FY 2013 and FY 2014 Community Services Performance Contract

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FY 2013 and FY 2014 Community Services Performance Contract

1. Contract Purpose

a. Title 37.2 of the Code of Virginia establishes the Virginia Department of Behavioral Health and Developmental Services, hereafter referred to as the Department, to support delivery of publicly funded services and supports to individuals with mental health or substance use disorders or intellectual disability and authorizes the Department to fund community mental health, developmental, and substance abuse services.

b. Sections 37.2-500 through 37.2-512 of the Code of Virginia require cities and counties to establish community services boards for the purpose of providing local public mental health, developmental, and substance abuse services; §§ 37.2-600 through 37.2-615 authorize certain cities or counties to establish behavioral health authorities that plan and provide those same local public services. In this contract, the community services board, local government department with a policy-advisory community services board, or behavioral health authority named in section 11 of this contract will be referred to as the CSB.

c. Section 37.2-500 or 37.2-601 of the Code of Virginia states that, in order to provide comprehensive mental health, developmental, and substance abuse services within a continuum of care, the CSB shall function as the single point of entry into publicly funded mental health, developmental, and substance abuse services. The CSB fulfills this function in accordance with State Board Policy 1035 for any person who is located in the CSB's service area and needs mental health, developmental, or substance abuse services.

d. Sections 37.2-508 and 37.2-608 of the Code of Virginia and State Board Policy 4018 establish this contract as the primary accountability and funding mechanism between the Department and the CSB.

e. The CSB is applying for the assistance provided under Chapter 5 or 6 of Title 37.2 of the Code of Virginia by submitting this performance contract to the Department in accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia.

f. This contract establishes requirements and responsibilities for the CSB and the Department that are not established through other means, such as statute or regulation. The CSB Administrative Requirements document, which by agreement of the parties is hereby incorporated into and made a part of this contract by reference, includes or incorporates by reference ongoing statutory, regulatory, policy, and other requirements that are not contained in this contract. This document is available on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm.

g. The Department and the CSB enter into this contract for the purpose of funding services provided directly or contractually by the CSB in a manner that ensures accountability to the Department and quality of care for individuals receiving services and implements the vision articulated in State Board Policy 1036 of a system of services and supports driven by individuals receiving services that promotes self-determination, empowerment, recovery, resilience, health, and the highest possible level of participation by individuals receiving services in all aspects of community life, including work, school, family, and other meaningful relationships; and the CSB and the Department agree as follows.

2. **Relationship:** The Department functions as the state authority for the public mental health, developmental, and substance abuse services system, and the CSB functions as the local authority for that system. The relationship between and roles and responsibilities of the Department and the CSB are described in the Partnership Agreement between the parties, which by agreement of the parties is hereby incorporated into and made a part of this contract by reference. This contract shall not be construed to establish any employer-employee or principal-agent relationship between employees of the CSB or its board of directors and the Department.

3. **Contract Term:** This contract shall be in effect for a term of two years, commencing on July 1, 2012 and ending on June 30, 2014, if by mutual agreement of both parties pursuant to the provisions of § 37.2-508 of the Code of Virginia it is renewed for an additional fiscal year with the insertion of revised Exhibits A, E, F, G, and H for FY 2014.

4. **Scope of Services**

   a. **Services:** Exhibit A of this contract includes all mental health, developmental, and substance abuse services provided or contracted by the CSB that are supported by the resources described in section 5 of this contract. Services and certain terms used in this contract are defined in the current Core Services Taxonomy, which by agreement of the parties is hereby incorporated into and made a part of this contract by reference. The taxonomy is on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm.

   b. **Expenses for Services:** The CSB shall provide to the extent practicable those services that are funded within the revenues and for the expenses set forth in Exhibit A and documented in the CSB's financial management system. The CSB shall distribute its administrative and management expenses across some or all of the three program areas (mental health, developmental, or substance abuse services) and services available outside of a program area on a basis that is auditable and satisfies Generally Accepted Accounting Principles.

   c. **Continuity of Care:** In order to partially fulfill its responsibility in § 37.2-500 or 37.2-601 of the Code of Virginia and State Board Policy 1035 to function as the single point of entry into publicly funded services in its service area, the CSB shall follow the Continuity of Care Procedures in Appendix A of the CSB Administrative Requirements.

      1.) **Coordination of Intellectual Disability Waiver Services:** The CSB shall provide case management services to individuals who are receiving services under the Medicaid Intellectual Disability Home and Community-Based Waiver (ID Waiver). In its capacity as the case manager for these individuals and in order to receive payment for services from the Department of Medical Assistance Services (DMAS), the CSB shall develop individual service authorization requests (ISARs) for Waiver services and submit them to the Department for preauthorization, pursuant to the current DMAS/ DBHDS Interagency Agreement, under which the Department preauthorizes ISARs as a delegated function from the DMAS. As part of its specific case management responsibilities for individuals receiving ID Waiver services, the CSB shall coordinate and monitor the delivery of all services to individuals it serves, including monitoring the receipt of services in an individual's ISAR that are provided by independent vendors who are reimbursed directly by the DMAS, to the extent that the CSB is not prohibited from doing so by such vendors (refer to the DMAS *Intellectual Disability Community Services Manual*). The CSB may raise issues regarding its efforts to coordinate and monitor services provided by independent vendors to the applicable funding or licensing authority, such as the Department, DMAS, or Virginia Department of Social Services. In fulfilling this service coordination responsibility, the CSB shall not restrict or seek to influence an individual's choice among qualified service providers. This prohibition is not intended to restrict the ability of CSB case managers to make recommendations based on their professional judgment to individuals regarding those available service options that best meet the terms of the individuals' ISPs and allow for the most effective coordination of services. This section does not, nor shall it be construed to, make the CSB legally liable for the actions of independent vendors of ID Waiver services who are reimbursed directly by the DMAS.

      2.) **Linkages with Health Care:** When it arranges for the care and treatment of individuals in hospitals, inpatient psychiatric facilities, or psychiatric units of hospitals, the CSB shall assure its staff's cooperation with those hospitals, inpatient psychiatric facilities, or

psychiatric units of hospitals, especially emergency rooms and emergency room physicians, in order to promote continuity of care for those individuals. Pursuant to subdivision A.4 of § 37.2-505, the CSB shall provide information about its substance abuse services for minors to all hospitals in its service area that are licensed pursuant to Article 1 of Chapter 5 of Title 32.1 using a template provided by the Department.

3.) **Coordination with Local Psychiatric Hospitals:** When the CSB performed the preadmission screening and when referral to the CSB is likely upon the discharge of an involuntarily admitted individual, the CSB shall coordinate or, if it pays for the service, approve an individual's admission to and continued stay in a psychiatric unit or hospital and collaborate with that unit or hospital to assure appropriate treatment and discharge planning to the least restrictive setting and to avoid the use of these facilities when the service is no longer needed.

4.) **Targeted Case Management Services:** In accordance with the Community Mental Health Rehabilitative Services manual (page 15) and the MR/ID Community Services manual (page 6) issued by the DMAS, the CSB shall be the provider of rehabilitative mental health case management and targeted MR/ID case management services.

5.) **Access to Services:** The CSB shall not require an individual to receive case management services in order to receive other services that it provides, directly or contractually, unless it is permitted to do so by applicable regulations or the person is an adult with a serious mental illness, a child with or at risk of serious emotional disturbance, or an individual with an intellectual disability or a substance use disorder, the person is receiving more than one other service from the CSB, or a licensed clinician employed or contracted by the CSB determines that case management services are clinically necessary for that individual. Federal Medicaid targeted case management regulations forbid using case management to restrict access to other services by Medicaid recipients or compelling Medicaid recipients to receive case management if they are receiving another service.

6.) **PACT Criteria:** If the CSB receives state general or federal funds for a Program of Assertive Community Treatment (PACT), it shall satisfy the following criteria:

a.) Meet PACT state hospital bed use targets;
b.) Prioritize providing services to individuals with serious mental illnesses who are frequent recipients of inpatient services or are homeless;
c.) Achieve and maintain a caseload of 80 individuals receiving services after two years from the date of initial funding by the Department; and
d.) Participate in technical assistance provided by the Department.

7.) **Preadmission Screening:** The CSB shall provide preadmission screening services pursuant to § 37.2-505 or § 37.2-606, § 37.2-805, § 37.2-809 through § 37.2-813, § 37.2-814, and § 16.1-335 et seq. of the Code of Virginia and in accordance with the Continuity of Care Procedures in Appendix A of the CSB Administrative Requirements for any person who is located in the CSB's service area and may need admission for involuntary psychiatric treatment.

8.) **Discharge Planning:** The CSB shall provide discharge planning pursuant to § 37.2-505 or § 37.2-606 of the Code of Virginia and in accordance with State Board Policies 1035 and 1036, the Continuity of Care Procedures, and the current *Discharge Protocols for Community Services Boards and State Hospitals* and the *Training Center - Community Services Board Admission and Discharge Protocols for Individuals with Intellectual Disabilities* issued by the Department that by agreement of the parties are incorporated into and made a part of this contract by reference. The protocols are available at www.dbhds.virginia.gov/documents/OMH-DischargeProtocols.pdf or www.dbhds.virginia.gov/documents/ODS/ods-Admission-Discharge-Protocol.pdf.

d. **Populations Served:** The CSB shall provide needed services to adults with serious mental illnesses, children with or at risk of serious emotional disturbance, and individuals with intellectual disability or substance use disorder to the greatest extent possible within the resources available to it for this purpose. These populations are defined in the Core Services Taxonomy, available at www.dbhds.virginia.gov/OCC-default.htm.

e. **Department of Justice Settlement Agreement Requirements:** The CSB agrees to work cooperatively with the Department to implement the Settlement Agreement between the U.S. Department of Justice and the Commonwealth of Virginia and to comply with the requirements in the Agreement that apply to the CSB and are negotiated by the Department and the CSB when the Agreement is entered in the U. S. District Court for the Eastern District of Virginia.

5. **Resources:** Exhibit A of this contract includes the following resources: state general funds and federal funds appropriated by the General Assembly and allocated by the Department to the CSB; balances of unexpended or unencumbered state general and federal funds retained by the CSB and used in this contract to support services; local matching funds required by § 37.2-509 or § 37.2-611 of the Code of Virginia to receive allocations of state general funds; Medicaid Clinic, Targeted Case Management, Rehabilitative Services, and Intellectual Disability Home and Community-Based Waiver fees and any other fees, as required by § 37.2-504 or § 37.2-605 of the Code of Virginia; and any other revenues associated with or generated by the services shown in Exhibit A.

a. **Allocations of State General and Federal Funds**: The Department shall inform the CSB of its state general and federal fund allocations in a letter of notification. The Department may adjust allocation amounts during the term of this contract. The Commissioner or his designee shall communicate all adjustments to the CSB in writing. Allocations of state general and federal funds shall be based on state and federal statutory and regulatory requirements, provisions of the Appropriation Act, State Board policies, and previous allocation amounts.

b. **Allocations of New Appropriations of Additional State General Funds:** The Department shall work with representatives of the CSB to develop a conceptual framework for allocating new appropriations of additional state general funds. This framework shall include a methodology for identifying the minimum amount of the appropriation needed by the smallest CSBs to implement the intent of the new appropriation and criteria for allocating the remainder of the appropriation using population as a significant factor.

c. **Conditions on the Use of Resources:** The Department can attach service requirements or specific conditions that it establishes for use of funds, separate from those established by other authorities, for example, applicable statutory or regulatory requirements such as licensing or human rights regulations or federal anti-discrimination requirements, only to the state general and federal funds that it allocates to the CSB and to the 10 percent local matching funds that are required to obtain the CSB's state general fund allocations.

6. CSB Responsibilities

a. **State Hospital Bed Utilization:** In accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia, the CSB shall identify or develop jointly with the Department and with input from private providers involved with the public mental health, developmental, and substance abuse services system mechanisms, such as the Discharge Protocols, Extraordinary Barriers to Discharge lists, and regional utilization management procedures and practices, and employ these mechanisms collaboratively with state hospitals that serve it to manage the utilization of state hospital beds. Utilization will be measured by bed days received by individuals for whom the CSB is the case management CSB.

b. Quality of Care

1.) **Clinical Consultation:** The CSB may request the Department to provide professional consultations for clinically complex or difficult or medically complicated cases within the resources available for this purpose in the Department or its facilities and as permitted under 45 CFR § 164.506 (c) (1) when individuals or their authorized representatives have requested second opinions and with valid authorizations that comply with the Human Rights Regulations and the HIPAA Privacy Rule or when staff of the CSB request such consultations for individuals it serves in the community, if it is not able to provide those second opinions or obtain this consultation within its resources.

2.) **Quality Improvement and Risk Management:** The CSB shall, to the extent possible, develop and implement quality improvement processes that utilize individual outcome measures, provider performance measures, and other data or participate in its local government's quality improvement processes to improve services, ensure that services are provided in accordance with current acceptable professional practice, and enable the ongoing review of all major areas of the CSB's responsibilities under this contract.

