematurely discharged after enrollment. A completer: is a child who the treatment team, the consumer and their family have agreed to end services based on achieving desired clinical outcomes.

#### **B. Juvenile Detention Center Services:**

Programs are operational and ongoing in fourteen juvenile detention centers. In each program, CSBs have placed clinical and case management staff on-site in the juvenile detention center. Services provided include screening and assessment, short-term treatment, case management and referral to community-based services. The chart below provides data on the programs, including specific services provided.

#### **Summary Data for Detention Center Projects (3<sup>rd</sup> Quarter, State Fiscal Year 2007)**

Admitted to detention facilities during reporting period	1,819
Received mental health screening and assessment at detention intake	1,549
Average length of stay in detention center	48 Days
Number receiving case management	771
Number receiving individual face to face therapy	793
Number released to community with d/c aftercare plan individual face to face therapy	461
Number admitted to state facility	11

**C. Part C Services:** The Department has allocated all appropriated funds to local early intervention systems (local lead agencies) for Virginia's Part C Early Intervention System for infants and toddlers with disabilities.

- For FY 2007-second quarter, 1207 new children, ages 0-3 were served in the Part C system for a total of 4555.
- For FY 2007-third quarter, 1320 new children, ages 0-3 were served in the Part C system for a total of 4823\*

This represents a 9% increase in the number of new children served during the third quarter in comparison to the 2<sup>nd</sup> quarter of FY 07 and a 6% increase in the total number of children receiving services during the third quarter of FY 07 compared to the 2<sup>nd</sup> quarter of 07.

\* Child count may fluctuate each quarter due to issues such as children transitioning out of Part C services, personnel shortages, and parents opting out of services.

## **VI. TARGETED JAIL-BASED SERVICES**

The third quarter activities reflect continued growth in the support post-booking diversion services for persons involved in the local criminal justice system. Program activities during the quarter follow:

- All programs have convened or are convening active community stakeholder planning and implementation groups.
- Five of the seven funded programs have completed Memorandums of Agreement
- 32 jail inmates diverted
- 150 inmates received mental health services
- 1528 hours of Intensive Case Management provided
- \$450,000 in estimated savings of Jail Hospital bed day expenses

Key challenges within the third quarter continue to be in areas related to recruitment of staff, insufficient diversion housing opportunities, and the need for education of key stakeholders to the benefit of utilizing the diversion programs.

## **VII. OPIATE ADDICTION SERVICES FUNDS**

**Norfolk Buprenorphine Project.** The Norfolk project is ready has begun providing services. They have completed clinical and financial policies and procedures and have hired an RN and three OTP physicians. The program has been introduced to all of the regional MH/SA Directors and the program will be accepting referrals from the other CSB's in the region. The program started providing buprenorphine inductions in March.



The Office of Substance Abuse Services conducted a site visit on 5/14/2007 and discussed the status of implementation of the program. OSAS is concerned with the number of consumers admitted to the program to date. OSAS recommended several interventions to increase the number of consumers served and has set goals and target date for increased admissions into the program and provided technical assistance in how the CSB may achieve those goals.

**Cumberland Mountain Buprenorphine Projects Update:** All staff for the project REMOTE and state Substance Abuse Medically-Assisted Treatment were hired by January 2007 and trained on evaluation measures as well as Motivational Interviewing. As of April 1, 2007, approximately 100 consumers had received services supported by state Substance Abuse Medically-Assisted Treatment funds, with an additional 5 consumers served through Project REMOTE. The Project Coordinator and other program staff attended the GPRA training on data collection in February 2007.

