



COMMONWEALTH of VIRGINIA

NELSON SMITH
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

November 1, 2023

To: The Honorable Janet Howell, Co-Chair, Senate Finance and Appropriations Committee
The Honorable George Barker, Co-Chair, Senate Finance and Appropriations
The Honorable Barry Knight, Chair, House Appropriations Committee

From: Nelson Smith, Commissioner, Department of Behavioral Health and Developmental Services

RE: Item 311.U of the 2023 Appropriations Act

Item 311.U of the 2023 Appropriations Act requires the Department of Behavioral Health and Developmental Services (DBHDS) to report on the allocation and funding of the Commonwealth's Assertive Community Treatment (ACT) programs. The language reads:

U. The Department of Behavioral Health and Developmental Services shall report on the allocation and funding for Programs of Assertive Community Treatment (PACT) in the Commonwealth. The report shall include information on the cost of each team, the cost per individual served and the cost effectiveness of each PACT in diverting individuals from state and local hospitalization and stabilizing individuals in the community. The department shall provide the report to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, of each year.

Please find enclosed the report in accordance with Item 311.U. Staff are available should you wish to discuss this request.

cc: Secretary John Littel



Virginia Department of Behavioral Health
and Developmental Services

FY2023
Assertive Community Treatment –
Program Funding Report
Item 311.U of the 2023 Appropriations Act

November 1, 2023

DBHDS Vision: A Life of Possibilities for All Virginians

Preface

Item 311.U of the 2023 Appropriations Act requires the Department of Behavioral Health and Developmental Services (DBHDS) to report on the allocation of Assertive Community Treatment (ACT) programs. The language reads:

U. The Department of Behavioral Health and Developmental Services shall report on the allocation and funding for Programs of Assertive Community Treatment (PACT) in the Commonwealth. The report shall include information on the cost of each team, the cost per individual served and the cost effectiveness of each PACT in diverting individuals from state and local hospitalization and stabilizing individuals in the community. The department shall provide the report to the Chairmen of the House Appropriations and Senate Finance Committees by November 1, of each year.

Item 320.V Assertive Community Treatment –Program Funding Report

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Executive Summary

Assertive Community Treatment (ACT) is an evidence-based practice proven to improve outcomes for people with severe mental illness. Research shows that ACT reduces hospitalizations and incarceration, increases housing stability, and improves quality of life for people with the most severe symptoms of mental illness. ACT utilizes a multi-disciplinary, community-based team of medical, behavioral health, and rehabilitation professionals who work together to meet the needs of the individuals that they serve. The Department of Behavioral Health and Development Services' (DBHDS) assessment of data indicated ACT services resulted in lower hospitalization and incarceration rates for individuals being served, and substantial associated cost reductions. Some of the main findings include:

- The average cost per individual served by ACT teams across the Commonwealth in FY 2022 was \$15,453, representing a consistent trend with the previous fiscal year.
- State hospitalization usage for all ACT served individuals admitted in FY 2020 was reduced by 42 percent, representing a cost avoidance of \$11.5 million for this population.
- All new FY 2020 ACT-served individuals accounted for 24,091 state hospital bed days in the two years prior to their ACT admission, and 13,873 in the two years post admission.
- Across the FY 2016 through FY 2020 cohorts, the ACT program contributed to an overall cost avoidance of \$55.1 million in state hospital costs in the two years following initiation of ACT services.
- Local psychiatric hospitalization uses for all ACT-served individuals admitted in FY 2020 had a 43 percent reduction, which represents a cost avoidance of \$2.9 million.
- All new FY 2020 ACT-served individuals accounted for 8,657 local hospital psychiatric bed days in the two years prior to ACT admission, and 4,922 in the two years post admission.

Assertive Community Treatment (ACT) Overview

ACT consists of a self-contained trans-disciplinary team comprised of a team leader, a psychiatric care provider, nurses, social workers, therapists, and specialists, such as in co-occurring substance use disorder treatment, employment and educational services, and recovery focused peer-support services. Team members work closely together to help adults with severe mental illness live independently in the community instead of an institution or on the streets. Some of the services provided include:

- Helping individuals find and maintain safe, affordable housing.
- Assistance with finding and maintaining meaningful, competitive employment.
- Education around mental health challenges and treatment choices.
- Assistance with harm reduction and substance use disorder recovery strategies.
- Psychiatric rehabilitation and the development of practical life skills; and
- Medication management and support

To be most effective, ACT is to be recovery-oriented, strengths-based, and person-centered. Treatment is assertive in that the team is proactive and persistent in efforts to engage, and retain in services, individuals who would likely benefit from this level of support.

Individuals who are appropriate for ACT do not benefit from receiving services across multiple, disconnected providers, thus a fundamental charge of ACT is to be the first line (and generally sole provider) of all the services that individuals who receive ACT need. Being the single point of responsibility necessitates a higher frequency and intensity of community-based contacts, and a very low individual-to-staff ratio.

Other important characteristics of ACT programs include:

- Services are delivered in an ongoing, rather than time-limited, framework to aid the process of recovery and ensure continuity of care.
- Services are delivered according to a recovery-based philosophy of care, where the team promotes self-determination, respects the individual as expert in his or her own right, and engages peers in the process of promoting hope that the individual can experience sustained recovery from the symptoms related to their mental illness, as well as regain meaningful roles and relationships in the community.
- ACT teams assist individuals in advancing towards personal goals with a focus on enhancing community integration and regaining of valued roles (e.g., employee, spouse, parent, tenant). Because ACT teams work with individuals who may passively or actively resist services, ACT teams are expected to thoughtfully carry out planned assertive engagement techniques, which consist largely of rapport-building strategies, facilitating meeting of basic needs, and motivational interviewing techniques. These techniques are used to identify and focus on the individual's life goals and what they are motivated to change.

Virginia began providing state-funded ACT in 1996 with its first 'demo' ACT team. Virginia now operates 41 ACT teams with 26 community service boards (CSBs) teams and another six teams being operated by non-CSB providers. Providers are now benefiting from having the flexibility to operate small, medium, or large teams, which allows for "right-sizing" the model to reflect the specific needs and resources of each individual community.

The last new appropriation of state ACT funding occurred in 2017. State funds in the amount of \$20.1 million were provided to CSB-operated ACT teams in FY 2019. Funding for ACT has differed with each appropriation and varies between \$403,822 to \$850,000 for individual CSBs.

Program Impact

The Cost of Each Team and Cost per Individual Served

Data Source: On April 15, 2023, DBHDS distributed a survey to all CSBs offering ACT services in FY 2022 via email. The questions were as follows:

1. How many years has your CSB or agency offered ACT services as of June 30, 2022?
2. What is the total amount of expenditures this CSB or agency had for ACT services for FY 2022?

3. How much revenue did the CSB or agency receive from its ACT services for SFY 2022 by the following categories?
 - Federal Funds
 - State Funds
 - Local Funds
 - Medicaid
 - Medicare
 - Private Insurance and Other Payers, Fees

The results for CSB ACT teams are tabulated in Table 1 below.

The average cost per individual served by CSB ACT teams in FY 2022 was \$15,453 (see Table 1 below), which represents an increased cost per individual when compared to the previous year's cost per person average. Figure 1 contrasts the cost per person across ACT teams in FY 2020, FY 2021, and FY 2022. The chart illustrates that overall, the variance in average cost across sites expanded between FY 2021 and FY 2022 including the inter-quartile range increasing by about \$700. The upper most point remained the same.

DBHDS also sent the survey to other CSBs that provided the very similar Intensive Community Treatment (ICT) service in FY 2022 as well as some private providers that performed ACT services in FY 2022 and received some Medicaid reimbursement. The intention was to enable DBHDS to compare funding discrepancies between the different types of service providers. Three CSBs that provided ICT and three private providers that provided ACT in FY 2022 completed the optional survey. While this sample size of other providers was limited and should be considered when viewing results, the distinction in funding allotments between these types of service providers was substantial.

The two most significant differences in funding sources between the providers were proportions of revenue from State and Medicaid funds. State funds made up 44 percent of revenue for CSB ACT programs, compared to only two percent of the CSB ICT programs and none of the revenue for the ACT private providers. Medicaid comprised all of the revenue for ACT private providers, 100 percent, while only contributing to 43 percent of CSB ACT and 93 percent of CSB ICT program's funding. Additionally, CSB ICT programs had a smaller share of total revenue from Federal (one percent) and Local (four percent) funds than their CSB ACT program counterparts (three percent Federal and six percent Local funds).

Table 1: VA CSB ACT Team Cost

Name of CSB:	Years Offering ACT a/o June 30, 2022	Total Expenditures - ACT Services FY 2022	Total Revenue - ACT Services FY 2022	Federal:	State:	Local:	Medicaid	Medicare	Private Insurance and Other Payers, Fees	Individuals Served in FY 2022	Change from FY 2021	Average Cost PP in FY 2022	Change from FY 2021
Alexandria CSB	6	\$957,220	\$957,220	\$-	\$850,000	\$-	\$107,220	\$-	\$-	67	-3	\$14,286	-2,873
Arlington CSB	15	\$1,724,350	\$1,724,350	\$-	\$665,000	\$583,040	\$469,841	\$-	\$6,469	102	-7	\$16,905	13,300
Blue Ridge Behavioral Healthcare	22	\$1,242,155	\$1,242,155	\$-	\$837,632	\$-	\$398,302	\$-	\$6,221	103	-4	\$12,059	-713
Chesapeake Integrated Behavioral Healthcare	17	\$2,075,456	\$2,075,456	\$-	\$1,008,030	\$558,795	\$486,872	\$-	\$21,759	95	-3	\$21,846	-458
Colonial Behavioral Health	5	\$1,479,691	\$1,586,113	\$-	\$1,009,528	\$-	\$576,585	\$-	\$-	60	-11	\$24,661	5,317
Danville-Pittsylvania Community Services	18	\$1,293,771	\$1,541,757	\$48,178	\$845,000	\$-	\$647,309	\$-	\$1,269	87	9	\$14,870	1,467
District 19 Community Services Board	22	\$1,438,457	\$1,477,107	\$71,908	\$547,352	\$-	\$839,378	\$-	\$18,469	86	-6	\$16,726	354
Fairfax-Falls Church CSB	24	\$1,497,466	\$1,497,466	\$25,000	\$987,080	\$101,984	\$356,486	\$2,684	\$24,232	97	-10	\$15,437	201
Hampton-Newport News CSB	15	\$1,507,695	\$2,437,923	\$-	\$662,500	\$-	\$54,483	\$10,570	\$1,710,370	110	0	\$13,706	-2,126
Henrico Area Mental Health & Developmental Services	26	\$1,970,996	\$1,970,996	\$347,112	\$500,000	\$84,139	\$1,038,342	\$1,019	\$384	203	62	\$9,709	-2,105