The CSB shall, to the extent practicable, develop, implement, and maintain, itself or in affiliation with other CSBs, a quality improvement plan incorporating CSB provider performance measures, individual outcome measures, and human rights information. The CSB shall, to the extent practicable, develop, implement, and maintain, itself or in affiliation with other CSBs, a risk management plan or participate in a local government's risk management plan. The CSB shall work with the Department to identify how the CSB will address quality improvement activities.

The CSB shall implement, in collaboration with other CSBs in its region, the state hospitals and training centers serving its region, and private providers involved with the public mental health, developmental, and substance abuse services system, regional utilization management procedures and practices that reflect the Regional Utilization Management Guidance document adopted by the System Leadership Council that by agreement of the parties is hereby incorporated into and made a part of this contract by reference. The Guidance is available at www.dbhds.virginia.gov/OCC-default.htm.

3.) **Continuous Quality Improvement Process:** The CSB shall address and report on performance expectations and goals and quality improvement measures in Exhibit B of this contract and affirmations in the CSB Administrative Requirements as part of the Continuous Quality Improvement Process supported by the Department and the CSB.

4.) **Individual Outcome and CSB Provider Performance Measures**

a.) **Measures:** Pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, the CSB shall report the individual outcome, CSB provider performance, individual satisfaction, and individual and family member participation and involvement measures in Exhibit B of this contract to the Department. These reporting requirements are contingent on the Department supplying any necessary specifications and software to the CSB in time for the CSB to make needed changes in its information system.

b.) **CSB Performance Measures:** The Department may negotiate specific, time-limited measures with the CSB to address identified performance concerns or issues. The measures shall be included as Exhibit D of this contract.

c.) **Individual Satisfaction Survey:** Pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, the CSB shall participate in the Annual Survey of Individuals Receiving MH and SA Outpatient Services, the Annual Youth Services Survey for Families (i.e., Child MH survey), and the ID Family Survey (done at the time of the individual's annual planning meeting).

d.) **Substance Abuse Youth Surveys:** The CSB shall work closely with community-based prevention planning groups, schools, and local governments to support and enable the administration of the Virginia Community Youth Survey and the Virginia Youth Tobacco Survey, which are mandated by federal funding sources and are necessary for continuation of federal block grant funding.

e.) **Prevention Services Participants and Program Evaluations:** The CSB shall evaluate a minimum of 20 percent of participants in evidence-based prevention programs using program-specific instruments, which are evaluation instruments and processes developed by the program developer for that program. The CSB shall conduct program-specific evaluations of all federal Substance Abuse Prevention and Treatment grant-supported prevention programs as agreed in the grant contract with the Department. The CSB shall use community-level abstinence data from regional community youth survey data for alcohol, tobacco, and other drug use, perceptions of harm and disapproval, and other indicator data, including archival data listed in the National Outcome Measures, for outcome evaluation of environmental strategies and community-based processes.

f.) **Recovery Orientation:** The CSB shall implement a plan for assessing and increasing its recovery orientation over time, initially for adults with serious mental illnesses, in accordance with Section 5, Advancing the Vision, of the Partnership Agreement and shall administer the Recovery Oriented Systems Indicators (ROSI) Consumer Survey (42 items) with a statistically valid sample of five percent or a minimum of 70, whichever is larger, of individuals with serious mental illness receiving mental health services from the CSB and the ROSI Provider Survey (23 item Administrative Profile) biennially and report on its recovery orientation to the Department by the last business day of March in odd-numbered years.

5.) **Case Management Services:** The CSB shall ensure that all direct and contract staff who provide case management services have completed the case management curriculum developed by the Department within 60 days of its availability on the internet for current staff and thereafter within 30 days of employment for new staff.

6.) **Program and Service Reviews:** The Department may conduct or contract for reviews of programs or services provided or contracted by the CSB under this contract to examine their quality or performance at any time as part of its monitoring and review responsibilities or in response to concerns or issues that come to its attention, as permitted under 45 CFR § 164.512 (a), (d), and (k) (6) (ii) and as part of its health oversight functions under § 32.1-127.1:03 (D) (6) and § 37.2-508 or § 37.2-608 of the Code of Virginia or with a valid authorization by the individual receiving services or his authorized representative that complies with the Human Rights Regulations and the HIPAA Privacy Rule.

7.) **Response to Complaints:** The CSB shall implement procedures to respond to complaints from individuals receiving services, family members, advocates, or other stakeholders as expeditiously as possible in a manner that seeks to achieve a satisfactory resolution and advises the complainant of any decision and the reason for it. The CSB shall acknowledge complaints that the Department refers to it within five days of receipt and provide follow up commentary on them to the Department within 10 days of receipt.

c. **Reporting Requirements**

1.) **CSB Responsibilities:** For purposes of reporting to the Department, the CSB shall comply with State Board Policy 1037 and shall:

a.) provide monthly Community Consumer Submission (CCS) extracts that report individual characteristic and service data to the Department, as required by § 37.2-508 or § 37.2-608 of the Code of Virginia, the federal Substance Abuse and Mental Health Services Administration, and Part C of Title XIX of the Public Health Services Act - Block Grants, § 1943 (a) (3) and § 1971 and § 1949, as amended by Public Law 106-310, and as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (a) (1) and (d) and under §32.1-127.1:03.D (6) of the Code of Virginia, and as defined in the current CCS Extract Specifications and Design Specifications, including the current Business Rules, that are available on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm and are hereby incorporated into and made a part of this contract by reference and by agreement of the parties;

b.) follow the current Core Services Taxonomy and CCS Extract Specifications and Design Specifications, including the current Business Rules, when responding to reporting requirements established by the Department;

c.) complete the National Survey of Substance Abuse Treatment Services (N-SSATS) annually that is used to compile and update the National Directory of Drug and Alcohol Abuse Treatment Programs and the on-line Substance Abuse Treatment Facility Locator;

d.) report Inventory of Mental Health Organizations information and data in accordance with federal requests to the greatest extent possible;

e.) report KIT Prevention System data on all substance abuse prevention services provided by the CSB, including services that are supported wholly or in part by the Substance Abuse Prevention and Treatment (SAPT) Block Grant allocation for prevention services, LINK prevention, and substance abuse prevention services funded by other grants and reported under substance abuse in the Community Automated Reporting System (CARS), and enter KIT Prevention System data by June 15 on goals, objectives, and programs approved by the community prevention planning coalition;

f.) supply information to the Department's Forensics Information Management System for individuals adjudicated not guilty by reason of insanity (NGRI), as required under § 37.2-508 or § 37.2-608 of the Code of Virginia and as permitted under 45 CFR §§ 164.506 (c) (1) and (3), 164.512 (d), and 164.512 (k) (6) (ii);

g.) if it is a Part C local lead agency, report individual, service, financial, and other information on Part C services that it provides to the Department through a separate reporting system maintained by the Department;

h.) report individual, service, financial, and other information on jail diversion and juvenile detention center services only through the CARS and CCS;

i.) report data and information required by the current Appropriation Act; and

j.) report data identified collaboratively by the Department and the CSB working through the Virginia Association of Community Services Boards Data Management Committee on the regional START program if the CSB is the fiscal agent for this program.

2.) **Routine Reporting Requirements:** The CSB shall account for all services, revenues, expenses, and costs accurately and submit reports to the Department in a timely manner using current CARS, CCS, or other software provided by the Department. All reports shall be provided in the form and format prescribed by the Department. The CSB shall provide the following information and meet the following reporting requirements:

a.) types and service capacities of services provided, costs for services provided, and revenues received by source and amount and expenses paid by program area and for services available outside of a program area, reported mid-year and at the end of the fiscal year through CARS, and types and amounts of services provided to each individual, monthly through the current CCS;

b.) demographic characteristics of individuals receiving services, monthly through the current CCS;

c.) in accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia, numbers of adults with serious mental illnesses, children with serious emotional disturbance, children at risk of serious emotional disturbance, and individuals with intellectual disability, or substance use disorder, monthly through the current CCS;

d.) performance expectations and goals and individual outcome and CSB provider performance measures in Exhibit B;

e.) community waiting list information for the Comprehensive State Plan that is required by § 37.2-315 of the Code of Virginia, as permitted under § 32.1-127.1:03 (D) (6) of the Code of Virginia and 45 CFR § 164.512 (d) and (k) (6) (ii) (when required);

f.) State Facility Discharge Waiting List Data Base reports using ACCESS software supplied by the Department;

g.) Federal Balance Report (October 15);

h.) Total numbers of individuals served for the Mandatory Outpatient Treatment, Discharge Assistance Project, Mental Health Child and Adolescent Services Initiative, ID Waiver Services, and other Consumer Designation (900) Codes, monthly through the current CCS;

i.) PATH reports (mid-year and at the end of the fiscal year); and

j.) other reporting requirements in the current CCS Extract or Design Specifications.

3.) **Subsequent Reporting Requirements:** In accordance with State Board Policy 1037, the CSB shall work with the Department through the Virginia Association of Community Services Boards Data Management Committee (DMC) to ensure that current data and reporting requirements are consistent with each other and the current Core Services Taxonomy, the current CCS, and the Treatment Episode Data Set (TEDS) and other federal reporting requirements. The CSB also shall work with the Department through the DMC in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that the requirements are consistent with the current taxonomy, the current CCS, and the TEDS and other federal reporting requirements.

4.) **Data Elements:** The CSB shall work with the Department through the DMC to standardize data definitions, cap or reduce the number of data elements required, review CSB business processes so that information is collected in a systematic manner, and support efficient extraction of required data from CSB electronic health record systems whenever this is possible.

5.) **Streamlining Reporting Requirements:** The CSB shall work with the Department through the DMC to review existing reporting requirements including the current CCS to determine if they are still necessary and, if they are, to streamline and reduce the number of portals through which those reporting requirements are submitted as much as possible; to ensure reporting requirements are consistent with the current CCS Extract Specifications and Core Services Taxonomy; and to maximize the interoperability between Department and CSB data bases to support the electronic exchange of information and comprehensive data analysis.

d. **Providing Information:** The CSB shall provide any information requested by the Department that is related to performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of information requested. Provision of information shall comply with applicable laws and regulations governing confidentiality, privacy, and security of information regarding individuals receiving services from the CSB.

e. **Compliance Requirements:** The CSB shall comply with all applicable federal, state, and local laws and regulations, including those contained or referenced in the CSB Administrative Requirements and Exhibits F and K of this contract, as they affect the operation of this contract. Any substantive change in the CSB Administrative Requirements, except changes in statutory, regulatory, policy, or other requirements or in other documents incorporated by reference in it, which changes are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements or documents, shall constitute an amendment of this contract, made in accordance with applicable provisions of the Partnership Agreement, that requires a new contract signature page, signed by both parties. If any laws or regulations that become effective after the execution date of this contract substantially change the nature and conditions of this contract, they shall be binding upon the parties, but the parties retain the right to exercise any remedies available to them by law or other provisions of this contract.

The CSB shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations promulgated thereunder by their compliance dates, except where the HIPAA requirements and applicable state law or regulations are contrary, and state statutes or regulations are more stringent, as defined in 45 CFR § 160.202, than the related HIPAA requirements. The CSB shall ensure sensitive data, including HIPAA-protected health information, personally identifiable information, and other confidential data, exchanged electronically with the Department or its state hospitals and training centers meets the requirements in the FIPS 140-2 standard and is encrypted using a method supported by the Department. The Department will accept 256 bit encryption methods that are FIPS 140-2 compliant.

The CSB shall follow the procedures and satisfy the requirements in the Performance Contract Process and the Administrative Performance Standards, contained in Exhibits E and I respectively of this contract. The CSB shall document compliance with § 37.2-501 or § 37.2-602 of the Code of Virginia in Exhibit H of this contract.

f. **Regional Programs:** The CSB shall manage or participate in the management of, account for, and report on regional programs in accordance with the Regional Program Operating Principles and the Regional Program Procedures in Appendices E and F of the current Core Services Taxonomy. The CSB agrees to participate in any utilization review or utilization management activities conducted by the Department involving services provided through a regional program. Protected health information may be disclosed as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (k) (6) (ii).

g. **Joint Agreements:** If it enters into a joint agreement pursuant to § 37.2-512 or § 37.2-615 of the Code of Virginia, the CSB shall describe the agreement in Exhibit J of this contract and shall attach a copy of the joint agreement to the exhibit.

h. **Intensive Care Coordination for the Comprehensive Services Act**

1.) As the single point of entry into publicly funded mental health, developmental, and substance abuse services pursuant to § 37.2-500 of the Code of Virginia and as the exclusive provider of Medicaid rehabilitative mental health and targeted MR/ID case management services, the CSB is the most appropriate provider of intensive care coordination (ICC) services through the Comprehensive Services Act for At-Risk Youth and Families (CSA). The CSB and the local Community Policy and Management Team (CPMT) in its service area shall determine collaboratively the most appropriate and

cost-effective provider of ICC services for children who are placed in or are at risk of being placed in residential care through the CSA program in accordance with guidelines developed by the State Executive Council and shall develop a local plan for ICC services that best meets the needs of those children and their families. If there is more than one CPMT in the CSB's service area, the CPMTs and the CSB may work together as a region to develop a plan for ICC services.