CMCSB and Project REMOTE have sponsored training for physicians, nurse practitioners, law enforcement, and pharmacists on the Virginia Prescription Drug Monitoring Program at Southwest Virginia Community College. This program will be duplicated at Mountain Empire Community College for physicians in the Lee, Scott, Wise, and Dickenson Counties on July 18<sup>th</sup>. In order to recruit more doctors to be Suboxone waivered, the pharmaceutical representative and Project REMOTE's Co-medical Director sponsored an informational session on Suboxone for physicians in the PD1 area in June. Three physicians attended this meeting. The physicians in CMCSB's catchment area will have this session presented on July 10<sup>th</sup> in Richlands. Additional trainings have been scheduled for August through September.

<b>Date</b>	<b>Location</b>	<b>Name of Training</b>	<b>Trainee</b>
May 23, 2007	Southwest Virginia Community College Tazewell County	Virginia Prescription Drug Monitoring Program	Ralph Orr
<b>Date</b>	<b>Location</b>	<b>Name of Training</b>	<b>Trainee</b>
June 12, 2007	Big Stone Gap	Suboxone Information Training for Physicians	Joe Hall
June 27, 2007	Tazewell County	Suboxone Information Training for Physicians	Joe Hall
July 2007	Big Stone Gap	Virginia Prescription Drug Monitoring Program	Ralph Orr
August 2007	Big Stone Gap	Addiction	Dr. Dennis Daley

September 2007	Southwest Virginia Community College Tazewell County	Addiction	Dr. Mary McMasters
September 2007	Southwest Virginia Community College Tazewell County	Pain Management	Dr. Phillip Fisher
September 17-19, 2007	Virginia Highlands Community College Abingdon, Virginia	Addiction Free Pain Management	Dr. Stephen Grinstead

### VIII. REDUCTION IN CENSUS AT STATE FACILITIES APPROVED FOR REPLACEMENT

The census at the facilities approved for replacement continued to be fluid during the third quarter, reflecting the linkage to development of new community services. The demand for forensic admissions continues to create a “back-fill” for reductions in civil admissions.

- **Eastern State Hospital**

July 1, 2006 total census: 429

Hancock Geriatric Treatment Center: (Phase One construction site) 185  
 Adult – other than geriatric: (Phase Two construction site) 244

March 31, 2007 total census: 430

Hancock Geriatric Treatment Center: (Phase One construction site) 184  
 Adult – other than geriatric: (Phase Two construction site) 246

- **Western State Hospital**

July 1, 2006 total census: 243

March 31, 2007 total census: 253\*

\*While there has been a reduction in beds used for civil admissions, there has been an increase in the number of forensic admissions.

- **Southeastern Virginia Training Center**

July 1, 2006 total census: 193

March 31, 2007 total census: 190

- **Central Virginia Training Center**

July 1, 2006 total census: 524

March 31, 2007 total census: 507

**IX. CHANGES IN STAFFING AT FACILITIES THAT ARE PROPOSED FOR REPLACEMENT**

- Eastern State Hospital - reduction of 18 non-nursing positions. Successful recruitment of 31 staff for nursing positions.
- Central Virginia Training Center – reduction of 34 positions.
- Southeastern Virginia Training Center – no reduction
- Western State Hospital – no reduction

**X. PROGRESS MADE IN THE CONSTRUCTION OF REPLACEMENT FACILITIES**

**Eastern State Hospital, Williamsburg, VA**

Phase I (Hancock Geriatric Treatment Center replacement) is currently under construction. Exterior walls are complete on 65% of the project and roofs are being installed over two of the four residential pods. Interior partitions are being installed and plumbing rough-ins are being completed in the 30-person patient pod. DMHMRSAS has a full-time inspector on site. The project is slightly behind schedule.

Phase II (150-bed adult mental health unit located adjacent to Phase I) has received approval from the Governor to amend the existing PPEA comprehensive agreement for Phase I. We have contracted with Gilbane in the amount of \$56,715,000 for the design and construction of Phase II. The program verification process is nearly complete and conceptual design is in progress. We have received approval from the Department of Historic Resources for the demolition of seven of our buildings associated with Phase II construction and anticipate approval on the eighth very soon. We are on the consent agenda for the Art and Architectural Review Board for July 6, 2007 and anticipate approval for the demolition of the buildings. We will begin demolition this fall and that will be the beginning of the construction process that has a target completion of December of 2009.