Name of CSB:	Years Offering ACT a/o June 30, 2022	Total Expenditures - ACT Services FY2022	Total Revenue - ACT Services FY 2022	Federal:	State:	Local	Medicaid	Medicare	Private Insurance and Other Payers, Fees	Individuals Served in FY 2022	Change from FY 2021	Average Cost PP in FY 2022	Change from FY 2021
Horizon Behavioral Health	24	\$1,688,710	\$1,860,401	\$841	\$700,000	\$-	\$1,148,899	\$542	\$10,119	95	-13	\$17,775	2,838
Middle Peninsula Northern Neck Community Services Board	6	\$916,554	\$1,456,708	\$0	\$750,000	\$0	\$706,708	\$0	\$0	61	-3	\$15,025	-587
Mount Rogers Community Services *	17	\$1,689,437	\$2,459,014	\$254,720	\$835,000	\$0	\$1,367,794	\$0	\$1,500	75	-10	\$22,525	3,722
New River Valley Community Services*	22	\$3,610,357	\$4,849,923	\$107,000	\$384,722	\$0	\$4,358,201	\$0	\$0	249	39	\$14,499	-4,674
Norfolk CSB	23	\$2,047,447	\$2,047,447	\$0	\$1,217,998	\$581,949	\$240,133	\$3,784	\$3,583	126	-1	\$16,249	3,657
Northwestern	10	\$1,527,623	\$1,414,243	\$0	\$850,000	\$0	\$557,079	\$0	\$7,164	105	-28	\$14,548	5,651
Piedmont Community Services	7	\$1,626,220	\$1,407,405	\$0	\$850,000	\$9,936	\$544,592	\$12	\$2,865	94	-15	\$17,300	4,114
Prince William County Community Services	20	\$1,653,141	\$1,653,141	\$50,000	\$850,000	\$753,141	\$0	\$0	\$0	86	-6	\$19,222	182
Rappahannock Area Community Services Board	6	\$1,317,595	\$1,766,723	\$0	\$850,000	\$0	\$915,360	\$0	\$1,362	73	-9	\$18,049	4,102
Region Ten CSB*	12	\$1,880,763	\$1,871,734	\$7,500	\$889,000	\$0	\$949,774	\$1,441	\$26,900	178	63	\$10,566	-5,293

Name of CSB:	Years Offering ACT a/o June 30, 2022	Total Expenditures - ACT Services FY2022	Total Revenue - ACT Services FY 2022	Federal:	State:	Local	Medicaid	Medicare	Private Insurance and Other Payers, Fees	Individuals Served in FY 2022	Change from FY 2021	Average Cost PP in FY 2022	Change from FY 2021
Richmond Behavioral Health Authority	24	\$1,564,868	\$2,294,404	\$268,052	\$1,000,000	\$0	\$1,026,352	\$0	\$0	115	2	\$13,607	2,531
Valley CSB	24	\$784,319	\$1,777,772	\$-	\$630,000	\$-	\$1,105,949	\$806	\$41,017	97	1	\$8,085	-2,632
Virginia Beach CSB	8	\$1,336,746	\$1,336,746	\$-	\$1,050,000	\$-	\$242,408	\$-	\$44,338	95	-12	\$14,071	1,133
Western Tidewater CSB	6	\$1,491,587	\$1,643,007	\$-	\$850,000	\$-	\$791,868	\$49	\$1,089	163	53	\$9,150	-3,207
Average	16	\$1,596,776	\$1,847,883	\$49,179	\$817,451	\$111,374	\$788,747	\$751	\$80,379	109	4	\$15,453	995

*New River Valley CS, Mount Rogers CSB, Region Ten CSB each have two separate ACT teams

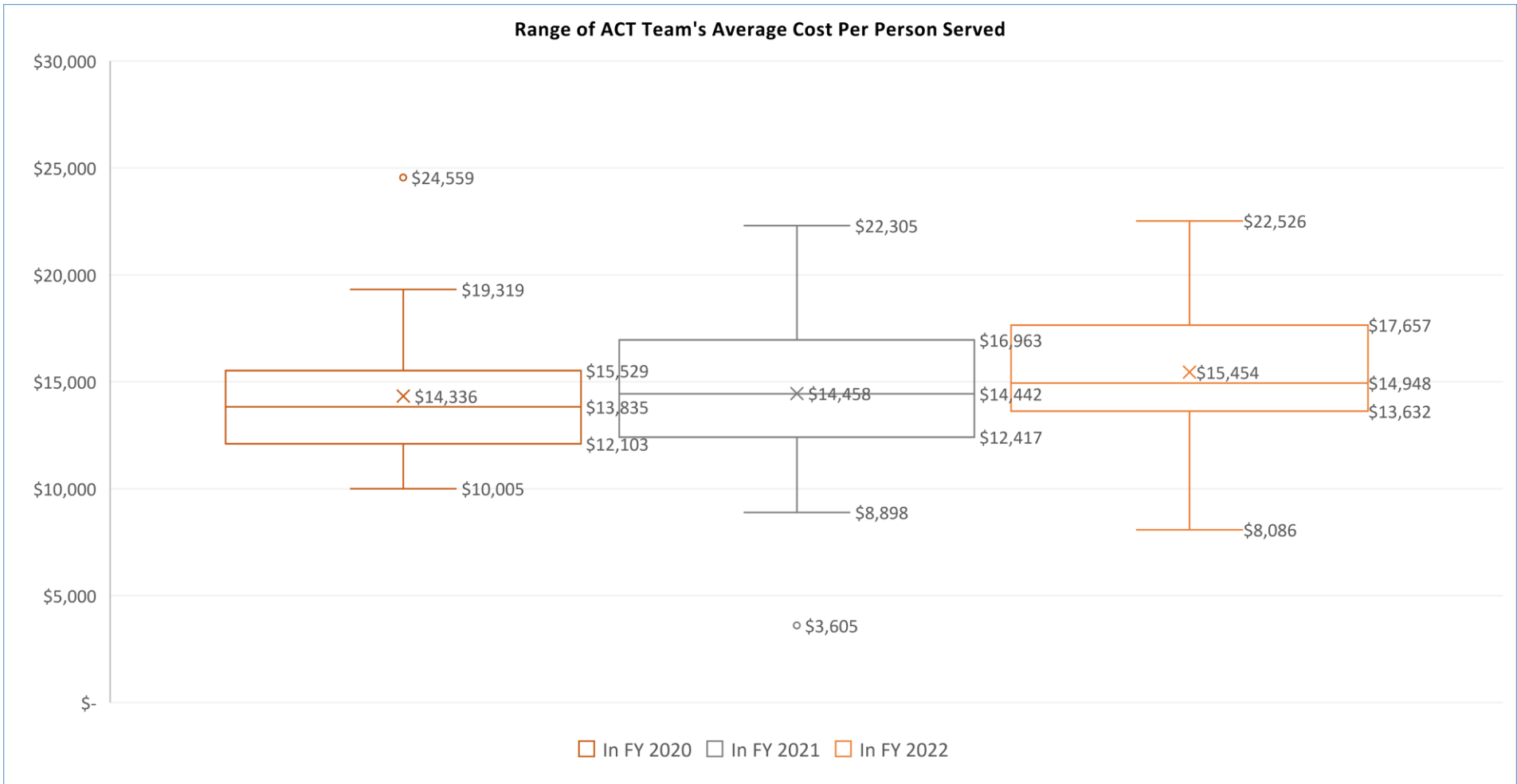


Figure 1: Range of PACT Team's Average Cost Per Person Served

Cost Effectiveness of ACT in Diverting Individuals from Hospitalization

State Hospitals

DBHDS assessed hospitalization cost effectiveness by comparing individuals' number of bed days (and associated costs) in the two years prior to ACT admission with the number of bed days (and associated costs) the two years following admission to ACT. In FY 2020, ACT programs admitted 383 new individuals across the Commonwealth. The entire group of new ACT admits in FY 2020 accounted for a total of 24,091 state hospital bed days in the two years prior to admission to an ACT program. Total cost for these bed days was an estimated \$27 million.

In the two years post their first ACT service in FY 2020, the group used only 13,873 bed days (estimated cost \$15.6 million). **This represents a 42 percent reduction in state hospitalization for this population, which signifies a cost avoidance of \$11.5 million (see Figure 2).** The 42 percent reduction was four points lower than the four-year running average for this metric. In FY 2019, the reduction was 51 percent. This reduction reviewed two years post their first ACT service in FY 2019. This reduction may have been impacted by an overall decline in hospital admissions due to COVID-19 pandemic-related closures. The reduction in FY 2020 of 42 percent is consistent with FY 2016, FY 2017, and FY 2018.

In the previous four annual reports, the FY 2016, FY 2017, FY 2018, and FY 2019 ACT admits collectively represented a cost avoidance of \$43.6 million in state hospital costs in the two years post-ACT admission. Thus, in total, the **ACT program contributed to an overall cost avoidance of \$55 million in state hospital costs for the four cohort groups in the two years post initiation of ACT services.**

The costs are based off a \$1,123.90 average daily cost per patient figure, which is the average year-to-date cost per patient day rate from the May 2023 DBHDS Monthly Cost Report. This figure excludes the three training centers and Commonwealth Center for Children and Adolescents (CCCA) that do not serve ACT-related individuals to calculate the average.

Table 2 below demonstrates the impact of all ACT teams in diverting individuals served by ACT services in FY 2020 from state hospitalization. Of the 24 CSBs with ACT teams, 15 (60 percent) exhibited a net reduction in state hospital bed days for their FY 2020 cohort.

Data Sources:

State Hospitalization information comes from DBHDS' AVATAR Database - This is the client-level DBHDS inpatient facility database that includes demographic, clinical, and service information about individuals receiving inpatient services in DBHDS hospitals.