2.) If the CSB is identified as the provider of ICC services, it shall work in close collaboration with its CPMT(s) and Family Assessment and Planning Team(s) to implement ICC services, to assure adequate support for these services through local CSA funds, and to assure that all children receive appropriate assessment and care planning services. Examples of ICC activities include: efforts at diversion from more restrictive levels of care, discharge planning to expedite return from residential or facility care, and community placement monitoring and care coordination work with family members and other significant stakeholders. If it contracts with another entity to provide ICC services, the CSB shall remain fully responsible for ICC services, including monitoring the services provided under the contract.

i. **Electronic Health Record:** The CSB shall engage in actions necessary during the term of this contract to be able to implement not later than January 1, 2014 an electronic health record that has been fully certified and is listed by the Office of the National Coordinator for Health Information Technology - Authorized Testing and Certification Body to improve the quality and accessibility of services, streamline and reduce duplicate reporting and documentation requirements, obtain reimbursement for services, and exchange data with the Department and its state hospitals and training centers and other CSBs.

7. Department Responsibilities

a. **Funding:** The Department shall disburse the state general funds displayed in Exhibit A, subject to the CSB's compliance with the provisions of this contract, prospectively on a semi-monthly basis to the CSB. Payments may be revised to reflect funding adjustments. The Department shall disburse federal grant funds that it receives to the CSB in accordance with the requirements of the applicable federal grant and, wherever possible, prospectively on a semi-monthly basis. The Department shall make these payments in accordance with Exhibit E of this contract.

b. **State Facility Services**

1.) **Availability:** The Department shall make state facility services available, if appropriate, through its state hospitals and training centers, when individuals located in the CSB's service area meet the admission criteria for these services.

2.) **Bed Utilization:** The Department shall track, monitor, and report on the CSB's utilization of state hospital and training center beds and provide data to the CSB about individuals receiving services from its service area who are served in state hospitals and training centers as permitted under 45 CFR §§ 164.506 (c) (1), (2), and (4) and 164.512 (k) (6) (ii). The Department shall post state hospital and training center bed utilization by the CSB for all types of beds (adult, geriatric, child and adolescent, and forensic) on its Internet web site.

3.) **Continuity of Care:** The Department shall manage its state hospitals and training centers in accordance with State Board Policy 1035 to support service linkages with the CSB, including adherence to the applicable provisions of the Continuity of Care Procedures, attached to the CSB Administrative Requirements as Appendix A, and the current *Discharge Protocols for Community Services Boards and State Hospitals* and the current *Training Center – Community Services Board Admission and Discharge Protocols for Individuals with Intellectual Disabilities.* The Department shall assure its

state hospitals and training centers use teleconferencing technology to the extent practicable and whenever possible to facilitate the CSB's participation in treatment planning activities and fulfillment of its discharge planning responsibilities for individuals in state hospitals and training centers for whom it is the case management CSB.

4.) **Planning:** The Department shall involve the CSB, as applicable and to the greatest extent possible, in collaborative planning activities regarding the future role and structure of state hospitals and training centers.

5.) **Recovery Orientation:** The Department shall ensure that each state hospital shall implement a plan for assessing and increasing its recovery orientation over time, initially for adults with serious mental illnesses, in accordance with Section 5, Advancing the Vision, of the Partnership Agreement, and each state hospital shall report on its recovery orientation to the Department by the last business day of March in odd-numbered years.

c. **Quality of Care**

1.) **Measures:** The Department in collaboration with the VACSB Data Management and Quality Assurance Committees shall identify individual outcome, CSB provider performance, individual satisfaction, individual and family member participation and involvement measures, quality improvement measures, and emergency services and case management services performance expectations and goals, pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, and shall collect information about these measures and work with the CSB to use them as part of the Continuous Quality Improvement Process described in Exhibit B to improve services.

2.) **Clinical Consultation:** The Department may provide professional consultations to the CSB upon request for clinically complex or difficult or medically complicated cases within resources available for this purpose in the Department or its facilities and as permitted under 45 CFR § 164.506 (c) (1) when individuals receiving services or their authorized representatives have requested second opinions and with valid authorizations that comply with the Human Rights Regulations and the HIPAA Privacy Rule or when staff of the CSB request such consultations for individuals it serves in the community, if it is not able to provide those second opinions or obtain this consultation within its resources.

3.) **Utilization Management:** The Department shall work with the CSB, state hospitals and training centers serving it, and private providers involved with the public mental health, developmental, and substance abuse services system to implement regional utilization management procedures and practices reflected in the Regional Utilization Management Guidance document that by agreement of the parties is hereby incorporated into and made a part of this contract by reference.

4.) **Recovery Orientation:** The Department shall implement a plan for assessing and increasing its recovery orientation over time, initially for adults with serious mental illnesses, in accordance with Section 5, Advancing the Vision, of the Partnership Agreement and shall report on its recovery orientation on its web site by the last business day of March in odd-numbered years. It shall work with the CSB within the resources available to support the CSB's efforts to assess and increase its recovery orientation over time and review and provide feedback to the CSB on its efforts.

5.) **Continuity of Care:** In order to fulfill its responsibilities related to discharge planning, the Department shall comply with § 37.2-837 of the Code of Virginia, State Board Policy 1036, the current *Discharge Protocols for Community Services Boards and State Hospitals* and the current *Training Center - Community Services Board Admission and Discharge Protocols for Individuals with Intellectual Disabilities*, and the Continuity of Care Procedures, included in the CSB Administrative Requirements as Appendix A.

d. **Reporting Requirements**

1.) **Subsequent Reporting Requirements:** In accordance with State Board Policy 1037, the Department shall work with CSBs through the Virginia Association of Community Services Boards Data Management Committee (DMC) to ensure that current data and reporting requirements are consistent with each other and the current Core Services Taxonomy, the current Community Consumer Submission (CCS), and the Treatment Episode Data Set (TEDS) and other federal reporting requirements. The Department also shall work with CSBs through the DMC in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that the requirements are consistent with the current taxonomy, the current CCS, and the TEDS and other federal reporting requirements.

2.) **Community Consumer Submission:** The Department shall collaborate with CSBs through the DMC in the implementation and modification of the current CCS, which reports individual characteristic and service data that is required under § 37.2-508 or § 37.2-608 of the Code of Virginia, the federal Substance Abuse and Mental Health Services Administration, and Part C of Title XIX of the Public Health Services Act – Block Grants, §1943 (a) (3) and § 1971 and § 1949, as amended by Public Law 106-310, to the Department and is defined in the current CCS Extract Specifications and Design Specifications, including the current Business Rules. The Department will receive and use individual characteristic and service data disclosed by the CSB through the CCS as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (a) (1) and under § 32.1-127.1:03.D (6) of the Code of Virginia and shall implement procedures to protect the confidentiality of this information pursuant to § 37.2-504 or § 37.2-605 of the Code of Virginia and HIPAA.

3.) **Data Elements:** The Department shall work with CSBs through the DMC to standardize data definitions, cap or reduce the number of data elements required, review CSB business processes so that information is collected in a systematic manner, and support efficient extraction of required data from CSB electronic health record systems whenever this is possible.

4.) **Surveys:** The Department shall ensure that all surveys and requests for data have been reviewed for cost effectiveness and developed through a joint Department and CSB process. The Department shall comply with the Procedures for Approving CSB Surveys, Questionnaires, and Data Collection Instruments and Establishing Reporting Requirements, reissued by Commissioner James Stewart on March 4, 2011.

5.) **Streamlining Reporting Requirements:** The Department shall work with CSBs through the DMC to review existing reporting requirements including the current CCS to determine if they are still necessary and, if they are, to streamline and reduce the number of portals through which those reporting requirements are submitted as much as possible; to ensure reporting requirements are consistent with the current CCS Extract Specifications and Core Services Taxonomy; and to maximize the interoperability between Department and CSB data bases to support the electronic exchange of information and comprehensive data analysis.

e. **Compliance Requirements:** The Department shall comply with all applicable state and federal statutes and regulations, including those contained or referenced in the CSB Requirements and Exhibits F and K of this contract, as they affect the operation of this contract. Any substantive change in the CSB Administrative Requirements, except changes in statutory, regulatory, policy, or other requirements or in other documents incorporated by reference in it, which changes are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements or documents, shall constitute an amendment of this contract, made in accordance with applicable provisions of the Partnership Agreement, that requires a new contract signature

page, signed by both parties. If any laws or regulations that become effective after the execution date of this contract substantially change the nature and conditions of this contract, they shall be binding upon the parties, but the parties retain the right to exercise any remedies available to them by law or other provisions of this contract.

The Department and its state hospitals and training centers shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations promulgated thereunder by their compliance dates, except where the HIPAA requirements and applicable state law or regulations are contrary, and state statutes or regulations are more stringent, as defined in 45 CFR § 160.202, than the related HIPAA requirements. The Department and its state hospitals and training centers shall ensure that any sensitive data, including HIPAA-protected health information, personally identifiable information, and other confidential data, exchanged electronically with CSBs meets the requirements in the FIPS 140-2 standard and is encrypted using a method supported by the Department and CSB. The Department will use 256 bit encryption methods that are FIPS 140-2 compliant.

If the CSB's receipt of DAP or state facility reinvestment project funds causes it to be out of compliance with the 10 percent local matching funds requirement in § 37.2-509 of the Code of Virginia, the Department shall grant an automatic waiver of that requirement, related to the DAP or state facility reinvestment project funds, as authorized by that Code section and State Board Policy 4010.

f. **Communication:** The Department shall provide technical assistance and written notification to the CSB regarding changes in funding source requirements, such as regulations, policies, procedures, and interpretations, to the extent that those changes are known to the Department. The Department shall resolve, to the extent practicable, inconsistencies in state agency requirements that affect requirements in this contract. The Department shall provide any information requested by the CSB that is related to performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of the information requested.

g. **Regional Programs:** The Department may conduct utilization review or utilization management activities involving services provided by the CSB through a regional program. If such activities involve the disclosure of protected health information, the information may be used and disclosed as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (k) (6) (ii). If the CSB's participation in a regional program, as defined in the Regional Program Principles and the Regional Program Procedures in Appendices E and F of the current Core Services Taxonomy, causes it to be out of compliance with the 10 percent local matching funds requirement in § 37.2-509 of the Code of Virginia, the Department shall grant an automatic waiver of that requirement, related to the funds for that regional program, as authorized by that Code section and State Board Policy 4010.

h. **Peer Review Process:** The Department shall implement a process in collaboration with volunteer CSBs to ensure that at least five percent of community mental health and substance abuse programs receive independent peer reviews annually, per federal requirements and guidelines, to review the quality and appropriateness of services. The Department shall manage this process to ensure that peer reviewers do not monitor their own programs.

i. **Electronic Health Record:** The Department shall engage in actions necessary during the term of this contract to be able to implement not later than January 1, 2014 an electronic health record in its central office and state hospitals and training centers that has been fully certified and is listed by the Office of the National Coordinator for Health Information Technology - Authorized Testing and Certification Body to improve the quality and accessibility of services, streamline and reduce duplicate reporting and documentation requirements, obtain reimbursement for services, and exchange data with CSBs.

8. **Subcontracting:** The CSB may subcontract any requirements in this contract. The CSB shall remain fully and solely responsible and accountable for meeting all of its obligations and duties under this contract, including all services, terms, and conditions, without regard to its subcontracting arrangements. Subcontracting must comply with applicable statutes, regulations, and guidelines, including the Virginia Public Procurement Act. All subcontracted activities shall be formalized in written contracts between the CSB and subcontractors. The CSB agrees to provide copies of contracts or other documents to the Department on request.