Phase III (support and exterior spaces) space planning is complete and addresses the service, administration and support areas for both Phase I and Phase II. We have submitted a request for funding of this project to be included in the next biennium.

**Southeastern Virginia Training Center, Chesapeake, VA**

Conceptual space planning was completed for a full replacement of the facility with a new facility. A cost estimate for this replacement was prepared and it exceeded the \$55,375,000 indicated in the budget. A study of the cost to renovate the entire existing facility showed that this also would exceed the budget. Alternate proposals are being evaluated that would retain portions of the existing facility and provide new or renovated residences and be within the indicated budget amount.

### **Central Virginia Training Center, Lynchburg, VA**

Conceptual space planning was completed for a full replacement of the facility with a new facility. A cost estimate for this replacement was prepared and it exceeded the \$94,372,000 indicated in the budget. A study of the cost to renovate the entire existing facility showed that this also would exceed the budget. Alternate proposals are being evaluated that would retain portions of the existing facility and provide new or renovated residences and be within the indicated budget amount.

### **Western State Hospital, Staunton, VA**

DMHMRSAS has employed the firm of HDR, Inc. to assist in the preparation of design criteria for the replacement facility, evaluation of PPEA proposals and the evaluation of the most appropriate use of surplus property at Western State Hospital when it becomes available. They have completed the assessment of the value of the property under various economic development options. The program verification phase is nearly complete and we have asked HDR to participate in the planning for Eastern State Hospital so that both programs can share the valuable information being developed.

## **XI. SUMMARY**

The increases in service during the third quarter of the System Transformation Initiative are indicative of new programs or service expansion “taking root” in the respective communities or regions. Recruitment, hiring, training and policy and procedural development efforts have been largely completed for programs included in the initial plans. Planning for valuable service enhancements, supported with anticipated one-time balances was completed during this quarter and the fourth quarter report is expected to show continued acceleration of service delivery.

**Addendum A**  
**One-time Transformation Investments**

**Region I**

- Purchase of space to house expansion of staff involved with new services
- Upgrading of telephone crisis response capacity
- Payment for renovation and expanded capacity of recovery center
- Training of jail program staff and law enforcement
- Housing and medication supports for mentally ill probationers and parolees
- Capital investment in four bedroom transitional living residence
- Renovations for site used to provide consumer run programs
- Purchase of a site for a consumer drop-in-center
- Purchase of bus passes to improve consumer access to services

**Region II**

- Purchases in support of consumer run programs
- Replacing local purchase of inpatient service funds that were directed to Region III
- Purchase of property for consumer run center
- Start up funds for Jobs for Recovery Program
- Vehicle purchases to support forensic and MH case managers or discharge planners

**Region IV**

- Expanded capacity to provide consumer transportation
- Housing investments to support four consumers
- Training for staff and consumers on recovery principles

**Region V**

- Purchase of housing for crisis stabilization and transitional housing services
- Conversion of existing apartments to emergency housing and support sites
- Renovation and furnishing site for Assertive Community Treatment
- Expanded access to emergency psychiatric medications
- Expanded transportation for jail diversion and case management programs
- Support for Intensive Community Treatment program
- Expanded jail based services
- Purchase of transitional housing

## **Region VI**

- Secured site for Crisis Stabilization Program
- Expanded support for consumer run program to secure start-up equipment
- Repair of existing transitional housing sites that were at risk of being closed
- Electronic health care system investments

## **Region VII**

- Purchase of Local Inpatient Purchase of Service beds in local hospitals to assure better access
- Support for the Roanoke Valley Mental Health Collaborative
- Payment on expanded capacity for existing crisis stabilization program
- Consultation to regional public/private partnership to improve integration of existing or planned services