ACT individuals for this study are designated as receiving ACT services by CSBs in DBHDS' CCS3 Database - Virginia's unique, consumer-level data collection system that is used in partnership with CSBs statewide. CCS3 is a compilation of demographic, clinical, and service utilization data for all individuals receiving services from CSBs.

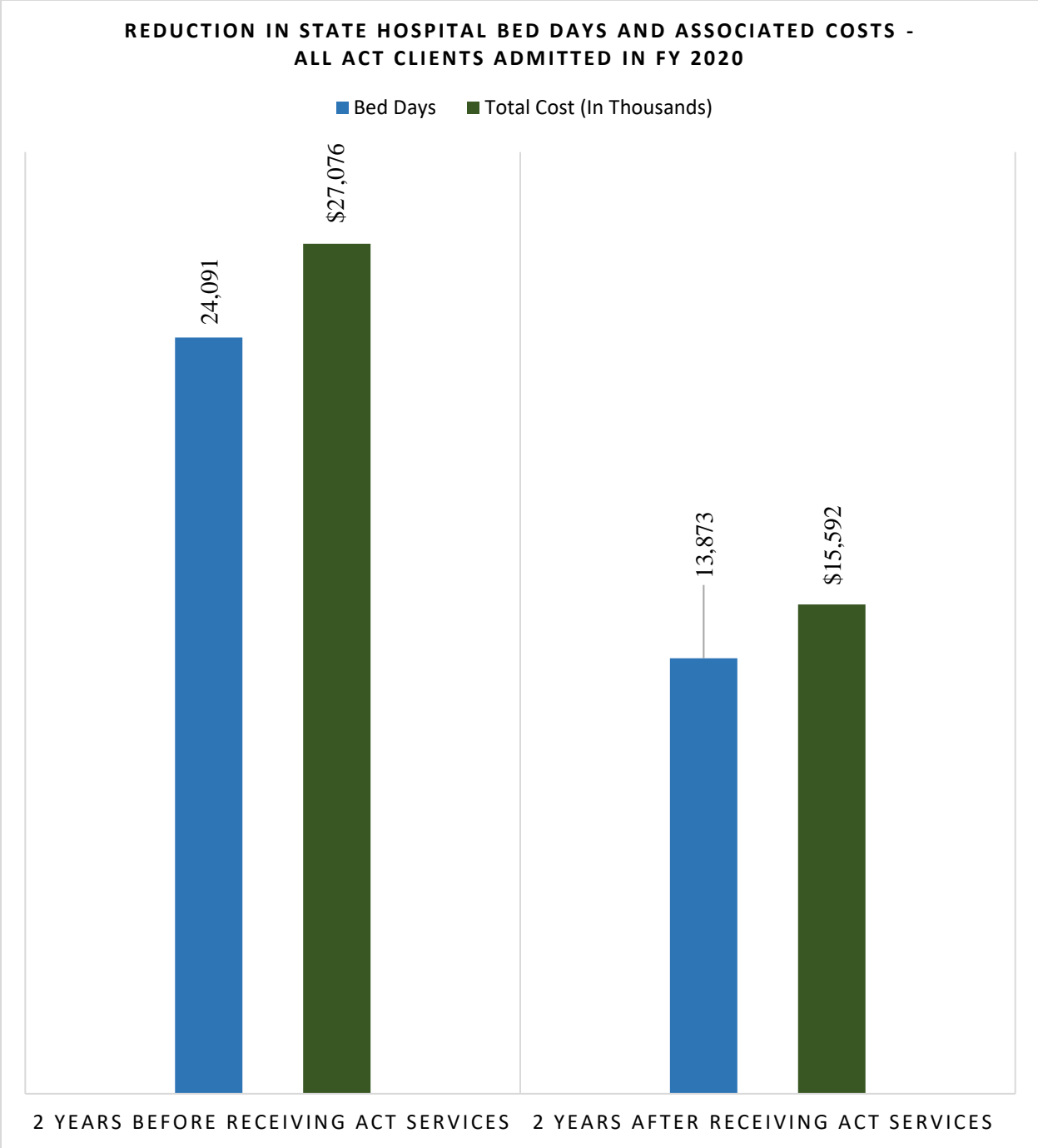


Figure 2: Reduction in State Hospital Bed Days and Associated Costs - All ACT Clients admitted FY 2020

Table 2: State Hospital Bed Days by ACT Team

Name of CSB	Two Years Before ACT	Two Years After ACT	Difference	Cost Reduction
Alexandria	453	249	-204(↓ 45%)	\$ 229,275.60
Arlington	1596	127	-1469(↓ 92%)	\$ 1,651,009.10
Blue Ridge	488	1137	649(↑ 133%)	\$ (729,411.10)
Chesapeake	146	449	303(↑208%)	\$ (340,541.70)
Colonial	1357	1616	259(↑19%)	\$ (291,090.10)
Danville-Pittsylvania	1761	309	-1452(↓82%)	\$ 1,631,902.80
District 19	271	358	87(↑32%)	\$ (97,779.30)
Fairfax-Falls Church	564	170	-394(↓70%)	\$ 442,816.60
Hampton-Newport News	5093	479	-4614(↓91%)	\$ 5,185,674.60
Henrico Area	1305	703	-602(↓46%)	\$ 676,587.80
Highlands	79	189	110(↑139%)	\$ (123,629.00)
Horizon	691	936	245(↑35%)	\$ (275,355.50)
Middle Peninsula-Northern Neck	613	23	-590(↓96%)	\$ 663,101.00
Mount Rogers	196	259	63(↑32%)	\$ (70,805.70)
New River Valley	113	286	173(↑153%)	\$ (194,434.70)
Norfolk	1339	842	-497(↓37%)	\$ 558,578.30
Northwestern	335	619	284(↑85%)	\$ (319,187.60)
Piedmont	1057	950	-107(↓10%)	\$ 120,257.30
Prince William	1085	322	-763(↓70%)	\$ 857,535.70
Rappahannock Area	503	85	-418(↓83%)	\$ 469,790.20
Region Ten	960	273	-687(↓72%)	\$ 772,119.30
Richmond	1761	1731	-30(↓2%)	\$ 33,717.00
Valley	264	259	-5(↓2%)	\$ 5,619.50
Virginia Beach	1163	56	-1107(↓95%)	\$ 1,244,157.30
Western Tidewater	898	1446	548(↑61%)	\$ (615,897.20)
Total	24091	13873	-10218(↓42%)	\$ 11,484,010.20

Local Hospitals

DBHDS assessed local hospitalization cost effectiveness by comparing individuals' number of psychiatric bed days¹ (and associated costs) in the two years prior to ACT admission with the number of bed days (and associated costs) the two years post admission to ACT. In FY 2020, ACT programs admitted 383 new individuals across the Commonwealth. A total of 294 individuals were able to be assessed across the multiple data systems. The entire group of new

¹ Psychiatric bed days are defined as the following three Major Diagnostic Categories (MDC) at intake: 19 Mental Diseases and Disorders, 20 Alcohol/Drug Use or Induced Mental Disorders, and 21 Injuries, Poison and Toxic Effect of Drugs

ACT admits in FY 2020 accounted for a total of 8,657 local hospital psychiatric bed days in the two years prior to admission to an ACT program. Total cost for these bed days was an estimated \$6.8 million.

In the two years post their first ACT service in FY 2020, these individuals used only 4,922 psychiatric bed days (estimated cost \$3.8 million). **This represents a 43 percent reduction in local psychiatric hospitalization for this population, signifying a cost avoidance of \$2.9 million (see Figure 3).** Similar to the state hospitalization rate, the reduction in local hospitalization is the most significant since we began tracking and reporting this metric three years ago. The 43 percent reduction was four points lower than the three-year running average for this metric. The costs are based on DMAS' FY 2022 Local Hospital Psychiatric Operating Rate per Day's state average of \$786.88.²

Table 3 below demonstrates the impact of all ACT teams in diverting ACT served individuals admitted in FY 2020 from local psychiatric hospitalization. *Twenty-one of the 24 CSBs with ACT teams demonstrated a net reduction in local hospital psychiatric bed days for their FY 2020 cohort, including eight (33 percent) that contributed to a reduction greater than 50 percent.*

Data Sources:

ACT individuals for this study are designated as receiving ACT services by CSBs in DBHDS' CCS3 Database - Virginia's unique, consumer-level data collection system that is used in partnership with CSBs statewide. CCS3 is a compilation of demographic, clinical, and service utilization data for all individuals receiving services from CSBs.

Local hospital use was discerned through Virginia Health Information's (VHI) patient level database system, which includes patient demographic, administrative, clinical, and financial information on every discharge that occurs in Virginia licensed hospitals.

² Department of Medical Assistance Services. (2022). *Hospital Rates* [DRG and Psychiatric Rates]. Retrieved from <https://www.dmas.virginia.gov/for-providers/general-information/rate-setting/hospital-rates/>
<http://www.dmas.virginia.gov/>