   A subcontract means a written agreement between the CSB and another party under which the other party performs any of the CSB's obligations. Subcontracts, unless the context or situation supports a different interpretation or meaning, also may include agreements, memoranda of understanding, purchase orders, contracts, or other similar documents for the purchase of services or goods by the CSB from another organization or agency or a person on behalf of an individual. If the CSB hires an individual not as an employee but as a contractor (e.g., a part-time psychiatrist) to work in its programs, this does not constitute subcontracting under this section. CSB payments for rent or room and board in a non-licensed facility (e.g., rent subsidies or a hotel room) do not constitute subcontracting under this section, and the provisions of this section, except for compliance with the Human Rights regulations, do not apply to the purchase of a service for one individual.

   a. **Subcontracts:** The written subcontract must, as applicable and at a minimum, state the activities to be performed, the time schedule and duration, the policies and requirements, including data reporting, applicable to the subcontractor, the maximum amount of money for which the CSB may become obligated, and the manner in which the subcontractor will be compensated, including payment time frames. Subcontracts shall not contain provisions that require a subcontractor to make payments or contributions to the CSB as a condition of doing business with the CSB.

   b. **Subcontractor Compliance:** The CSB shall require that its subcontractors comply with the requirements of all applicable federal and state statutes, regulations, policies, and reporting requirements that affect or are applicable to the services included in this contract. The CSB shall require that its subcontractors submit to the CSB all required CCS 3 data on individuals they served and services they delivered in the applicable format so that the CSB can include this data in its CCS 3 submissions to the Department. The CSB shall require that any agency, organization, or person with which it intends to subcontract services that are included in this contract is fully qualified and possesses and maintains current all necessary licenses or certifications from the Department and other applicable regulatory entities before it enters into the subcontract and places individuals in the subcontracted service. The CSB shall require all subcontractors that provide services to individuals and are licensed by the Department to maintain compliance with the Human Rights Regulations adopted by the State Board. The CSB shall, to the greatest extent practicable, require all other subcontractors that provide services purchased by the CSB for individuals and are not licensed by the Department to develop and implement policies and procedures that comply with the CSB's human rights policies and procedures or to allow the CSB to handle allegations of human rights violations on behalf of individuals served by the CSB who are receiving services from such subcontractors. When it funds providers such as family members, neighbors, individuals receiving services, or others to serve individuals, the CSB may comply with these requirements on behalf of those providers, if both parties agree.

   c. **Subcontractor Dispute Resolution:** The CSB shall include contract dispute resolution procedures in its contracts with subcontractors.

   d. **Quality Improvement Activities:** The CSB shall, to the extent practicable, incorporate specific language in its subcontracts regarding their quality improvement activities. Each vendor that subcontracts with the CSB should have its own quality improvement system in place or should participate in the CSB's quality improvement program.

9. Terms and Conditions

a. **Availability of Funds:** The Department and the CSB shall be bound by the provisions of this contract only to the extent of the funds available or that may hereafter become available for the purposes of the contract.

b. **Compliance:** The Department may utilize a variety of remedies, including requiring a corrective action plan, delaying payments, and terminating the contract, to assure CSB compliance with this contract. Specific remedies, described in Exhibit I of this contract, may be taken if the CSB fails to satisfy the reporting requirements in this contract.

c. **Disputes:** Resolution of disputes arising from Department contract compliance review and performance management efforts or from actions by the CSB related to this contract may be pursued through the dispute resolution process in section 9.f, which may be used to appeal only the following conditions:

1.) reduction or withdrawal of state general or federal funds, unless funds for this activity are withdrawn by action of the General Assembly or federal government, or adjustment of allocations or payments pursuant to section 5 of this contract;

2.) termination or suspension of the contract, unless funding is no longer available;

3.) refusal to negotiate or execute a contract modification;

4.) disputes arising over interpretation or precedence of terms, conditions, or scope of the contract;

5.) determination that an expenditure is not allowable under this contract; or

6.) determination that the performance contract is void.

d. **Termination**

1.) The Department may terminate this contract immediately, in whole or in part, at any time during the contract period if funds for this activity are withdrawn or not appropriated by the General Assembly or are not provided by the federal government. In this situation, the obligations of the Department and the CSB under this contract shall cease immediately. The CSB and Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on individuals receiving services and CSB staff.

2.) The CSB may terminate this contract immediately, in whole or in part, at any time during the contract period if funds for this activity are withdrawn or not appropriated by its local government(s) or other funding sources. In this situation, the obligations of the CSB and the Department under this contract shall cease immediately. The CSB and Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on individuals receiving services and CSB staff.

3.) In accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia, the Department may terminate all or a portion of this contract, after unsuccessful use of the remediation process described in section 9.e and after affording the CSB an adequate opportunity to use the dispute resolution process described in section 9.f of this contract. A written notice specifying the cause must be delivered to the CSB's board chairperson and executive director at least 75 days prior to the date of actual termination of the contract. In the event of contract termination under these circumstances, only payment for allowable services rendered by the CSB shall be made by the Department.

e. **Remediation Process:** The remediation process mentioned in § 37.2-508 or § 37.2-608 of the Code of Virginia is an informal procedure that shall be used by the Department and the CSB to address a particular situation or condition identified by the Department or the CSB that may, if unresolved, result in termination of the contract, in accordance with the

provisions of section 9.d of this contract. The details of this remediation process shall be developed by the parties and added as an exhibit of this contract. This exhibit shall describe the situation or condition and include the performance measures that shall document a satisfactory resolution of the situation or condition.

f. **Dispute Resolution Process:** Disputes arising from any of the conditions in section 9.c of this contract shall be resolved using the following process.

1.) Within 15 days of the CSB's identification or receipt of a disputable action taken by the Department or of the Department's identification or receipt of a disputable action taken by the CSB, the party seeking resolution of the dispute shall submit a written notice to the Department's Director of Community Contracting, stating its desire to use the dispute resolution process. The written notice must describe the condition, nature, and details of the dispute and the relief sought by the party.

2.) The Director of Community Contracting shall review the written notice and determine if the dispute falls within the conditions listed in section 9.c. If it does not, the Director of Community Contracting shall notify the party in writing within seven days of receipt of the written notice that the dispute is not subject to this dispute resolution process. The party may appeal this determination to the Commissioner in writing within seven days of its receipt of the Director's written notification.

3.) If the dispute falls within the conditions listed in section 9.c, the Director of Community Contracting shall notify the party within seven days of receipt of the written notice that a panel will be appointed within 15 days to conduct an administrative hearing.

4.) Within 15 days of notification to the party, a panel of three or five disinterested persons shall be appointed to hear the dispute. The CSB shall appoint one or two members; the Commissioner shall appoint one or two members; and the appointed members shall appoint the third or fifth member. Each panel member will be informed of the nature of the dispute and be required to sign a statement indicating that he has no interest in the dispute. Any person with an interest in the dispute shall be relieved of panel responsibilities and another person shall be selected as a panel member.

5.) The Director of Community Contracting will contact the parties by telephone and arrange for a panel hearing at a mutually convenient time, date, and place. The panel hearing shall be scheduled not more than 15 days after the appointment of panel members. Confirmation of the time, date, and place of the hearing will be communicated to all parties at least seven days in advance of the hearing.

6.) The panel members shall elect a chairman and the chairman shall convene the panel. The party requesting the panel hearing shall present evidence first, followed by the presentation of the other party. The burden shall be on the party requesting the panel hearing to establish that the disputed decision or action was incorrect and to present the basis in law, regulation, or policy for its assertion. The panel may hear rebuttal evidence after the initial presentations by the CSB and the Department. The panel may question either party in order to obtain a clear understanding of the facts.

7.) Subject to provisions of the Freedom of Information Act, the panel shall convene in closed session at the end of the hearing and shall issue written recommended findings of fact within seven days of the hearing. The recommended findings of fact shall be submitted to the Commissioner for a final decision.

8.) The findings of fact shall be final and conclusive and shall not be set aside by the Commissioner unless they are (1) fraudulent, arbitrary, or capricious; (2) so grossly erroneous as to imply bad faith; (3) in the case of termination of the contract due to failure to perform, the criteria for performance measurement are found to be erroneous, arbitrary, or capricious; or (4) not within the CSB's purview.

9.) The final decision shall be sent by certified mail to both parties no later than 60 days after receipt of the written notice from the party invoking the dispute resolution process.

10.) Multiple appeal notices shall be handled independently and sequentially so that an initial appeal will not be delayed by a second appeal.

11.) The CSB or the Department may seek judicial review of the final decision as provided in § 2.2-4365 of the Code of Virginia in the Circuit Court for the City of Richmond within 30 days of receipt of the final decision.

g. **Contract Amendment:** This contract, including all exhibits and incorporated documents, constitutes the entire agreement between the Department and the CSB. The services identified in Exhibit A of this contract may be revised in accordance with the performance contract revision instructions contained in Exhibit E of this contract. Other provisions of this contract may be amended only by mutual agreement of the parties, in writing and signed by the parties hereto.

h. **Liability:** The CSB shall defend or compromise, as appropriate, all claims, suits, actions, or proceedings arising from its performance of this contract. The CSB shall obtain and maintain sufficient liability insurance to cover claims for bodily injury and property damage and suitable administrative or directors and officers liability insurance. These responsibilities may be discharged by means of a proper and sufficient self-insurance program operated by the state or a city or county government. The CSB shall provide a copy of any such policy or program to the Department upon request. This contract is not intended to and does not create by implication or otherwise any basis for any claim or cause of action by a person or entity not a party to this contract arising out of any claimed violation of any provision of this contract, nor does it create any claim or right on behalf of any person to services or benefits from the CSB or the Department.

i. **Fraud:** All CSB financial transactions that are the result of fraud or mismanagement shall become the sole liability of the CSB, and the CSB shall refund any state or federal funds disbursed by the Department to it that were involved in those financial transactions. The CSB shall ensure that new CSB board members receive training annually on their fiduciary responsibilities under applicable provisions of the Code of Virginia and this contract.

j. **Constitution of the CSB:** The resolutions or ordinances currently in effect that were enacted by the governing body or bodies of the local government or governments to establish the CSB are consistent with applicable statutory requirements in §§ 37.2-500, 37.2-501, and 37.2-502 or §§ 37.2-601, 37.2-602, and 37.2-603 of the Code of Virginia and accurately reflect the current purpose, roles and responsibilities, local government membership, number and type of CSB board member appointments from each locality, and the CSB's relationship with its local government or governments.

k. **Severability:** Each paragraph and provision of this contract is severable from the entire contract, and the remaining provisions shall nevertheless remain in full force and effect if any provision is declared invalid or unenforceable.

10. **Areas for Future Resolution:** On an ongoing basis, the CSB and the Department agree to work together to identify and resolve barriers and policy and procedural issues that interfere with the most effective and efficient delivery of public services. This section identifies issues and topics that the CSB and the Department agree to work on collaboratively during the term of this contract in order to resolve them during that period or later, if necessary. Issues and topics may be added at any time by mutual agreement through amendment of this contract. The CSB or representatives of the CSB and the Department will establish work groups where appropriate to address these issues and topics. The Department and the CSB also may address issues and topics through the System Leadership Council, described in the Partnership Agreement.

a. **Mental Health and Substance Abuse Services Performance Expectations and Goals:** Review results of the previous year's implementation and consider revisions of performance expectations and goals that address emergency services and case management services and expand this continuous quality improvement approach to other services provided by the CSB, including preadmission screening and discharge planning and local, regional, and statewide utilization management, and to state facility operations.

b. **Data Quality and Use:** Work collaboratively through the VACSB Data Management Committee to monitor and increase the timeliness and quality of data submitted through the current CCS and to move beyond the current ways of collecting, analyzing, and using information, including the current CCS and other systems, by establishing a shared vision of future data exchange that (i) takes advantage of changes in technology, (ii) identifies key data elements to collect and the best ways in which to collect them, and (iii) establishes a mechanism to consolidate and store information that promotes the development and understanding of outcomes.

c. **Quality Improvement Measures:** Work collaboratively to develop and implement a small number of quality improvement measures for behavioral health and developmental services that (1) use existing data to the greatest extent possible, (2) reflect and support the Vision Statement in State Board Policy 1036 and *Creating Opportunities* initiatives, (3) provide regular quarterly feedback directly to individual CSBs and state facilities for their use in improving services, and (4) are posted on the Department's web site for public accessibility.

d. **Individual Satisfaction Surveys:** Work collaboratively through the VACSB Data Management and Quality Improvement Committees to review the content, administration, and reporting results of surveys listed in section 6.b.4.) c.) to ensure the most efficient and effective measurement and reporting of individual satisfaction with CSB services.

11. Signatures: In witness thereof, the Department and the CSB have caused this performance contract to be executed by the following duly authorized officials.

