



COMMONWEALTH of VIRGINIA

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TO: Community Services Board or Local Government Department Executive Directors and the Behavioral Health Authority Chief Executive Officer

FROM: Paul R. Gilding
Office of Support Services Director

SUBJECT: **FY 2019 and FY 2020 Community Services Performance Contract**

DATE: June 8, 2018

The FY 2019 and FY 2020 Community Services Performance Contract is available for your information and use at <http://www.dbhds.virginia.gov/behavioral-health/office-of-support-services>. The FY 2019 and FY 2020 CSB Administrative Requirements and the Partnership Agreement, separate documents incorporated into the contract by reference, are also available there. The Department will distribute Letters of Notification and the Community Automated Reporting System (CARS) software electronically by June 15. The letters contain initial allocations of state and federal funds to community services boards, the behavioral health authority, and the two local government departments with policy-advisory CSBs, referred to as CSBs in contract documents and this memo. The Department delayed distributing the performance contract and Letters of Notification because of the late adoption of the 2018-2020 biennium budget on May 31. As a result, the Department adjust due dates for and processing of the performance contract.

The contract documents incorporate changes in the FY 2018 Community Services Performance Contract Renewal negotiated last month with the Performance Contract Committee established by the Department and the Virginia Association of Community Services Boards. The following pages summarize major substantive changes from the FY 2018 Performance Contract Renewal.

Performance Contract Changes

1. New section 4.c.11.) on page 5 requires CSBs to attempt to contact and re-engage any individuals who were admitted to services who have not received any services within 100 days.
2. Section 4.i.3.) on page 12 requires support coordinators to ensure that all information about each individual, including the ISP and VIDES, is imported from the CSB's EHR to the Department within five business days through an electronic exchange mechanism mutually agreed upon by the CSB and the Department into the electronic waiver management system (WaMS).
3. New section 4.j on pages 12 and 13 incorporates requirements about PACT services in the contract body and eliminates separate Exhibits D in the contract.

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4. New section 4.k on pages 13 and 14 incorporates requirements about Crisis Intervention Team (CIT) services in the contract body and eliminates separate Exhibits D.
5. New section 4.l on pages 14 and 15 incorporates requirements about Permanent Supportive Housing (PSH) in the contract body and eliminates separate Exhibits D.
6. New section 4.m on page 15 adds requirements about Same Day Access (SDA).
7. New section 4.n on pages 15 and 16 incorporates requirements about the Family Wellness Initiative in the contract body and eliminates separate Exhibits D.
8. Section 6.b.7.) on page 20 clarifies the organization of CSB developmental case management services and reflects current interpretations of the CMS Final Rule.
9. Eliminates requirements in former sections 6.c.2.) c.) and d.) for CSBs to submit community waiting list information for the Comprehensive State Plan and State Facility Discharge Waiting List Data Base reports.
10. New sections 6.d and 7.e on pages 23 and 28 address improving CSB data quality.
11. Section 7.d.1.) on pages 26 and 27 requires the Department to work with CSBs through the VACSB Data Management Committee (DMC) to develop and implement any changes in data platforms used, data elements collected, or due dates for existing reporting mechanisms, including CCS, CARS, WaMS, FIMS, and the current prevention data system and stand-alone spreadsheet or other program-specific reporting processes.
12. Section 7.d.3.) on page 27 requires the Department to work with CSBs through the DMC to develop, implement, maintain, and revise or update a mutually agreed upon electronic exchange mechanism that will import all information related to the support coordination or case management parts of the ISP (parts I-IV) and VIDES about individuals who are receiving DD Waiver services from CSB EHRs into WaMS.
13. Section 9.d on pages 31 and 32 substantially revises the remediation process for more structure and follow-up.
14. Section I on pages 50-52 of Exhibit B adds seven performance measures with definitions, benchmarks, and monitoring language:
 - Continuity of care for local psychiatric inpatient discharges,
 - Continuity of care for state hospital discharges,
 - Residential crisis stabilization unit utilization,
 - Regional discharge assistance program (RDAP) service provision,
 - Local inpatient purchase of services (LIPOS) provision,
 - PACT caseload, and
 - Provision of developmental enhanced case management services.
15. Section II of Exhibit B on page 53 deletes seven outdated performance measures.
16. Paragraph 12 on page 71 of Section E in Exhibit J adds a requirement for CSBs to maintain an operating reserve of funds sufficient to cover at least two months of personnel and operating costs.

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17. A new Exhibit K on pages 77-81 establishes state hospital census management admission and discharge requirements that CSBs must satisfy, including eight additional requirements for CSBs that use more than eight beds per 100,000 adults
18. Eliminates the CSB Board Membership List, the CSB Board Membership Characteristics, and the CSB FTE data. This information is in the end-of-the-fiscal year CARS reports.

CSB Administrative Requirements Changes

19. Section II.A.6.on pages 8 and 9 deletes requirements about CSB hardware and software procurement.
20. Section II.A.6.c on page 9 states the Department shall collaborate with the VACSB DMC in prescribing the format for fiscal, service, and individual data output.
21. Section III.A.1 on page 12 requires the Department to ensure any software application it issues to CSBs for reporting purposes has been field tested in accordance with the user acceptable testing (UAT) process in Appendix D and shall collaborate with the VACSB DMC in the implementation of any new data management or data warehousing systems to ensure appropriate interoperability and workflow management.
22. Appendix D on page 36 adds WaMS to the UAT process and states major changes in complex systems such as CCS or WaMS shall occur only once per year at the start of the fiscal year and in accordance with the UAT process.