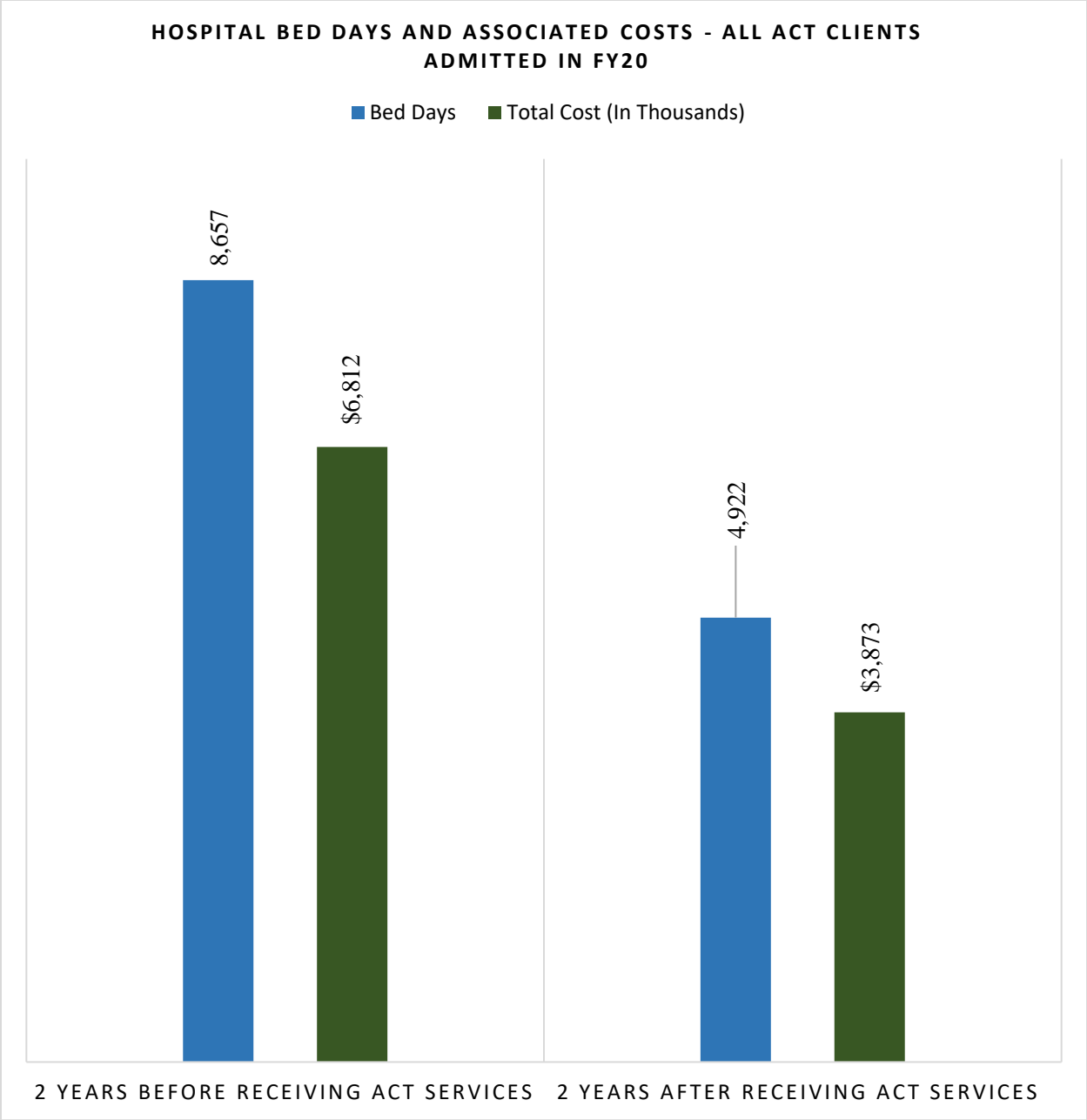


Figure 3: Reduction in Local Psychiatric Hospital Bed Days and Associated Costs - All ACT Clients admitted in FY 2020

Table 3: Local Hospital Psychiatric Bed Days by ACT Team

Name of CSB	Two Years Before ACT	Two Years After ACT	Difference	Cost Reduction
Alexandria	298	151	-147(↓49%)	\$115,671.36
Arlington	162	56	-106(↓65%)	\$83,409.28
Blue Ridge	680	384	-296(↓44%)	\$232,916.48
Chesapeake	268	166	-102(↓38%)	\$80,261.76
Colonial	289	195	-94(↓33%)	\$73,966.72
Danville-Pittsylvania	112	43	-69(↓62%)	\$54,294.72
District 19	180	119	-61(↓34%)	\$47,999.68
Fairfax-Falls Church	338	379	41(↑12%)	\$(32,262.08)
Hampton-Newport News	355	238	-117(↓33%)	\$92,064.96
Henrico Area	473	271	-202(↓43%)	\$158,949.76
Horizon	151	125	-26(↓17%)	\$20,458.88
Middle Peninsula-Northern Neck	126	5	-121(↓96%)	\$95,212.48
Mount Rogers	291	141	-150(↓52%)	\$118,032.00
New River Valley	61	81	20(↑33%)	\$(15,737.60)
Norfolk	33	31	-2(↓6%)	\$1,573.76
Northwestern	420	389	-31(↓7%)	\$24,393.28
Piedmont	716	348	-368(↓51%)	\$289,571.84
Prince William	562	492	-70(↓12%)	\$55,081.60
Rappahannock Area	111	62	-49(↓44%)	\$38,557.12
Region Ten	609	309	-300(↓64%)	\$236,064.00
Richmond	1200	430	-770(↓64%)	\$605,897.60
Valley	127	38	-89(↓70%)	\$70,032.32
Virginia Beach	51	62	11(↑22%)	\$(8,655.68)
Western Tidewater	1044	355	-689(↓66%)	\$542,160.32
Total	8657	4922	-3735(↓43%)	\$2,938,996.80

Cost Effectiveness of ACT in Reducing Incarceration

At the time of this report, confinement data from Local Inmate Data System (LIDS) through the Virginia State Compensation Board was not available to DBHDS for analysis. This information will be included in next year's ACT General Assembly Report.

Conclusion

What started as a small state-grant for a single pilot ACT team in 1996, ACT services are now available at 26 of 40 CSBs across the Commonwealth. In FY 2022, ACT served 2,610 individuals who required highly proactive and persistent support through ACT services. On average, it costs the state \$15,454 per individual to provide this level of care. This investment has produced significant outcomes. The program reduces ACT served individuals' state hospitalization, evidenced by the new FY 2020 ACT population exhibiting a 42 percent reduction in bed days over two years, which resulted in avoiding an estimated \$11.5 million in costs. Similarly, the data suggests that the ACT program reduces the demand on local/private hospitals with the new FY 2020 ACT population needing 43 percent less bed days, signifying an estimated cost avoidance of \$2.9 million.

Given the continued success of the Virginia ACT teams at reducing hospitalization, ACT was selected as one of six priority services for Project Bravo, a joint initiative between DMAS and DBHDS to ensure that Medicaid behavioral health services are high quality, trauma informed, evidence based, and cost effective. To this end, a rate study was completed during calendar year 2019, and funding for rate changes and regulatory authority for DBHDS licensing changes were included in the Governor's budget for the 2021-22 biennium and passed by the General Assembly. A new ACT rate, which is based on a per diem rate with tiers of fidelity to the ACT model, went into effect on July 1, 2021. Regulatory changes to allow small, medium, and large teams to develop (to ensure that ACT can be available across geographically diverse areas) were approved which has allowed both smaller CSBs and private providers to continue or stand-up new programs more closely aligned with ACT fidelity.

Virginia's data is reflective of other research showing that ACT produces better outcomes for individuals served and reduces costs for the broader behavioral healthcare services system.³ However, the effectiveness of Virginia's ACT programs will continue to depend on three things:

- 1) **Workforce recruitment and retention:** As much, or perhaps even more than most community-based services, ACT in particular has continued to be plagued by ongoing workforce issues., Given the intense nature of ACT service delivery, the acute needs of the population it serves, and often less-than-competitive salaries, most if not all of Virginia's ACT teams have been hampered by staff departures, key positions left vacant

³ For a collection of relevant research, see: UNC Institute for Best Practices. (2019). *ACT* [Research]. Retrieved from <http://www.institutebestpractices.org/act/research/>

for extended periods of time, or both. In some cases, the burden that this places on existing staff, and its impact on their ability to provide the quality and level of care needed, may call into question the program’s sustainability. Simply put, if workforce shortages across ACT continue to worsen, and a more robust array of intensive, community-based services are not stood up, the safety of ACT staff and the individuals they serve may be at risk.

- 2) **The quality of the particular program delivering this service, and how faithfully they implement best practice elements** (known as “program fidelity”): DBHDS has continued its partnership with national ACT experts from the University of North Carolina's Institute for Best Practices, including the co-author of the widely used *Tool for Measurement of Assertive Community Treatment* (TMACT)⁴ to conduct formal fidelity evaluations of Virginia's ACT programs.
- 3) **Funding**: Continued funding for existing programs is important, but to ensure that Virginia continues to achieve and improve upon the outcomes and cost reductions ACT has achieved to date, ongoing support and funding for ACT services, provider training, formal program fidelity evaluations, and expansion of staffing infrastructure at the state level will remain significant priorities.

⁴ Monroe-DeVita, M., Moser, L.L. & Teague, G.B. (2013). The Tool for Measurement of Assertive Community Treatment (TMACT). In M. P. McGovern, G. J. McHugo, R. E. Drake, G. R. Bond, & M. R. Merrens. (Eds.), *Implementing Evidence-Based Practices in Behavioral Health*. Center City, MN: Hazelden.

Appendix

Charts from Past Annual GA Reports

Note: In some past General Assembly reports, the ACT program was referred to as the Program of Assertive Community Treatment (PACT).