Virginia Department of Behavioral Health And Developmental Services

By: _____

Name: James W. Stewart, III
Title: Commissioner

Date: _____

Chesterfield Community Services Board

CSB

By: _____

Name: Vincent Burgess
Title: CSB Chairperson

Date: June 15, 2012

Approved As To Form

Assistant County Attorney

By: _____

Name: Debbie Burcham
Title: CSB Executive Director

Date: June 15, 2012

FY2013 Community Services Performance Contract

Exhibit A: Resources and Services

Chesterfield Community Services Board

Consolidated Budget (Pages AF-3 through AF-7)				
Funding Sources	Mental Health Services	Developmental Services	Substance Abuse Services	TOTAL
State Funds	3,623,509	81,760	928,921	4,634,190
Local Matching Funds	4,347,491	4,378,842	1,582,167	10,308,500
Total Fees	3,578,500	14,673,000	558,800	18,810,300
Transfer Fees In/(Out)	0	0	0	0
Federal Funds	94,654	0	857,512	952,166
Other Funds	90,000	624,698	6,700	721,398
State Retained Earnings	0	0	0	0
Federal Retained Earnings	0		0	0
Other Retained Earnings	0	0	0	0
Subtotal Funds	**11,734,154**	**19,758,300**	**3,934,100**	**35,426,554**
State Funds One-Time	0		0	0
Federal Funds One-Time	0		0	0
Subtotal One -Time Funds	**0**	**0**	**0**	**0**
TOTAL ALL FUNDS	**11,734,154**	**19,758,300**	**3,934,100**	**35,426,554**

Cost for MH/DV/SA	**10,108,254**	**19,758,300**	**3,934,100**	**33,800,654**
Cost for Services Available Outside of a Program Area (SAOPA) (AP-4)				**1,625,900**
Total Cost				**35,426,554**

Local Match Computation	
Total State Funds	4,634,190
Total Local Matching Funds	10,308,500
Total State and Local Funds	14,942,690
Total Local Match % (Local/Total State + Local)	**68.99%**

Administrative Expenses	
Total Admin. Expenses	3,628,200
Total Expenses	35,426,554
Administrative Percent	**10.24%**

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Mental Health (MH) Services

Chesterfield Community Services Board

Funding Sources	Funds
FEES	
MH Medicaid Fees	3,134,700
MH Fees: Other	443,800
Total MH Fees	3,578,500
MH Transfer Fees In/(Out)	0
MH NET FEES	3,578,500
FEDERAL FUNDS	
MH FBG SED Child & Adolescent (93.958)	81,533
MH FBG SMI (93.958)	13,121
MH FBG SMI PACT (93.958)	0
MH FBG SMI SWVMH Board (93.958)	0
Total MH FBG SMI Funds	13,121
MH FBG Geriatrics (93.958)	0
MH FBG Consumer Services (93.958)	0
Total MH FBG Adult Funds	13,121
MH Federal PATH (93.150)	0
MH Other Federal - DBHDS	0
MH Other Federal - CSB	0
TOTAL MH FEDERAL FUNDS	94,654
STATE FUNDS	
Regional Funds	
MH Acute Care (Fiscal Agent)	0
MH Regional DAP (Fiscal Agent)	0
MH Crisis Stabilization (Fiscal Agent)	0
MH Recovery (Fiscal Agent)	0
MH Other Regional (Fiscal Agent)	0
MH Total RegionalTransfer In/(Out)	875,783
Total MH Net Regional Funds	875,783
Children's Funds	
MH Child & Adolescent Services Initiative	186,165
MH Children's Outpatient	14,080
Total Restricted MH Children's Funds	200,245
MH State Children's Services	25,000
MH Juvenile Detention	111,724
MH Demo Proj-System of Care (Child)	0
Total Unrestricted MH Children's Funds	136,724
Total MH State Children's Funds (Restricted for Children)	336,969

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Mental Health (MH) Services

Chesterfield Community Services Board

Funding Sources	Funds
Other State Funds	
MH Law Reform	397,790
MH Pharmacy - Medication Supports	425,863
MH Jail Diversion/Service	180,500
MH Expanded Community Capacity (Fiscal Agent)	0
MH Expanded Community Capacity Transfer In/(Out)	0
Total MH Net Expanded Community Capacity	0
Total Restricted MH Other State Funds	1,004,153
MH State Funds	1,195,238
MH State Regional Deaf Services	50,000
MH State NGRI Funds	0
MH PACT	0
MH Discharge Assistance (DAP)	161,366
MH Geriatric Services	0
Total Unrestricted MH Other State Funds	1,406,604
Total MH Other State Funds	2,410,757
TOTAL MH STATE FUNDS	3,623,509
OTHER FUNDS	
MH Other Funds	90,000
MH Federal Retained Earnings	0
MH State Retained Earnings	0
MH State Retained Earnings - Regional Prog	0
MH Other Retained Earnings	0
TOTAL MH OTHER FUNDS	90,000
LOCAL MATCHING FUNDS	
MH Local Government Appropriations	4,347,491
MH Philanthropic Cash Contributions	0
MH In-Kind Contributions	0
MH Local Interest Revenue	0
TOTAL MH LOCAL MATCHING FUNDS	4,347,491
TOTAL MH FUNDS	11,734,154
ONE-TIME FUNDS	
MH FBG SMI (93.958)	0
MH FBG SED Child & Adolescent (93.958)	0
MH State Funds	0
TOTAL MH ONE-TIME FUNDS	0
TOTAL All MH FUNDS	11,734,154

Report Date 6/15/2012

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Developmental (DV) Services

Chesterfield Community Services Board

Funding Sources	Funds
FEES	
DV Medicaid Fees	12,553,100
DV Medicaid ICF/MR	1,042,500
DV Fees: Other	1,077,400
Total DV Fees	14,673,000
DV Transfer Fees In/(Out)	0
DV NET FEES	14,673,000
FEDERAL FUNDS	
DV Other Federal - DBHDS	0
DV Other Federal - CSB	0
TOTAL DV FEDERAL FUNDS	0
STATE FUNDS	
DV State Funds	73,320
DV OBRA	8,440
Total DV Unrestricted State Funds	81,760
DV Crisis Stabilization (Fiscal Agent)	0
DV Crisis Stabilization Transfer In/(Out)	0
Total DV Net Crisis Stabilization (Restricted)	0
DV Trust Fund (Restricted)	0
Total DV Restricted State Funds	0
TOTAL DV STATE FUNDS	81,760
OTHER FUNDS	
DV Workshop Sales	474,500
DV Other Funds	150,198
DV State Retained Earnings	0
DV Other Retained Earnings	0
TOTAL DV OTHER FUNDS	624,698
LOCAL MATCHING FUNDS	
DV Local Government Appropriations	4,378,342
DV Philanthropic Cash Contributions	500
DV In-Kind Contributions	0
DV Local Interest Revenue	0
TOTAL DV LOCAL MATCHING FUNDS	4,378,842
TOTAL DV FUNDS	19,758,300
ONE-TIME FUNDS	———
TOTAL ALL DV FUNDS	19,758,300

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Substance Abuse (SA) Services

Chesterfield Community Services Board

Funding Sources	Funds
FEES	
SA Medicaid Fees	63,500
SA Fees: Other	495,300
Total SA Fees	558,800
SA Transfer Fees In/(Out)	0
SA NET FEES	558,800
FEDERAL FUNDS	
SA FBG Alcohol/Drug Trmt (93.959)	540,896
SA FBG SARPOS (93.959)	40,270
SA FBG Jail Services (93.959)	0
SA FBG Co-Occurring (93.959)	0
SA FBG New Directions (93.959)	0
SA FBG Recovery (93.959)	0
Total SA FBG A/D Trmt Funds	581,166
SA FBG Women (Includes LINK at 6 CSBs) (93.959)	62,639
SA FBG Prevention-Women (LINK) (93.959)	0
Total SA FBG Women Funds	62,639
SA FBG Prevention (93.959)	165,107
SA FBG Prev-Strengthening Families (93.959)	48,600
Total SA FBG Prevention Funds	213,707
SA Other Federal - DBHDS	0
SA Other Federal - CSB	0
TOTAL SA FEDERAL FUNDS	857,512
STATE FUNDS	
Regional Funds	
SA Facility Reinvestment (Fiscal Agent)	0
SA Facility Reinvestment Transfer In/(Out)	0
SA Net Facility Reinvestment Funds	0
Other State Funds	
SA Women (Includes LINK at 4 CSBs) - Restricted	1,500
SA State Funds	875,131
SA Region V Residential	0
SA Jail Services/Juv Detention	0
SA MAT - Medically Assisted Treatment	0
SA SARPOS	52,290
SA Recovery	0
SA HIV/AIDS	0
Total Unrestricted SA Other State Funds	927,421
Total SA Other State Funds	928,921
TOTAL SA STATE FUNDS	928,921

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Substance Abuse (SA) Services

Chesterfield Community Services Board

Funding Sources	Funds
OTHER FUNDS	
SA Other Funds	6,700
SA Federal Retained Earnings	0
SA State Retained Earnings	0
SA State Retained Earnings-Regional Prog	0
SA Other Retained Earnings	0
TOTAL SA OTHER FUNDS	6,700
LOCAL MATCHING FUNDS	
SA Local Government Appropriations	1,582,167
SA Philanthropic Cash Contributions	0
SA In-kind Contributions	0
SA Local Interest Revenue	0
TOTAL SA LOCAL MATCHING FUNDS	1,582,167
TOTAL SA FUNDS	3,934,100
ONE TIME FUNDS	
SA FBG Alcohol/Drug Trmt (93.959)	0
SA FBG Women (includes LINK at 6 CSBs) (93.959)	0
SA FBG Prevention (93.959)	0
SA State Funds	0
TOTAL ONE TIME SA FUNDS	0
TOTAL ALL SA FUNDS	3,934,100

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

Local Government Tax Appropriations

Chesterfield Community Services Board

City/County	Tax Appropriation
Chesterfield County	10,308,000
Total Local Government Tax Funds:	**10,308,000**

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

Supplemental Information

Reconciliation of Projected Revenues and (Core Services) Costs by Program Area

Chesterfield Community Services Board

	MH Services	DV Services	SA Services	SAOPA *	Total
Total All Funds (Page AF-1)	11,734,154	19,758,300	3,934,100		35,426,554
Cost for MH, DV, SA, and SAOPA Services (Page AF-1)	10,108,254	19,758,300	3,934,100	1,625,900	35,426,554
Difference	1,625,900	0	0	-1,625,900	0

* Services Available Outside of a Program Area

Difference results from

Other 0

Explanation of Other in Table Above:

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

CSB 100 Mental Health Services

Chesterfield Community Services Board

Report for Form 11

Core Services Code	Costs
250 Acute Psychiatric or SA Inpatient Services	$299,954
310 Outpatient Services	$4,706,700
350 Assertive Community Treatment	$698,000
320 Case Management Services	$1,714,000
425 Rehabilitation or Habilitation	$974,200
460 Individual Supported Employment	$474,800
501 Highly Intensive Residential Services	$85,100
551 Supervised Residential Services	$0
581 Supportive Residential Services	$1,155,500
Total Costs	**$10,108,254**

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

CSB 200 Developmental Services

Chesterfield Community Services Board

Report for Form 21

Core Services Code	Costs
310 Outpatient Services	$12,400
320 Case Management Services	$2,671,500
425 Rehabilitation or Habilitation	$2,532,000
465 Group Supported Employment	$3,934,900
460 Individual Supported Employment	$1,344,800
501 Highly Intensive Residential Services	$1,096,900
521 Intensive Residential Services	$7,560,300
551 Supervised Residential Services	$61,700
581 Supportive Residential Services	$543,800
Total Costs	**$19,758,300**

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

CSB 300 Substance Abuse Services

Chesterfield Community Services Board

Report for Form 31

Core Services Code	Costs
250 Acute Psychiatric or SA Inpatient Services	$19,900
260 Community-Based SA Medical Detox Inpatient Services	$4,000
310 Outpatient Services	$2,855,730
335 Medication Assisted Treatment Services	$36,000
320 Case Management Services	$40,400
501 Highly Intensive Residential Services	$16,000
510 Residential Crisis Stabilization Services	$0
521 Intensive Residential Services	$40,270
610 Prevention Services	$921,800
Total Costs	**$3,934,100**

FY 2013 Community Services Performance Contract
Exhibit A: Resources and Services
CSB 400 Services Available Outside of a Program Area
Chesterfield Community Services Board

Report for Form 01

Core Services Code	Costs
100 Emergency Services	$1,224,700
720 Assessment and Evaluation Services	$220,900
620 Early Intervention Services	$180,300
Total Costs	**$1,625,900**

Exhibit B: Continuous Quality Improvement (CQI) Process

Introduction: The Department shall continue to work with CSBs to achieve a welcoming, recovery-oriented, integrated services system, a transformed system for individuals receiving services and their families in which CSBs, state facilities, programs, and services staff, in collaboration with individuals and their families, are becoming more welcoming, recovery-oriented, and co-occurring disorder capable. The process for achieving this goal within limited resources is to build a system-wide CQI process in a partnership among CSBs, the Department, and other stakeholders in which there is a consistent shared vision combined with a measurable and achievable implementation process for each CSB to make progress toward this vision. This contract and section II.A.10 of the CSB Administrative Requirements provide further clarification for those implementation activities, so that each CSB can be successful in designing a performance improvement process at the local level.

Meaningful performance expectations are part of a CQI process being developed and supported by the Department and the CSB that will monitor the CSB's progress in achieving those expectations to improve the quality, accessibility, integration and welcoming, person-centeredness, and responsiveness of services locally and to provide a platform for system-wide improvement efforts. Generally, performance expectations reflect requirements based in statute, regulation, or policy. The capacity to measure progress in achieving performance expectations and goals, provide feedback, and plan and implement CQI strategies shall exist at local, regional, and state levels.