Contract Process

Once the Department distributes the CARS software and Letters of Notification, CSBs will submit all of the contract's Exhibit A and table 2 of the Performance Contract Supplement electronically using CARS software. To be accepted for processing by the Department, a contract must satisfy the requirements in Exhibits E and I of the contract.

1. Exhibit A must be submitted to the Department's Office of Information Services and Technology using the CARS software and must be complete and accurate.
2. Since the contract is being distributed electronically, the parts of the contract that are submitted on paper should be printed, signed where necessary, and mailed to the Office of Support Services when Exhibit A is submitted. See Exhibit E in the contract for more information. These parts are:
 - signature page of the contract body (page 34)
 - signature page of Exhibit B,
 - Exhibit D (if applicable),
 - Exhibit F (two pages), and
 - Exhibit G.

The Department must receive all parts of the contract submitted on paper before a contract submission will be considered complete.

3. Exhibit A must conform to allocations of state and federal funds in the Letter of Notification, unless amounts have been revised by or changes negotiated with the Department and confirmed by the Department in writing. Total funds in each program area (pages AF-1 through AF-8) must equal total costs shown on Forms 11, 21, 31, and 01 or differences must be explained on the Financial Comments form.

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4. Contracts must contain actual appropriated amounts of local matching funds. If a CSB cannot include the minimum 10 percent local matching funds in its contract, it must submit a written request for a waiver of the local matching funds requirement, pursuant to § 37.2-509 of the Code of Virginia and State Board Policy 4010, to the Office of Support Services with its contract. More information about the waiver request process is attached to this memo.

The FY 2019 and FY 2020 Performance Contract materials described above are due in the Department's Office of Support Services by August 3, 2017, except for Exhibit A that is submitted to the Office of Information Services and Technology by the same date. This is a significant change from the normal process due to the delay in adopting the 2018-2020 biennium budget. Section 37.2-508 or 37.2-608 of the Code of Virginia authorizes the Department to provide semi-monthly payments of state and federal funds to allow sufficient time to complete local government approval and Department negotiation and approval of the contract. Exhibit E of the contract automatically provides the first four semi-monthly payments (July and August), whether or not a contract has been submitted. The process conditions the next four semi-monthly payments (September and October) on the Department's receipt of a complete performance contract since the Department may not complete processing contracts until September.

Once a contract is received in the Department, the Community Contracting Director will review it and notify the CSB within five working days that it is or is not accepted for review by the Department. Unacceptable contracts will need to be revised before the Department will process them. If you have any questions about this memo or the contract documents, please e-mail or call Joel Rothenberg, the Community Contracting Director, at joel.rothenberg@dbhds.virginia.gov or (804) 786-6089 or me at paul.gilding@dbhds.virginia.gov or (804) 786-4982. Thank you.

Enclosures (4)

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Minimum Ten Percent Local Matching Funds Waiver Request Attachment

A CSB should maintain its local matching funds at least at the same level as that shown in its FY 2016 performance contract. The 2019 Appropriation Act prohibits using state funds appropriated in item 312 to supplant the funding effort provided by localities for services existing as of June 30, 2016. Section 37.2-509 of the Code of Virginia states that allocations of state funds to any CSB for operating expenses, including salaries and other costs, shall not exceed 90 percent of the total amount of state and local matching funds provided for these expenses. This section effectively defines the 10 percent minimum amount of local matching funds as 10 percent of the total amount of state and local matching funds. State Board Policy 4010 defines acceptable local matching funds as local government appropriations, philanthropic cash contributions from organizations and people, in-kind contributions of space, equipment, or professional services for which the CSB would otherwise have to pay, and, in certain circumstances, interest revenue. All other funds, including fees, federal grants, other funds, and uncompensated volunteer services, are not acceptable. If a CSB is not able to meet the minimum 10 percent local matching funds requirement, the Code section and State Board Policy authorize the Department to waive the requirement.

If a CSB is not able to include the required minimum 10 percent local matching funds in its performance contract or end-of-the-fiscal-year CARS performance contract report, it must submit a written request for a waiver of that requirement, pursuant to that Code section and policy, to the Office of Support Services with the contract or report. The waiver request must contain the documentation in items 1 through 3 below.

Section 7.g of the performance contract authorizes the Department to grant an automatic waiver if a CSB's receipt of state funds as the fiscal agent for a regional program, including RDAP, LIPOS, or state facility reinvestment project funds, causes it to be out of compliance with the 10 percent local matching funds requirement. The waiver excludes the state funds for a regional program allocated to the other CSBs participating in the regional program from the matching funds requirement. The other participating CSBs are responsible for matching those allocated state funds. The amount of state funds the CSB uses for its own participation in the regional program is not eligible for this automatic waiver. The CSB must submit a written request for this automatic waiver, identifying the specific amounts and types of those funds that cause it to be out of compliance with the local matching funds requirement, but without the documentation required below in items 1 through 3, and the Department will approve the waiver in a letter to the CSB.

1. The written waiver request must include an explanation of each local government's inability to provide sufficient local matching funds at this time. This written explanation should include, among other circumstances, the following factors:
 - a. an unusually high unemployment rate compared with the statewide or regional average rate,
 - b. a decreasing tax base or declining tax revenues,
 - c. the existence of local government budget deficits, or
 - d. major unanticipated local government expenditures (e.g., for flood damage).
2. The waiver request must include information and documentation about the CSB's efforts to obtain sufficient local matching funds. Examples of these efforts should include newspaper articles, letters or resolutions from and presentations by CSB board members to local governing bodies outlining the statutory matching funds requirement and requests to meet the requirement.
3. Finally, the waiver request must include a copy of its budget request for local matching funds that the CSB submitted to each local government and a copy or description of the local government's response to it.