State Hospital Bed Day Reduction

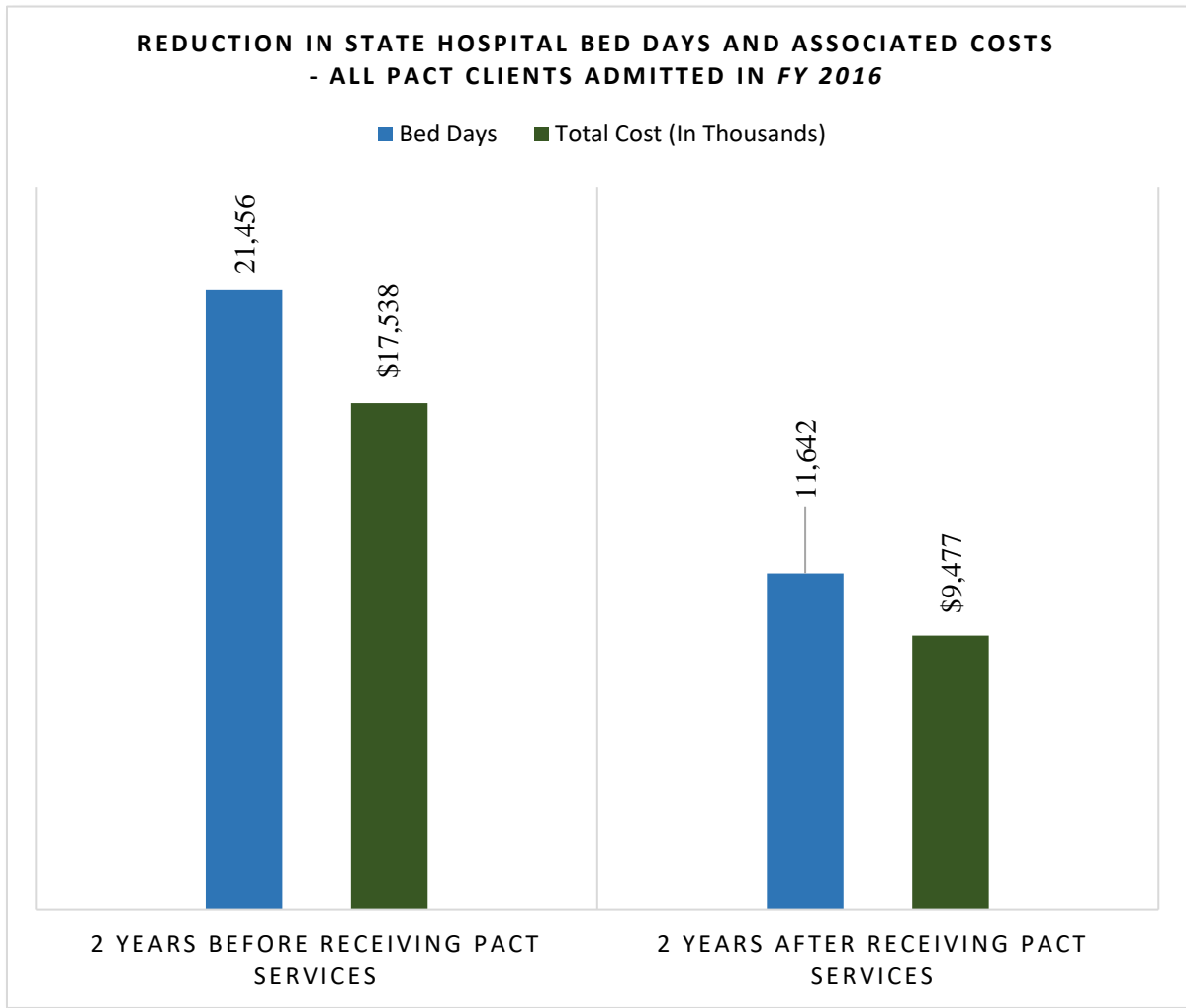


Figure 4: Reduction in State Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2016

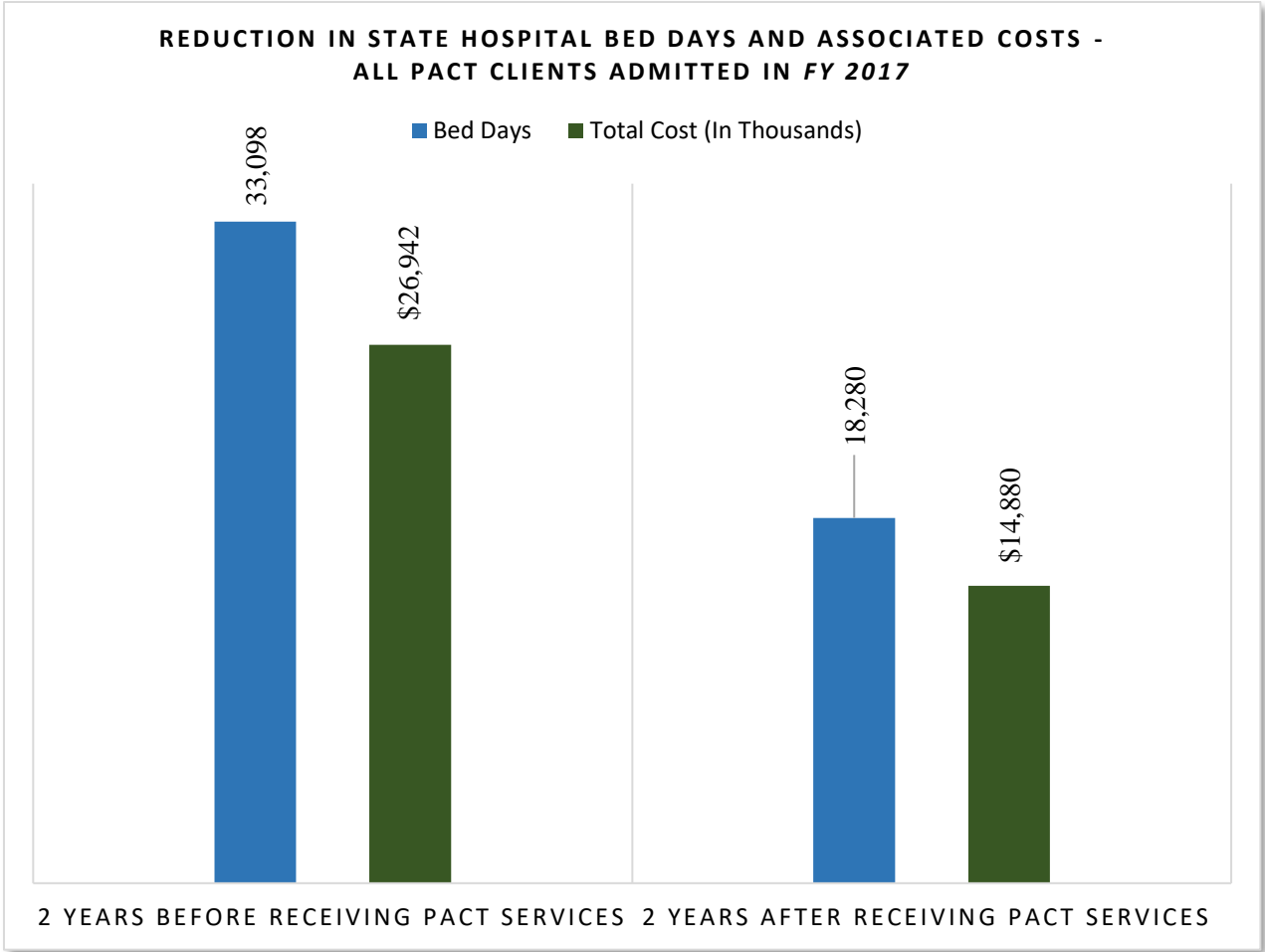


Figure 5: Reduction in State Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2017

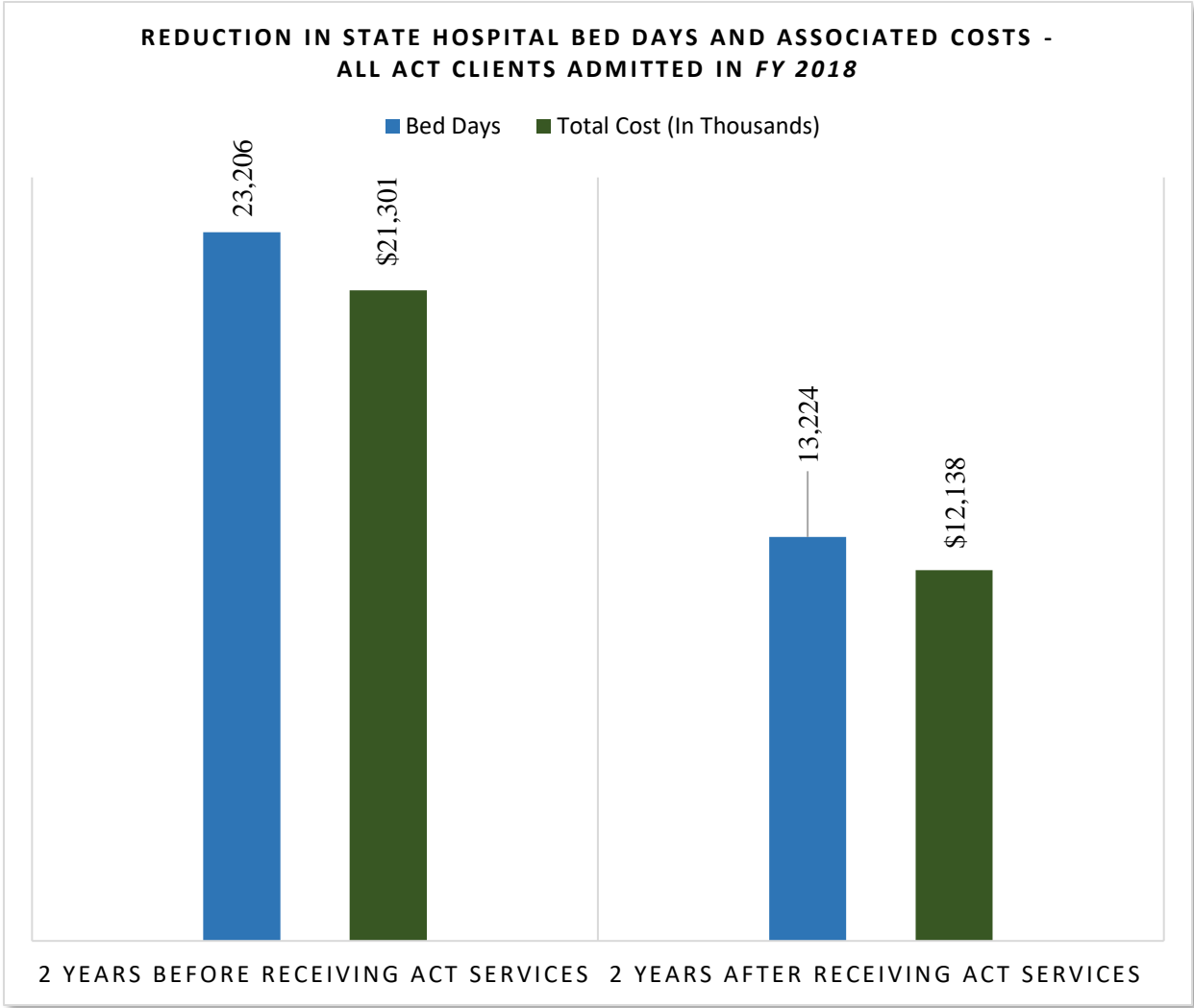


Figure 6: Reduction in State Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2018