Implementing the CQI process will be a multi-year, iterative, and collaborative effort to assess and enhance CSB and system-wide performance over time through a partnership among CSBs and the Department in which they are working to achieve a shared vision of a transformed services system. In this process, CSBs and the Department engage with stakeholders to perform meaningful self-assessments of current operations, determine relevant CQI performance expectations and goals, and establish benchmarks for goals, determined by baseline performance, to convert those goals to expectations. Because this CQI process focuses on improving services and to strengthen the engagement of CSBs in this process and preserve essential services for individuals, funding will not be based on or associated with CSB performance in achieving these expectations and goals. The Department and the CSB may negotiate CSB performance measures in Exhibit D reflecting actions or requirements to meet expectations and goals in the CSB's CQI plan. As this joint CQI process evolves and expands, the Department and the Virginia Association of Community Services Boards will utilize data and reports submitted by CSBs to conduct a broader scale evaluation of service system performance and identify opportunities for CQI activities across all program areas.

Pursuant to Section 7: Accountability in the Community Services Performance Contract Central Office, State Facility, and CSB Partnership Agreement, the CSB provides the following affirmations of its compliance with the listed performance expectations and goals. If the CSB cannot provide a particular affirmation, it shall attach an explanation to this exhibit with a plan for complying with the identified expectation or goal, including specific actions and target dates. The Department will review this plan and negotiate any changes with the CSB, whereupon, it will be part of this exhibit.

I. CQI Performance Expectations and Goals for Emergency Services

A. General Performance Goal and Expectation Affirmations

1. For individuals hospitalized through the civil involuntary admission process in a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital, including those who were under a temporary detention or an involuntary commitment order or were admitted voluntarily from a commitment hearing, and referred to the CSB, the CSB that will provide services upon the individual's discharge has in place a protocol to engage those individuals in appropriate CSB services and supports upon their return to the community. The CSB monitors and strives to increase the rate at which these

individuals keep scheduled face-to-face (non-emergency) service visits within seven business days after discharge from the hospital or unit. Since these individuals frequently experience co-occurring mental health and substance use disorders, CSB services are planned as co-occurring capable and promote successful engagement of these individuals in continuing integrated care. The CSB shall provide this protocol to the Department upon request. During its inspections, the Department's Licensing Office may examine this protocol to verify this affirmation as it reviews the CSB's policies and procedures.

B. Emergency Services Performance Goal and Expectation Affirmations

1. Telephone access to clinicians employed or contracted by the CSB to provide emergency services is available 24 hours per day, seven days per week. Initial telephone responders in emergency services triage calls are able to link callers with emergency needs with a preadmission screening evaluator within 15 minutes of his or her initial call.

2. When an immediate face-to-face intervention by a certified preadmission screening evaluator is appropriate to determine the possible need for involuntary hospitalization, the intervention is completed by a certified preadmission screening evaluator who is available within one hour of initial contact for urban CSBs and within two hours of initial contact for rural CSBs. Urban and rural CSBs are defined and listed in the current Overview of Community Services in Virginia, available at www.dbhds.virginia.gov/OCC-default.htm.

II. Co-Occurring Mental Health and Substance Use Disorder Performance Expectation Affirmations

A. The CSB ensures that, as part of its regular intake processes, every adolescent (ages 12 to 18) and adult presenting for mental health or substance abuse services is screened, based on clear clinical indications noted in the services record or use of a validated brief screening instrument, for co-occurring mental health and substance use disorders. If screening indicates a need, the CSB assesses the individual for co-occurring disorders. During its on-site reviews, staff from the Department's Office of Substance Abuse Services may examine a sample of service records to verify this affirmation.

B. If the CSB has not conducted an organizational self-assessment of service integration in the last three years using the COMPASS, COMPASSEZ, or DDCAT/DDMHT tool as part of the Virginia System Integration Project (VASIP) process, the CSB conducts an organizational self-assessment of service integration during the term of this contract with one of these tools and uses the results of this self-assessment as part of its continuous quality improvement plan and process. The CSB shall provide the results of its continuous quality improvement activities for service integration to the Department's Office of Substance Abuse Services during its on-site review of the CSB.

C. In the CSB's information system, individuals are identified as having co-occurring mental health and substance use disorders if there is (1) an Axis I or Axis II mental health diagnosis and (a) an Axis I substance use disorder diagnosis or (b) admission to the substance abuse program area (denoted in a type of care record) or (2) an Axis I substance use disorder diagnosis and (a) an Axis I or Axis II mental health diagnosis or (b) admission to the mental health program area (denoted in a type of care record). The Department will monitor this affirmation by analyzing the CSB's CCS 3 submissions and reviewing any continuous quality improvement plan submitted by the CSB.

III. Data Quality Performance Expectation Affirmations

A. The CSB submits 100 percent of its monthly CCS consumer, type of care, and services file extracts to the Department in accordance with the schedule in Exhibit E of this contract and the current CCS 3 Extract Specifications and Business Rules, a submission for each month by the end of the following month for which the extracts are due. The Department will

monitor this measure quarterly by analyzing the CSB's CCS submissions and may negotiate an Exhibit D with the CSB if it fails to meet this goal for more than two months in a quarter.

B. The CSB monitors the total number of consumer records rejected due to fatal errors divided by the total consumer records in the CSB's monthly CCS consumer extract file. If the CSB experiences a fatal error rate of more than five percent of its CCS consumer records in more than one monthly submission, the CSB develops and implements a data quality improvement plan to achieve the goal of no more than five percent of its CCS consumer records containing fatal errors within a timeframe negotiated with the Department. The Department will monitor this affirmation by analyzing the CSB's CCS submissions.

C. The CSB ensures that all required CCS data is collected and entered into its information system when a case is opened or an individual is admitted to a program area, updated at least annually when an individual remains in service that long, and updated when an individual is discharged from a program area or his case is closed. The CSB identifies situations where data is missing or incomplete and implements a data quality improvement plan to increase the completeness, accuracy, and quality of CCS data that it collects and reports. The CSB monitors the total number of individuals without service records submitted showing receipt of any substance abuse service within the prior 90 days divided by the total number of individuals with a TypeOfCare record showing a substance abuse discharge in those 90 days. If more than 10 percent of the individuals it serves have not received any substance abuse service within the prior 90 days and have not been discharged from the substance abuse program area, the CSB develops and implements a data quality improvement plan to reduce that percentage to no more than 10 percent. The Department will monitor this affirmation by analyzing the CSB's CCS submissions.

IV. Employment and Housing Opportunities Expectation Affirmations

A. The CSB reviews and revises, if necessary, its joint written agreement, required by subdivision A.12 of § 37.2-504 or subsection 14 of § 37.2-605 of the Code of Virginia, with the Department of Aging and Rehabilitative Services (DARS) regional office to ensure the availability of employment services and specify DARS services to be provided to individuals receiving services from the CSB. The CSB works with employment service organizations (ESOs) where they exist to support the availability of employment services and identify ESO services available to individuals receiving services from the CSB.

B. The CSB ensures that its staff asks individuals currently receiving services from the CSB if they want to work and when appropriate and as practicable engages them in seeking employment services in a timely manner.

C. The CSB reviews and revises, if necessary, its joint written agreements, required by subdivision 12 of subsection A of § 37.2-504 or subsection 14 of § 37.2-605 of the Code of Virginia, with public housing agencies, where they exist, and works with planning district commissions, local governments, private developers, and other stakeholders to maximize federal, state, and local resources for the development of and access to affordable housing and appropriate supports for individuals receiving services from the CSB.

D. The CSB works with the Department through the VACSB Data Management Committee, at the direction of the VACSB Executive Directors Forum, to collaboratively establish clear employment and stable housing policy and outcome goals and develop and monitor key housing and employment indicators.

V. Continuous Quality Improvement Process Measures

The CSB agrees to monitor and collect data and report on the following measure, using the attached Exhibit B Required Measures Report, and to use data from the Department or other sources to monitor its accomplishment of the performance expectations and goals in this exhibit.

Expectation or Goal Measure

I.A.1. The CSB agrees to monitor and report quarterly to the Department on the percentage of individuals referred to the CSB who keep a face-to-face (non-emergency) service visit within seven business days after having been discharged from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital following involvement in the civil involuntary admission process. This includes all individuals referred to the CSB upon discharge from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital who were under a temporary detention or an involuntary commitment order or who were admitted voluntarily from a commitment hearing. The Department agrees to monitor part of this measure through comparing AVATAR data on individuals discharged from state hospitals to the CSB with CCS data about their admission to the mental health program area and dates of service after discharge from the hospital or unit.

VI. Continuous Quality Improvement Data Feedback

The Department shall provide regular reports to the CSB on the completeness and validity of its CCS 3 individual and service data to improve data quality and integrity. When requested by the Department, the CSB executive director shall develop and submit a plan of correction to remedy persistent deficiencies in the CSB's CCS 3 submissions (e.g., a persistent fatal error rate of more than 10 percent of its CCS consumer records) and, upon approval of the Department, shall implement the plan of correction. Persistent deficiencies that are not resolved through this process shall be addressed with a CSB Performance Measure in Exhibit D.

VII. Quality Improvement Measures: The CSB and Department agree to use Behavioral Health Quality Improvement Measures, developed by the Department in collaboration with the VACSB Data Management and Quality Assurance Committees and available on the Department's web site at www.dbhds.virginia.gov, to monitor outcome and performance measures for CSBs.

VIII. CSB Performance Measure: Access to Substance Abuse Services for Pregnant Women

Measure	Substance Abuse Services Access for Pregnant Women
Source of Requirement	SAPT Block Grant
Type of Measure	Aggregate
Data Needed For Measure	Number of Pregnant Women Requesting Service
	Number of Pregnant Women Receiving Services Within 48 Hours
Reporting Frequency	Annually
Reporting Mechanism	Performance Contract Reports (CARS)

Signature: In witness thereof, the CSB provides the affirmations in this Exhibit and in section II.A.10 of the CSB Administrative Requirements and agrees to monitor and collect data and report on the measures in sections V and VIII and use data from the Department or other sources to monitor accomplishment of performance expectations and goals in this Exhibit and affirmations in section II.A.10, as denoted by the signature of the CSB's Executive Director.

Chesterfield Community Services Board

By: Debbie Burcham

CSB

Approved As To Form

Assistant County Attorney

Name: Debbie Burcham

Title: **CSB Executive Director**

Date: June 15, 2012

FY 2013 Exhibit B Quarterly Required Measure Report						
Date of Report:		**Quarter:**	First	Second	Third	Fourth Quarter
CSB Name:		**Contact Name:**				
Contact Telephone Number:		**E-Mail Address:**				

Exh. B	Expectation or Goal Measure	Data	Data Reported
I.A.1	Percentage of individuals referred to the CSB who keep a face-to-face (non-emergency) service visit within seven business days after having been discharged from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital following involvement in the civil involuntary admission process. This includes all individuals referred to the CSB upon discharge from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital who were under a temporary detention order or an involuntary commitment order or who were admitted voluntarily from a commitment hearing.		Number of individuals who kept scheduled face-to-face (non-emergency) service visits within seven business days of discharge from the hospital or unit in this quarter.
			Number of individuals who were discharged to the CSB from the hospital or unit in this quarter.
		%	Enter 1st number ÷ by 2nd number x 100.

Signatures: In witness thereof, the Department and the CSB have caused this performance contract amendment to be executed by the following duly authorized officials.

Virginia Department of Behavioral Health and Developmental Services

By: _____

Name: James W. Stewart, III
Title: Commissioner

Date: _____

Chesterfield Community Services Board

_____
CSB

By: _____

Name: Vincent Burgess
Title: Chairperson of the CSB

Date: June 15, 2012

By: _____

Name: Debbie Burcham
Title: CSB Executive Director

Date: June 15, 2012

Approved As To Form

Assistant County Attorney

FY 2013 Exhibit E: Performance Contract Process

05-07-12: The Department distributes the FY 2013 Performance Contract and FY 2013 Letters of Notification to CSBs electronically with enclosures that show tentative allocations of state and federal block grant funds. Another enclosure may list performance measures that have been negotiated with a CSB to be included in Exhibit D of the contract. The Department's Office of Information Technology Services (OITS) completes distribution of the FY 2013 Community Services Performance Contract package software in the Community Automated Reporting System (CARS) to CSBs.

06-15-12: Exhibits A and H and other parts of the FY 2013 Community Services Performance Contract, submitted electronically in CARS, are due in the OITS in time to be received by this date. Tables 1 and 2 of the Performance Contract Supplement (also in CARS) must be submitted with the contract. While a paper copy of the complete contract is not submitted, paper copies of the following completed pages with signatures where required are due in the Office of Community Contracting (OCC) by this date: the signature page of the contract body; the signature page in Exhibit B; Exhibit D, if applicable; Exhibit F (two pages); Exhibit G, and Exhibit J (if applicable).

Contracts must conform to Letter of Notification allocations of state and federal funds or amounts subsequently revised by or negotiated with the OCC and confirmed in writing and must contain actual appropriated amounts of local matching funds. If the CSB cannot include the minimum 10 percent local matching funds in the contract, it must submit a written request for a waiver of the matching funds requirement, pursuant to § 37.2-509 of the Code of Virginia and State Board Policy 4010, to the OCC with its contract. This requirement also applies to end of the fiscal year performance contract reports if the reports reflect less than the minimum 10 percent local matching funds.

