



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.dhbs.virginia.gov

November 1, 2024

To: The Honorable L. Louise Lucas, Chair, Senate Finance Committee
The Honorable Luke E. Torian, Chair, House Appropriations Committee

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

RE: Item 296. T, 2024 Appropriation Act

Item 296. T. of the 2024 Appropriation Act directs the Department of Behavioral Health and Developmental Services (DBHDS) to provide a quarterly report on the establishment supervised residential care in the Commonwealth, specifically for individuals in state hospitals who are on the Extraordinary Barriers List (EBL). The language states:

T. Out of this appropriation, \$8,000,000 the first year and \$8,000,000 the second year from the general fund is provided for supervised residential care for 100 individuals. The department shall give priority to projects that prioritize individuals on the state's extraordinary barriers list. Projects may include public-private partnerships, to include contracts with private entities. Notwithstanding any other provision of law, contracts entered into pursuant to this paragraph shall be exempt from competition as otherwise required by the Virginia Public Procurement Act, §§ 2.2-4300 through 2.2-4377, Code of Virginia. The Department shall report quarterly on projects awarded with details on each project and its projected impact on the state's extraordinary barriers list. The report shall be submitted to the Chairs of House Appropriations and Senate Finance and Appropriations Committee no later than 30 days after each quarter ends.

Introduction

At any given time, there are approximately 160 individuals in state hospitals who are clinically ready to leave state hospitals but are experiencing extraordinary barriers to discharge. One of the most common barriers is access to required residential care in the community. Although individuals in state hospitals are referred to programs such as assisted living facilities for care, with the exception of a few, these programs do not provide behavioral health care, and do not have expertise in serving individuals with psychiatric needs. Mental health group homes are one option to provide the specialized behavioral health and supervision needed for some individuals on the EBL; however, this service is currently not reimbursed by Medicaid. Small, integrated mental health group homes hold many advantages over larger congregate, non-specialized settings, including:

- Low staff to resident ratios
- Behavioral health services provided by the program, including individual and group treatment options
- Staff with specialized training in behavioral health care and other specialties, including working with forensic populations
- Programs provide more community integration opportunities
- Ability to develop homes based on identified needs, including enhanced supervision, legal needs, psychiatric needs, and medical needs
- Individualized care with a focus on transitioning to less restrictive levels of care (including independent living) for individuals who are eligible

Status of Supervised Residential/Mental Health Group Homes in Virginia

Currently, DBHDS contracts with Gateway Homes and multiple community services boards (CSBs) to provide supervised residential care and transitional group home services. These programs are specifically for individuals who are diverting from or discharging from state hospitals and are funded with Discharge Assistance Program (DAP) funding. These programs – first developed in 2017 – serve an average of 400 individuals per year. Over the past several years, the number of individuals on the EBL has decreased, as has the average length of stay of those on the EBL. These transitional services have successfully assisted in expediting discharges from state hospitals, but they do not provide the highly specialized services needed by some individuals who experience the longest lengths of stay on the EBL.

In December 2023, DBHDS issued a Request for Applications (RFA) for possible vendors to provide specialized residential care/group home services to individuals on the EBL who require highly intensive services. The RFA specified that these group homes should provide services to no more than four individuals in each home. DBHDS received responses from three private providers, and currently these programs are in development. The three programs that are in development are summarized below, including anticipated locations, areas of specialization for each program, and number of homes/beds each vendor will operate. DBHDS estimates that with these three contracts, 72 beds will become operational in the next year. DBHDS received an additional 4 million and solicited proposals for the additional 28 beds. Table 1 shows a detailed status of these programs.

Table 1.

Name of Program	Number of homes/beds	Locations	Areas of specialty	Status as of Sept 30, 2024
Alpha Community Services	5 homes/20 beds	Southeastern Virginia	Legally involved individuals, with a focus on Not Guilty by Reason of Insanity (NGRI) acquittees	4 homes operational and fully occupied
Choice Respect independence (CRI)	3 homes/12 beds	Central Virginia	Young adults with significant baseline symptoms and engagement barriers	1 home operational with partial occupancy
Gateway Homes	10 homes/40 beds	Southeastern Virginia, Central Virginia, Shenandoah Valley, Roanoke Valley	Legally involved individuals, individuals diagnosed with personality disorders, individuals who require single gender homes	5 homes licensed – all ten are located and in progress. 5 licensed homes are in varying states of admissions
Gateway Homes	3 homes/12 Beds	Roanoke and Southwest Virginia	Legally involved individuals, individuals diagnosed with personality disorders, individuals who require single gender homes	Contract signed on 9.4.24 for additional homes
Helton House	2 homes/ 8 beds	Rice, Virginia	Individuals with a history of sex offenses and/or identified on the current Virginia sex offender registry Single Gender Homes	Contract signed 9.9.24 for homes
Mount Rogers CSB	1 home/ 4 beds	Wytheville Va	Baseline psychosis	Exhibit in progress
WTCSB	1 home/ 4beds	Suffolk, Virginia	Traumatic Brain Injury	Discussions in progress

DBHDS Staff are available should you wish to discuss this request.

cc: The Honorable Janet V. Kelly, Secretary, Health and Human Resources