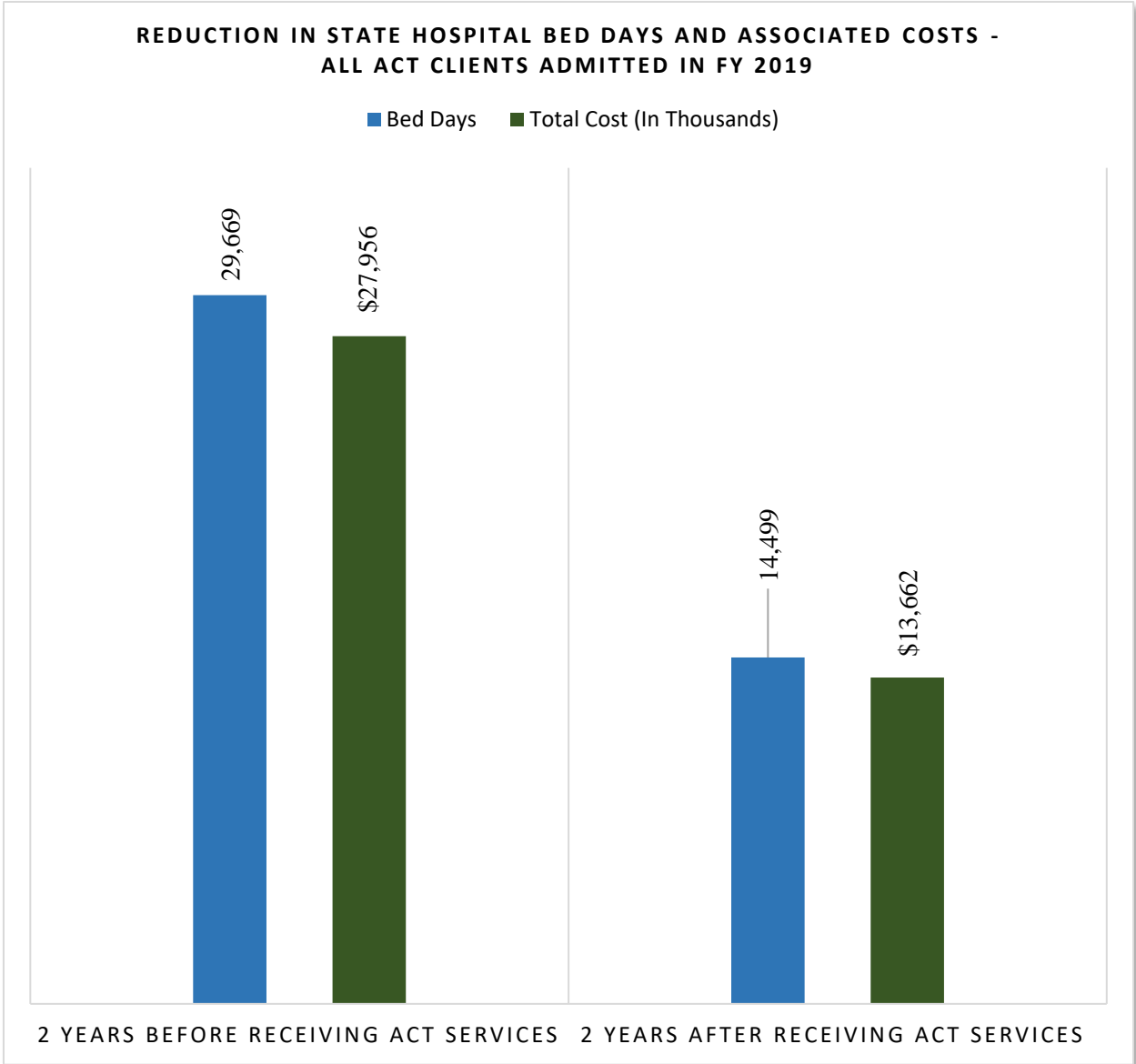


Figure 7: Reduction in State Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2019

Local Psychiatric Hospital Bed Day Reduction

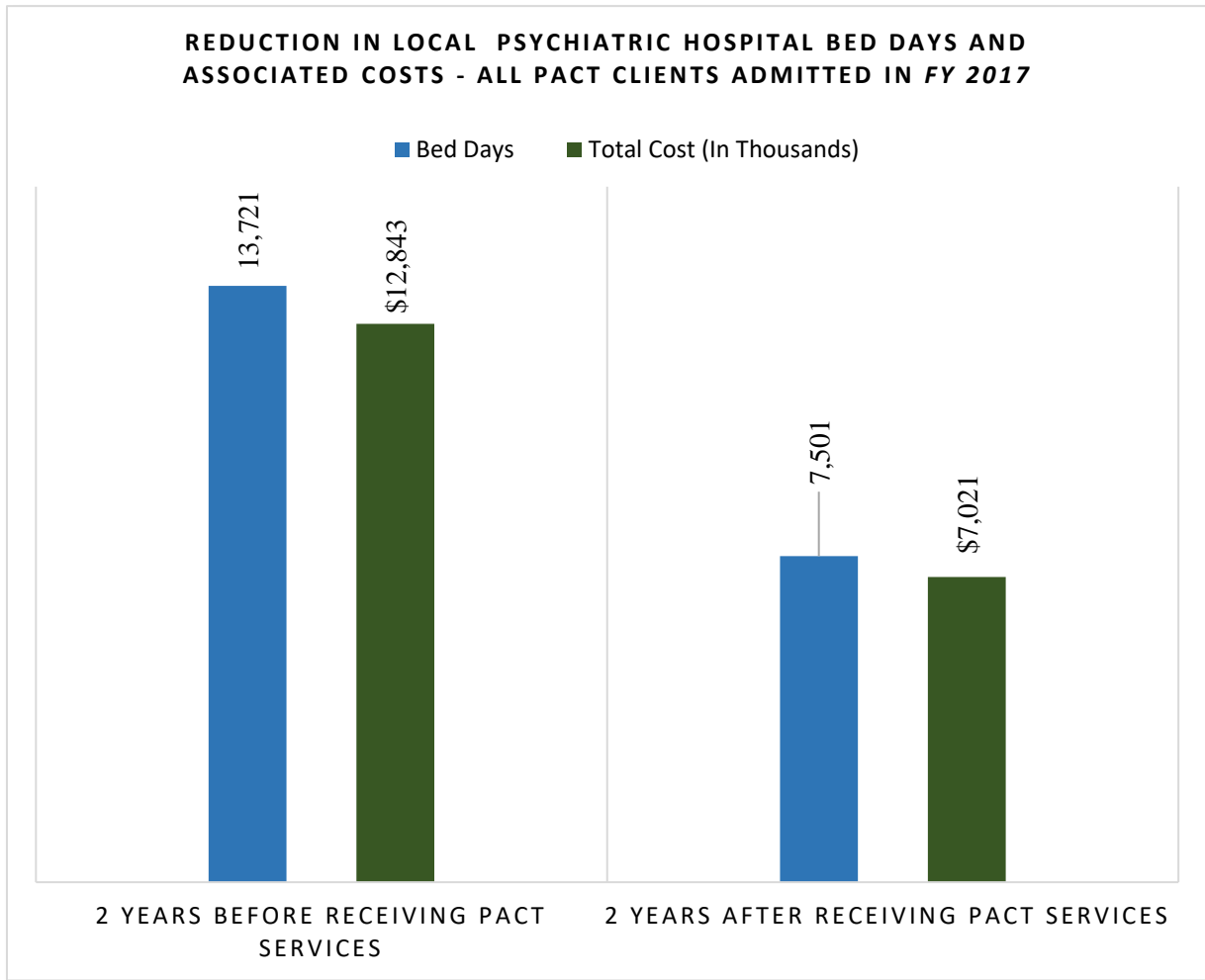


Figure 8: Reduction in Local Psychiatric Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2017

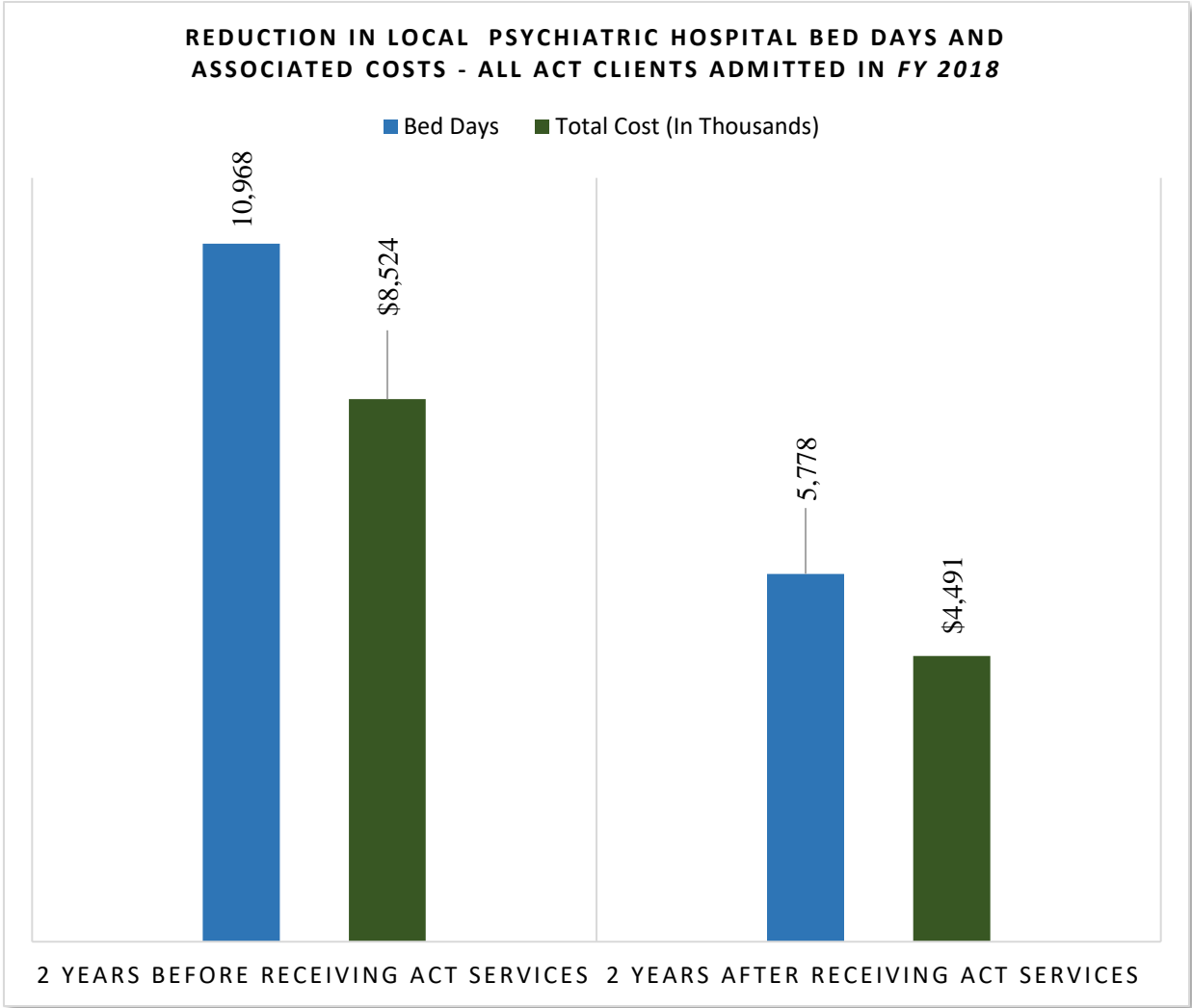


Figure 9: Reduction in Local Psychiatric Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2018