06-29-12: CSB Financial Analysts in the Department's Office of Fiscal and Grants Management prepare Electronic Data Interchange (EDI) transfers for the *first two semi-monthly payments* (July) of state and federal funds for all CSBs and send the requests to the Department of Accounts.

07-13-12: CSB Financial Analysts receive authorizations to prepare EDI transfers for *payments 3 through 6* (August and September) of state and federal funds for CSBs whose contracts were received and determined to be complete by this date and, after the OCC Administrator authorizes their release, prepare and send the transfers to the Department of Accounts. Payments will not be released without complete contracts, as defined in item 1 of Exhibit I. For a CSB whose contract is received after this date, EDI transfers for these four semi-monthly payments will be processed if the contract is complete and funds will be disbursed with the next scheduled payment.

07-13-12: The OITS distributes FY 2012 end of the fiscal year performance contract report software (CARS).

07-31-12: CSBs submit their Community Consumer Submission (CCS) consumer, type of care, and service extract files for June to the OITS in time to be received by this date.

07-31-12: Department staff complete reviews by this date of FY 2013 contracts received by the due date that are complete and acceptable. Contracts received after that date will be processed in the order in which they are received.

1. The **Office of Fiscal and Grants Management** (OFGM) analyzes the revenue information in the contract for conformity to Letter of Notification allocations and advises the CSB to revise and resubmit financial forms in Exhibit A of its contract.
2. The **Offices of Mental Health, Child and Family, Developmental,** and **Substance Abuse Services** review and approve new service proposals and consider program issues related to existing services based on Exhibit A.

3. The **Office of Community Contracting** (OCC) assesses contract completeness, examines maintenance of local matching funds, integrates new service information, makes corrections and changes on the service forms in Exhibit A, negotiates changes in Exhibit A, and finalizes the contract for signature by the Commissioner. The OCC Administrator notifies the CSB when its contract is not complete or has not been approved and advises the CSB to revise and resubmit its contract.

4. The **Office of Information Technology Services** (OITS) receives CARS and CCS submissions from CSBs, maintains the community database, and processes signed contracts into that database as they are received from the OCC.

08-10-12: CSBs submit their complete CCS reports for total (annual) FY 2012 CCS service unit data to the OITS in time to be received by this date. This later date for final CCS service unit data allows for the inclusion of all units of services delivered in FY 2012, which might not be in local information systems in July.

08-31-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for July to the OITS in time to be received by this date.

08-31-12: CSBs send complete FY 2012 end of the fiscal year performance contract reports electronically in CARS to the OITS in time to be received by this date.

OITS staff places the reports in a temporary data base for OCC and OFGM staff to access them. The OCC Administrator reviews services sections of the reports for correctness, completeness, consistency, and acceptability; resolves discrepancies with CSBs; and communicates necessary changes to CSBs. OFGM CSB Financial Analysts review financial portions of reports for arithmetic accuracy, completeness, consistency, and conformity with state funding actions; resolve discrepancies with CSBs; and communicate necessary changes to CSBs.

Once they complete their reviews of a CSB's reports, the OCC Administrator and OFGM CSB Financial Analysts notify the CSB to submit new reports reflecting only those approved changes to OITS. CSBs submit these new reports to correct errors or inaccuracies no later than **9-14-2012**. The Department will not accept CARS report corrections after this date. Upon receipt, the process described above is repeated to ensure the new reports contain only those changes identified by OFGM and OCC staff. If the reviews document this, OCC and OFGM staffs approve the reports, and OITS staff processes final report data into the Department's community database.

Late report submission or submitting a report without correcting errors identified by the CARS error checking program may result in a letter from the Commissioner to the CSB Chairman and local government officials. See Exhibit I for additional information.

09-14-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 7 and 8* (October) and, after the OCC Administrator authorizes their release, prepare and send the transfers to the Department of Accounts for payment 7 for CSBs with signed contracts that submitted their final FY 2012 CCS consumer, type of care, and service extract files by the due date and whose FY 2012 end of the fiscal year CARS reports were received in the Department by the due date. Payments 7 and 8 will not be released without a contract signed by the Commissioner and receipt of those CCS extract files and complete CARS reports, as defined in item 2.a. of Exhibit I.

After the Commissioner signs it, the OCC sends a copy of the approved contract Exhibit A to the CSB, with the signature page containing only the Commissioner's signature. The CSB must review this contract, which reflects all of the changes negotiated by Department staff; complete the signature page, which documents its acceptance of these changes; and return the completed signature page to the OCC Administrator.

09-28-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for August to the OITS in time to be received by this date.

10-12-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 9 and 10* (November), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose complete FY 2012 end of the fiscal year performance contract reports were received by the due date. Payments will not be released without (1) complete CCS submissions for FY 2012 and for the first two months of FY 2013 and (2) the completed contract signature page received from the CSB.

10-15-12: CSBs submit Federal Balance Reports to the OFGM in time to be received by this date.

10-31-12: CSBs submit CCS monthly consumer, type of care, and service extract files for September to the OITS in time to be received by this date.

11-09-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 11 and 12* (December), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts. Payments will not be released without receipt of September CCS submissions.

11-30-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for October to the OITS in time to be received by this date.

11-30-12: **A.** CSBs that are not local government departments or included in local government audits send one copy of the audit report for the preceding fiscal year on all CSB operated programs to the Department's Office of Budget and Financial Reporting (OBFR) by this date. A management letter and plan of correction for deficiencies must be sent with this report. CSBs submit a copy of C.P.A. audit reports for all contract programs for their last full fiscal year, ending on June 30, to the OBFR by this date. For programs with different fiscal years, reports are due three months after the end of the year. Management letters and plans of correction for deficiencies must be included with these reports.

B. Audit reports for CSBs that are local government departments or are included in local government audits are submitted to the Auditor of Public Accounts by the local government. Under a separate cover, the CSB must forward a plan of correction for any audit deficiencies that are related to or affect the CSB to the OBFR by this date. Also, to satisfy federal block grant sub-recipient monitoring requirements imposed on the Department under the Single Audit Act, a CSB that is a local government department or is included in its local government audit shall contract with the same CPA audit firm that audits its locality to perform testing related to the federal Mental Health Services and Substance Abuse Prevention and Treatment Block Grants. Alternatively, the local government's internal audit department can work with the CSB and the Department to provide the necessary sub-recipient monitoring information.

If the CSB receives an audit identifying material deficiencies or containing a disclaimer or prepares the plan of correction referenced in the preceding paragraph, the CSB and the Department shall negotiate an Exhibit D that addresses the deficiencies or disclaimer and includes a proposed plan with specific timeframes to address them, and this Exhibit D and the proposed plan shall become part of this contract.

12-14-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 13* (1st January), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose FY 2012 end of the fiscal year performance contract reports have been verified as accurate and internally consistent, per items 2.b. through d. of Exhibit I, and whose CCS monthly extracts for

October have been received. Payments will not be released without verified reports and CCS submissions for October.

12-31-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for November to the OITS in time to be received by this date.

01-03-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 14 through 16* (2nd January, February), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose monthly CCS consumer, type of care, and service extract files for November were received by the end of December. Payments will not be released without receipt of these monthly CCS submissions and receipt of audit reports with related management letters and plans of corrections (A at 11-30-12) or sub-recipient monitoring information and plans of corrections (B at 11-30-12).

01-11-13: The OITS distributes FY 2013 mid-year performance contract report software.

01-31-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for December to the OITS in time to be received by this date.

02-15-13: CSBs send complete mid-year performance contract reports and a revised Table 1 in Exhibit H to the OITS electronically in CARS within 45 calendar days after the end of the second quarter, in time to be received by this date. OITS staff places the reports on a shared drive for OCC and OFGM staff to access them. The offices review and act on the reports using the process described for the end of the fiscal year reports. When reports are acceptable, OITS staff processes the data into the Department's community data base. CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 17* (1st March), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose monthly CCS consumer, type of care, and service extract files for December were received by the end of January; payments will not be released without the submissions.

02-25-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 18 and 19* (2nd March, 1st April) and, after the OCC Administrator authorizes their release, prepare and send the transfers to the Department of Accounts for CSBs whose complete FY 2013 mid-year performance contract reports were received by the due date. Payments will not be released without complete reports, defined in item 2.a. of Exhibit I.

02-28-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for January to the OITS in time to be received by this date.

03-29-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for February to the OITS in time to be received by this date.

04-01-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 20 through 22* (2nd April, May) and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose mid-year performance contract reports have been verified as accurate and internally consistent, per items 2.b. through d. of Exhibit I, and whose monthly CCS consumer, type of care, and service extract files for January and February were received by the end of the month following the month of the extract. Payments will not be released without verified reports and without these monthly CCS submissions.

04-30-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for March to the OITS in time to be received by this date.

05-14-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 23* (1st June), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose monthly CCS consumer,

type of care, and service extract files for March were received by the end of April. Payments will not be released without these monthly CCS submissions.

05-31-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for April to the OITS in time to be received by this date.

05-31-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 24* (2nd June) and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts, after the Department has made any final adjustments in the CSB's state and federal funds allocations, for CSBs whose monthly CCS consumer, type of care, and service extract files for April were received by the end of May. Payments will not be released without these monthly CCS submissions.

06-28-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for May to the OITS by this date.

07-12-13: The OITS distributes FY 2013 end of the fiscal year performance contract report software (CARS) to CSBs.

07-31-13: CSBs submit their final CCS consumer, type of care, and service extract files for June to the OITS in time to be received by this date.

08-12-13: CSBs submit their complete Community Consumer Submission (CCS) reports for total (annual) FY 2013 service units to the OITS in time to be received by this date. This later date for final CCS service unit data, allows for the inclusion of all units of services delivered in FY 2013, which might not be in local information systems in July.

09-03-13: CSBs send complete FY 2013 end of the fiscal year performance contract reports electronically in CARS to the OITS in time to be received by this date. If the CSB cannot include the minimum 10 percent local matching funds in its reports and a waiver has not been granted previously in the fiscal year by the Department, it must submit a written request for a waiver of the matching funds requirement, pursuant to § 37.2-509 of the Code of Virginia and State Board Policy 4010, to the OCC with its report.

FY 2013 Performance Contract Revision Instructions

The CSB shall notify the Department before it:

1. begins providing a new category or subcategory of core services or
2. stops providing a category or subcategory of core services.

The CSB may revise Exhibit A of its signed contract only in the following circumstances:

1. a new, previously unavailable category or subcategory of core services is implemented;
2. an existing category or subcategory of core services is totally eliminated;
3. a new program offering an existing category or subcategory of core services is implemented;
4. a program offering an existing category or subcategory of core services is eliminated;
5. new earmarked state general or federal funds are received to expand an existing service or establish a new one;
6. state general or federal block grant funds are moved between program (MH, DV, SA, or SAOPA) areas (an exceptional situation);
7. allocations of state general, federal, or local funds change; or
8. a major error is discovered in the original contract.

Revisions of Exhibit A must be submitted using the CARS software and the same procedures used for the original performance contract.

FY 2013 Exhibit F: Federal Compliances

Certification Regarding Salary: Federal Mental Health and Substance Abuse Prevention and Treatment Block Grants

Check One

_XX_ 1. The CSB has no employees being paid totally with Federal Mental Health Block Grant funds or Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds at a direct annual salary (not including fringe benefits and operating costs) in excess of Level 1 of the federal Executive Schedule.

_____ 2. The following employees are being paid totally with Federal Mental Health or SAPT Block Grant funds at a direct annual salary (not including fringe benefits and operating costs) in excess of Level 1 of the federal Executive Schedule.

	Name	***Title***
1.		
2.		
3.		
4.		
5.		
6.		

Assurances Regarding Equal Treatment for Faith-Based Organizations

The CSB assures that it is and will continue to be in full compliance with the applicable provisions of 45 CFR Part 54, Charitable Choice Regulations, and 45 CFR Part 87, Equal Treatment for Faith-Based Organizations Regulations, in its receipt and use of federal Mental Health Services and Substance Abuse Prevention and Treatment Block Grants and federal funds for Projects for Assistance in Transitions from Homelessness programs. Both sets of regulations prohibit discrimination against religious organizations, provide for the ability of religious organizations to maintain their religious character, and prohibit religious organizations from using federal funds to finance inherently religious activities.

FY 2013 Exhibit F: Federal Compliances

Assurances Regarding Restrictions on the Use of Federal Block Grant Funds

The CSB assures that it is and will continue to be in full compliance with the applicable provisions of the federal Mental Health Services Block Grant (CFDA 93.958) and the federal Substance Abuse Prevention and Treatment Block Grant (CFDA 93.959), including those contained in the CSB Administrative Requirements and the following requirements. Under no circumstances shall Federal Mental Health Services and Substance Abuse Prevention and Treatment Block Grant funds be used to:

1. provide mental health or substance abuse inpatient services[1];
2. make cash payments to intended or actual recipients of services;
3. purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;
4. satisfy any requirement for the expenditure of non-federal finds as a condition for the receipt of federal funds;
5. provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs;
6. provide financial assistance to any entity other than a public or nonprofit private entity; or
7. provide treatment services in penal or correctional institutions of the state.