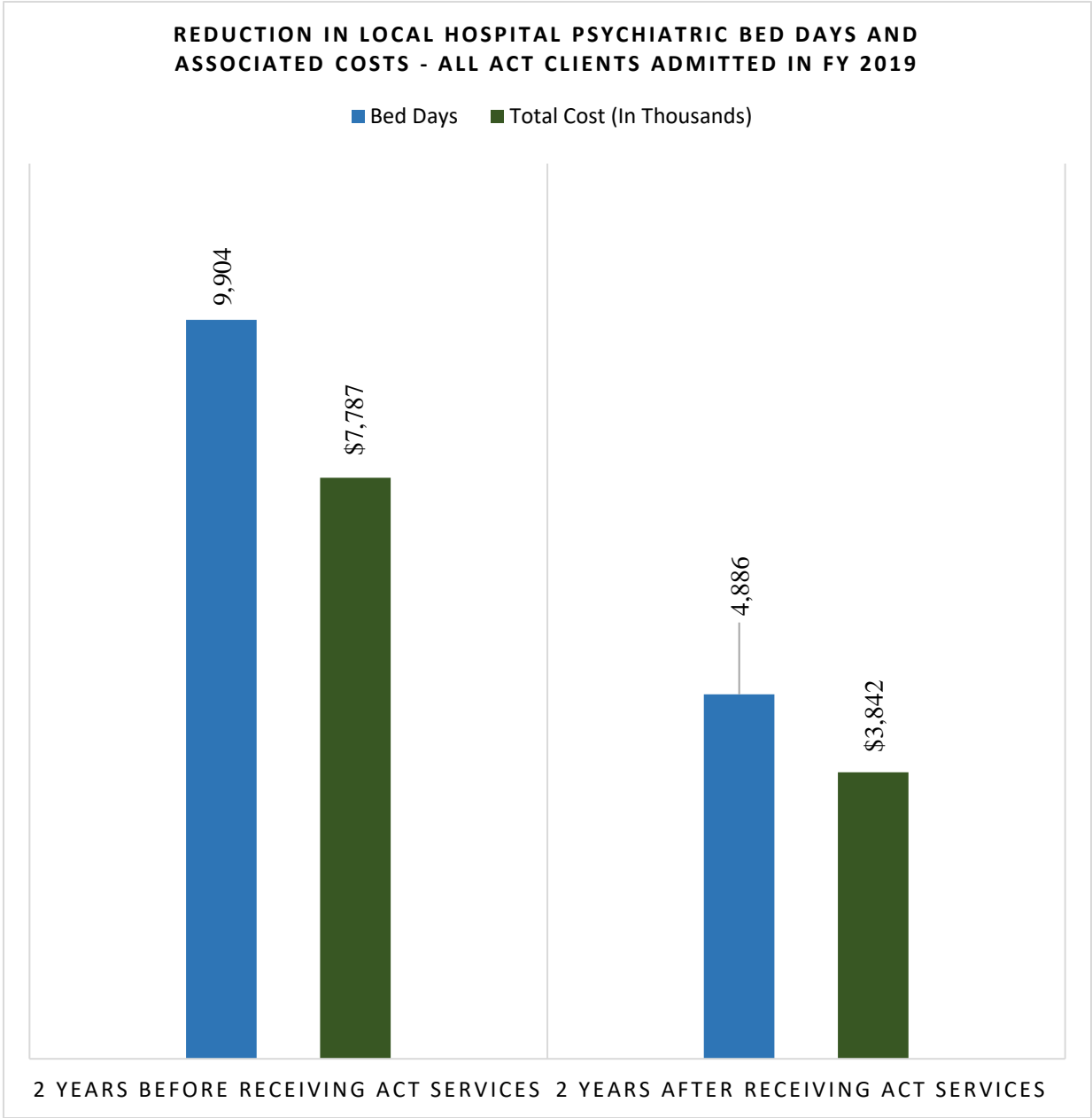


Figure 10: Reduction in Local Psychiatric Hospital Bed Days and Associated Costs - All PACT Clients Admitted in FY 2018

Days Spent in Confinement Reduction

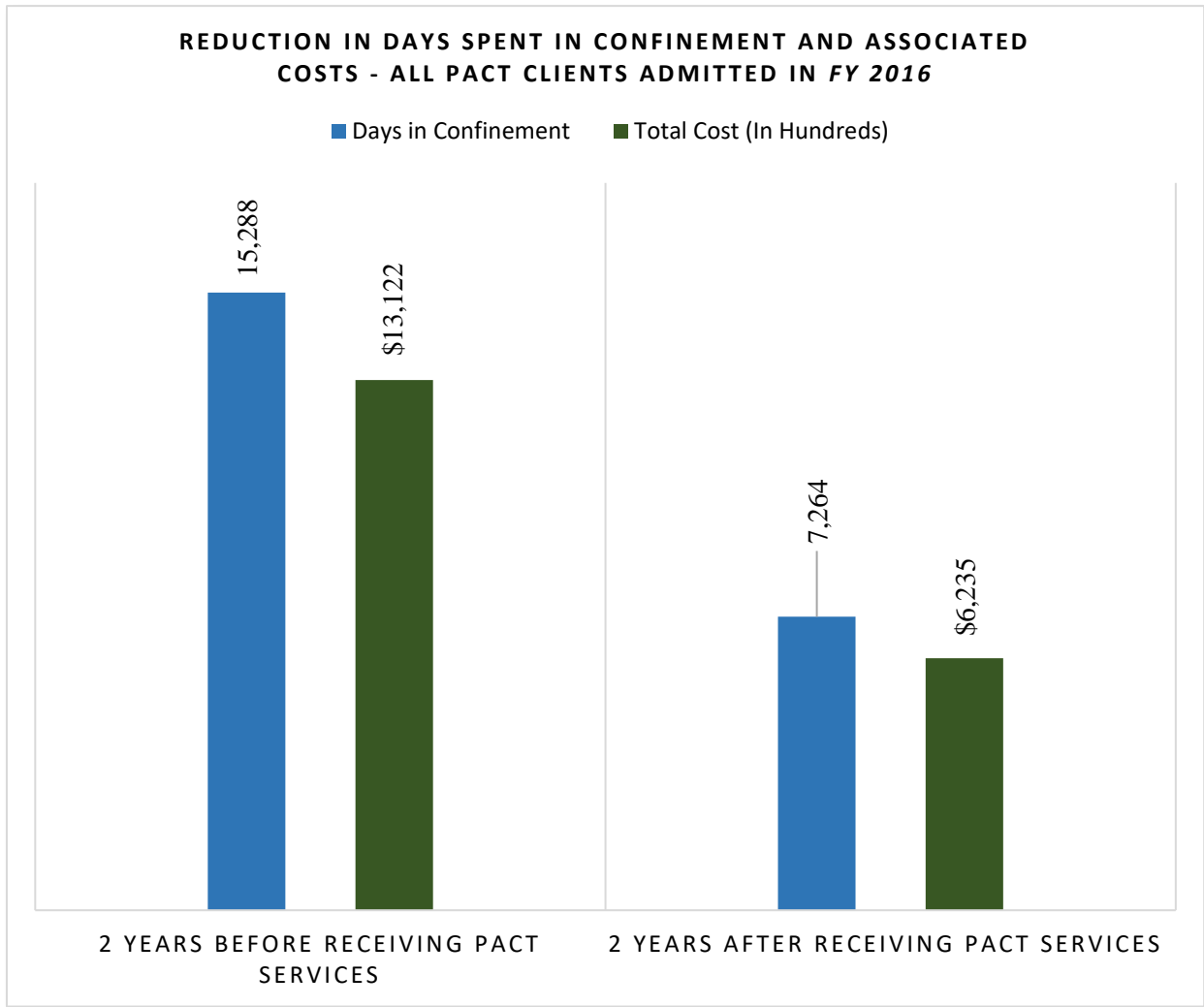


Figure 11: Reduction in Days Spent in Confinement and Associated Costs - All PACT Clients Admitted in FY 2016

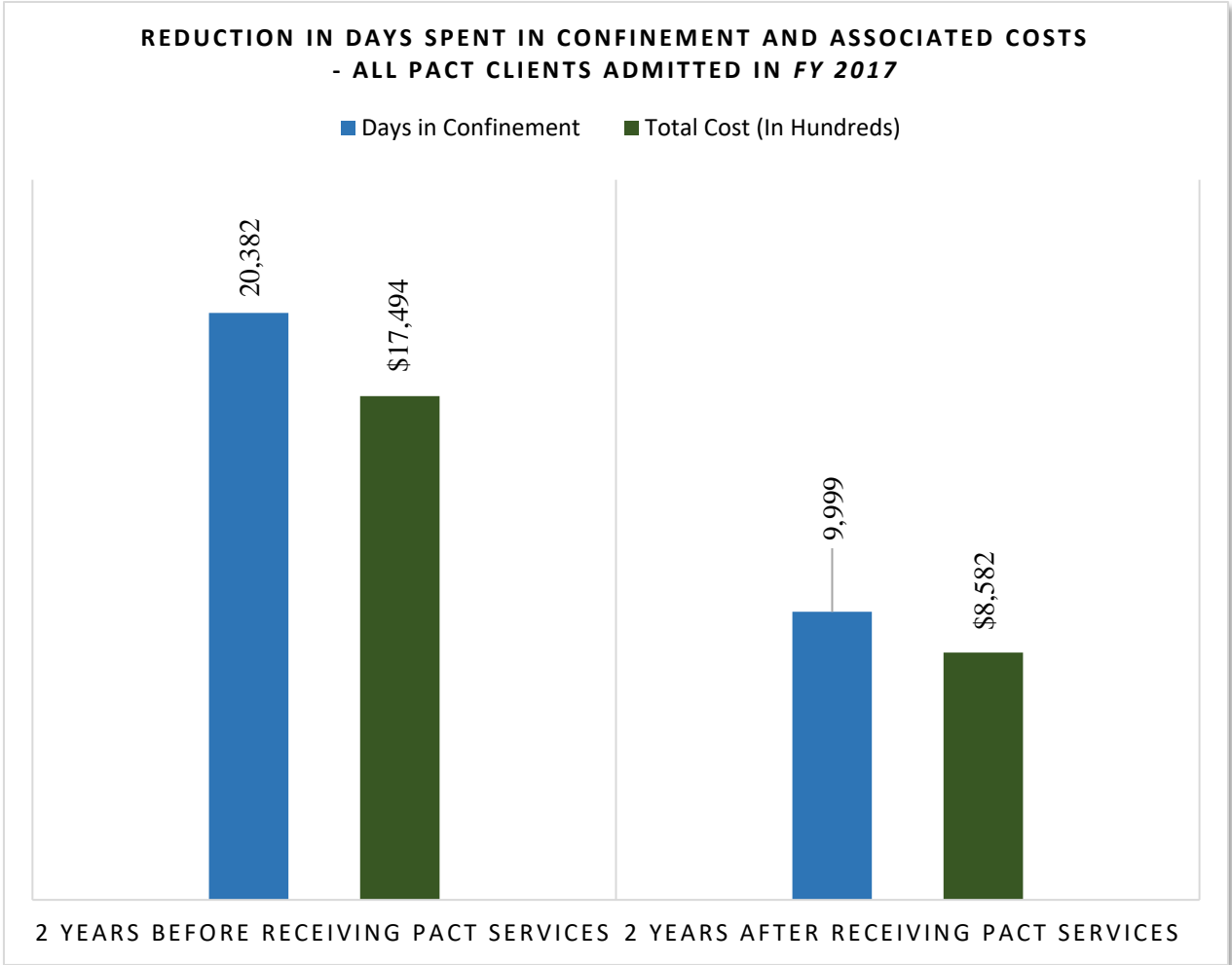


Figure 12: Reduction in Days Spent in Confinement and Associated Costs - All PACT Clients Admitted in FY 2017

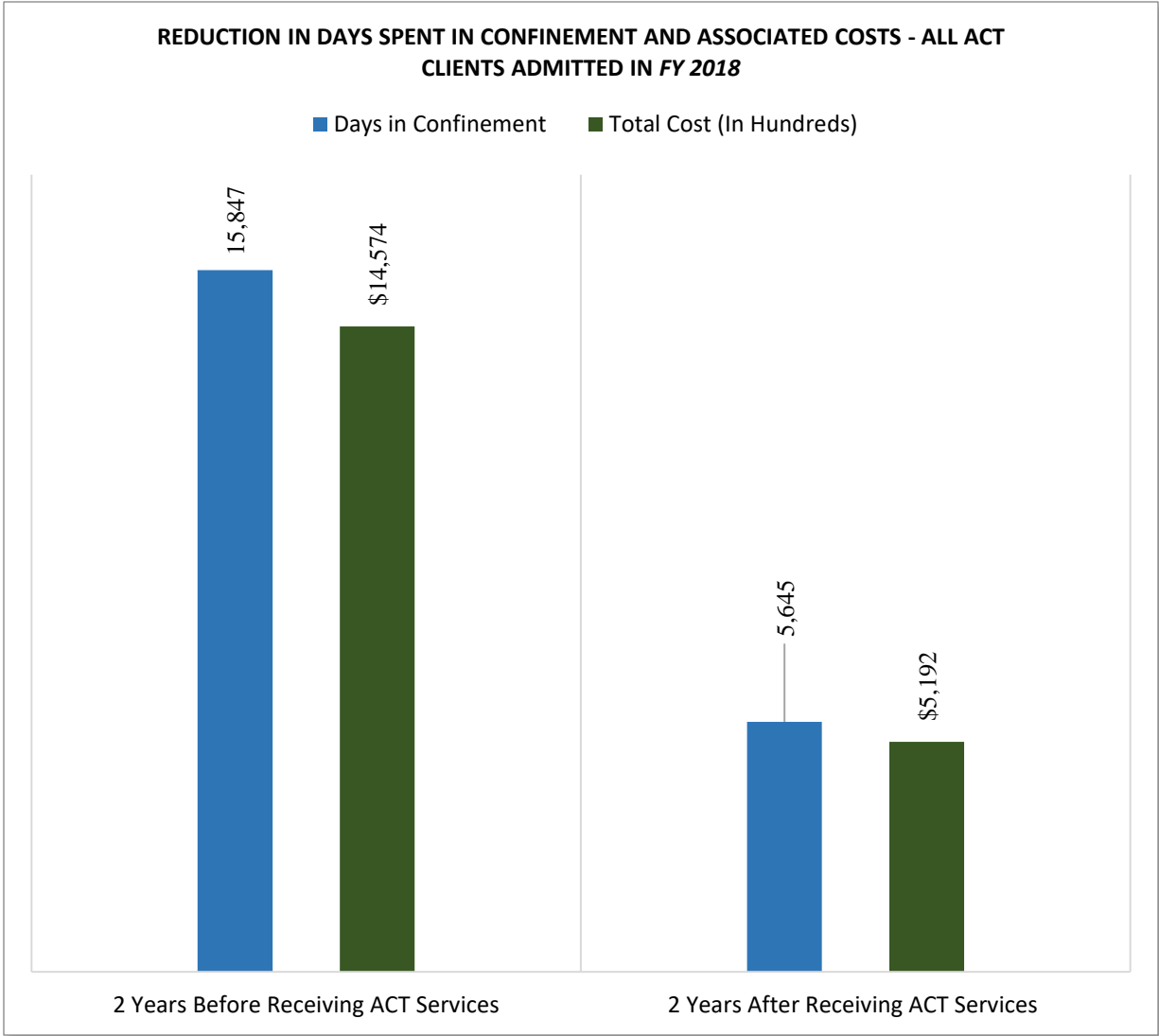


Figure 13: Reduction in Days Spent in Confinement and Associated Costs - All PACT Clients Admitted in FY 2018

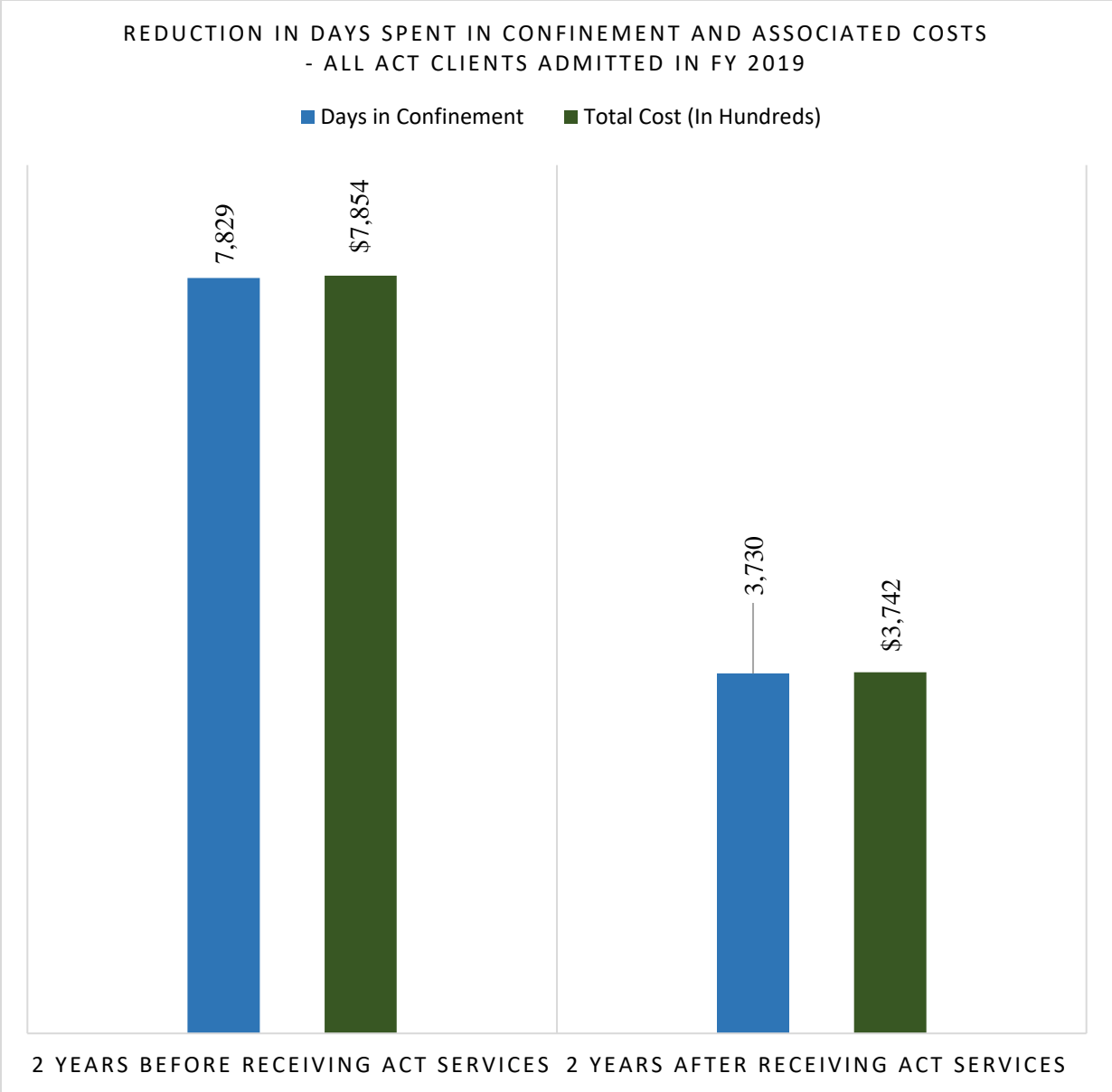


Figure 14: Reduction in Days Spent in Confinement and Associated Costs - All PACT Clients Admitted in FY 2019