[Source: 45 CFR § 96.135]

Signature of CSB Executive Director

June 15, 2012
Date

[1] However, the CSB may expend SAPT Block Grant funds for inpatient hospital substance abuse services only when all of the following conditions are met:

a. the individual cannot be effectively treated in a community-based, non-hospital residential program;
b. the daily rate of payment provided to the hospital for providing services does not exceed the comparable daily rate provided by a community-based, non-hospital residential program;
c. a physician determines that the following conditions have been met: (1) the physician certifies that the person's primary diagnosis is substance abuse, (2) the person cannot be treated safely in a community-based, non-hospital residential program, (3) the service can reasonably be expected to improve the person's condition or level of functioning, and (4) the hospital-based substance abuse program follows national standards of substance abuse professional practice; and
d. the service is provided only to the extent that it is medically necessary (e.g., only for those days that the person cannot be safely treated in a community-based residential program).

[Source: 45 CFR § 96.135]

Approved As To Form

Assistant County Attorney

FY 2013 and FY 2014 Community Services Performance Contract

Exhibit G: Local Contact for Disbursement of Funds

1. Name of the CSB: Chesterfield Community Services Board

2. City or County designated
   as the CSB's Fiscal Agent: Chesterfield Community Services Board

If the CSB is an operating CSB and has been authorized by the governing body of each city or county that established it to receive state and federal funds directly from the Department and act as its own fiscal agent pursuant to Subsection A.18 of § 37.2-504 of the Code of Virginia, do not complete items 3 and 4 below.

3. Name of the Fiscal Agent's City Manager or County Administrator or Executive:

   Name: James J.L. Stegmaier Title: Executive Director

4. Name of the Fiscal Agent's County or City Treasurer or Director of Finance:

   Name: Richard A. Cordle Title: Treasurer

5. Name, title, and address of the Fiscal Agent official or the name and address of the CSB if it acts as its own fiscal agent to whom checks should be electronically transmitted:

   Name: Richard A. Cordle Title: Treasurer

   Address: PO Box 40

   Chesterfield, VA 23832

This information should agree with information at the top of the payment document e-mailed to the CSB, for example: Mr. Joe Doe, Treasurer, P.O. Box 200, Winchester, VA 22501.

FY 2013 Community Services Performance Contract

Exhibit D: CSB Board of Directors Membership List

Chesterfield Community Services Board

Name	Address	Phone Number	Start Date	End Date	Term No.
Linda Baxter	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	12/1/2006	12/31/2014	3
Vincent Burgess	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/25/2010	12/31/2012	1
Paige Cecil	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/11/2012	12/31/2014	1
Tyler Craddock	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/11/2012	12/31/2014	1
Michael Giancaspro	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	12/1/2006	12/31/2014	3
Michelle Jones	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/11/2012	12/31/2014	1
Lawrence Olszewski	PO Box 92 Chesterfield,VA 23832	(804) 768-7242	12/1/2006	12/31/2014	3
Ruth Roberts	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/1/2005	12/31/2013	3
Nancy S Ross	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/11/2012	12/31/2014	1
Lorenzo Ross	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	3/1/2005	12/31/2013	3
F. Gibbons Sloan, III	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	5/1/2010	12/31/2012	1
Janet Stephens	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	2/13/2008	12/31/2013	3
Jack Stewart	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	12/1/2006	12/31/2013	3
Dustin Weber	PO Box 92 Chesterfield,VA 23832	(804) 768-7220	1/11/2012	12/31/2014	1

FY 2013 Community Services Performance Contract

Table 2: Board Management Salary Costs

Name of CSB: **Chesterfield Community Services Board** **FY 2013**

Table 2a: Management Position Title	FY 2013 Beginning	Salary Range Ending	Budgeted Tot. Salary Cost	Tenure (yrs)
Executive Director			$120,870.00	4.00

Table 2: Integrated Behavioral and Primary Health Care Questions

1. Is the CSB participating in a partnership with a federally qualified health center, free clinic, or local health department to integrate the provision of behavioral health and primary health care?

Yes

2. If yes, who is the partner?

- ☐ a federally qualified health center
  - Name:
- ☒ a free clinic
  - Name: Goochland Free Clinic and Family Service and Daily Planet
- ☐ a local health department, or
  - Name:
- ☒ another organization
  - Name: RBHA, Goochland-Powhatan CSB

3. Where is primary health (medical) care provided?

- ☒ on-site in a CSB program,
- ☐ on-site at the primary health care provider, or
- ☐ another site --specify:

4. Where is behavioral health care provided?

- ☒ on-site in a CSB program,
- ☐ on-site at the primary health care provider, or
- ☐ another site --specify:

Exhibit I: Administrative Performance Standards

Standards

The CSB shall meet these administrative performance standards in submitting its performance contract, contract revisions, mid-year and end of fiscal year performance contract reports in the Community Automated Reporting System (CARS) and monthly Community Consumer Submission (CCS) extracts to the Department.

1. The performance contract and any revisions submitted by the CSB shall be:
   a. complete, that is all required information is displayed in the correct places and all required Exhibits, including applicable signature pages, are included;
   b. consistent with Letter of Notification allocations or figures subsequently revised by or negotiated with the Department;
   c. prepared in accordance with instructions in the Department-provided CARS software and any subsequent instructional memoranda; and
   d. received by the due dates listed in Exhibit E of this contract.

   If these performance contract standards are not met, the Department may delay future semi-monthly payments until satisfactory performance is achieved.

2. Mid-year and end of fiscal year performance contract reports submitted by the CSB shall be:
   a. complete, that is all required information is displayed in the correct places, all required data are included in the electronic CARS application reports, and any required paper forms that gather information not included in CARS are submitted;
   b. consistent with the state general and federal block grant funds allocations in the Letter of Notification or figures subsequently revised by or negotiated with the Department;
   c. prepared in accordance with instructions;
   d. (i) internally consistent and arithmetically accurate: all related expense, revenue, and cost data are consistent, congruent, and correct within a report, and (ii) submitted only after errors identified by the CARS error checking programs are corrected; and
   e. received by the due dates listed in Exhibit E of this contract.

   If these standards are not met for mid-year reports, the Department may delay future semi-monthly payments until satisfactory performance is achieved. If the CSB does not meet these standards for its end of the fiscal year reports, the Department may delay future semi-monthly payments until satisfactory performance is achieved, and the Commissioner may contact the CSB and local government officials about failure to comply with both aspects of standard 2.d or to satisfy standard 2.e.

3. Monthly consumer, type of care, and service extract files must be submitted by the end of the month following the month of the extract in accordance with the CCS Extract and Design Specifications, including the current Business Rules. If the CSB fails to meet the extract submission requirements in Exhibit E of this contract, the Department may delay future semi-monthly payments until satisfactory performance is achieved.

4. Substance abuse prevention units of service data must be submitted to the Department through the KIT Prevention System.

Exhibit J: Joint Agreements

If it enters into a joint agreement pursuant to § 37.2-512 or § 37.2-615 of the Code of Virginia, the CSB shall describe the agreement in this exhibit and attach a copy of the joint agreement to this Exhibit.

Exhibit K: General Requirements

These general requirements apply to the CSB and the Department and the services included in this contract. Any substantive change in these requirements, except changes in statutory, regulatory, policy, or other requirements which are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements, shall be made in accordance with applicable provisions of the Partnership Agreement and shall be considered to be a performance contract amendment that requires a new contract signature page, signed by both parties. Additional general requirements are contained in the CSB Administrative Requirements document.

I. CSB Requirements

A. Compliance with State Requirements

1. **General State Requirements:** The CSB shall comply with applicable state statutes and regulations, State Board regulations and policies, and Department procedures including the following requirements:

   a. The CSB shall ensure new board members receive training on the State and Local Government Conflict of Interests Act. Pursuant to § 2.2-3100.1 of the Code of Virginia, the CSB shall ensure that new board members are furnished with a copy of the act by the executive director within two weeks following a member's appointment and that new members read and become familiar with provisions of the act. If required by § 2.2-3115 of the Code, CSB board members shall file annual disclosure forms of their personal interests and such other information as is specified on the form set forth in § 2.2-3118 of the Code.

   b. The CSB shall ensure new board members receive training on the Virginia Freedom of Information Act. Pursuant to § 2.2-3702 of the Code, the CSB shall ensure that new board members are furnished with a copy of the act by the executive director or the CSB's legal counsel within two weeks following a member's appointment and that new members read and become familiar with provisions of the act.

2. **Protection of Individuals Receiving Services**

   a. **Human Rights:** The CSB shall comply with the current *Rules and Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services.* In the event of a conflict between any of the provisions in this contract and provisions in these regulations, the applicable provisions in the regulations shall apply. The CSB shall cooperate with any Department investigation of allegations or complaints of human rights violations, including providing any information needed for the investigation as required under state law and as permitted under 45 CFR § 164.512 (d) in as expeditious a manner as possible.

   b. **Disputes:** The filing of a complaint or the use of the informal dispute resolution mechanism in the Human Rights Regulations by an individual or his or her family member or authorized representative shall not adversely affect the quantity, quality, or timeliness of services provided to that individual unless an action that produces such an effect is based on clinical or safety considerations and is documented in the individual's individualized services plan.

   c. **Dispute Resolution Mechanism:** The CSB shall develop its own procedures for satisfying requirements in § 37.2-504 or § 37.2-605 of the Code of Virginia for a local dispute resolution mechanism for individuals receiving services.

d. **Licensing:** The CSB shall comply with the *Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services.* The CSB shall establish a system to ensure ongoing compliance with applicable licensing regulations. Results of licensing reviews, including scheduled reviews, unannounced visits, and complaint investigations, shall be provided to all members of the CSB's board of directors in a timely manner.

3. **Interagency Relationships**

a. Pursuant to the case management requirements of § 37.2-500 or § 37.2-601 of the Code of Virginia, the CSB shall, to the extent practicable, develop and maintain linkages with other community and state agencies and facilities that are needed to assure that individuals it serves are able to access treatment, training, rehabilitative, and habilitative mental health, developmental, or substance abuse services and supports identified in their individualized services plans. The CSB shall comply with § 37.2-504 or § 37.2-605 of the Code of Virginia regarding interagency agreements.

b. The CSB also shall develop and maintain, in conjunction with the courts having jurisdiction in the cities or counties served by the CSB, cooperative linkages that are needed to carry out the provisions of § 37.2-805 through § 37.2-821 and related sections of the Code of Virginia pertaining to the involuntary admission process.

c. The CSB shall develop and maintain the necessary linkages, protocols, and interagency agreements to effect the provisions of the Comprehensive Services Act for At-Risk Youth and Families (§ 2.2-5200 through § 2.2-5214 of the Code of Virginia) that relate to services that it provides. Nothing in this provision shall be construed as requiring the CSB to provide services related to this act in the absence of sufficient funds and interagency agreements.

4. **Reporting Fraud:** Fraud is an intentional wrongful act committed with the purpose of deceiving or causing harm to another party. Upon discovery of circumstances suggesting a reasonable possibility that a fraudulent transaction has occurred, the CSB's Executive Director shall report this information immediately to any applicable local law enforcement authorities and the Department's Internal Audit Director.

5. **Financial Management:** The CSB shall comply with following requirements, as applicable.

a. To avoid any appearance of conflict or impropriety, the CSB shall provide complete annual financial statements to its Certified Public Accountant for audit.

b. All financial reports prepared by the CSB for the reliance of third parties shall be reviewed by a designated staff person before the reports are presented or submitted and the reviews shall be documented.

c. All checks issued by the CSB that remain outstanding after one year shall be voided.

d. All CSB bank accounts shall be reconciled regularly, and the reconciliations shall be approved by a designated staff person not involved in preparing the reconciliation.

e. A contract administrator shall be identified for each contract for the purchase of services entered into by the CSB, and every contract shall be signed by a designated staff person and each other party to the contract, where applicable.

f. Each write-off of account receivables for services to individuals shall be approved and documented by a designated staff person. The CSB shall maintain an accounts receivable aging schedule, and debt that is deemed to be uncollectable shall be

written off periodically. The CSB shall maintain a system of internal controls including separation of duties to safeguard accounts receivable assets.

g. Each payroll shall be certified by a designated staff person who does not enter or process the CSB's payroll.

h. The CSB shall maintain documentation and reports for all expenditures related to the federal Mental Health Block Grant and federal Substance Abuse Prevention and Treatment Block Grant funds contained in Exhibit A sufficient to substantiate compliance with the restrictions, conditions, and prohibitions related to those funds.

i. The CSB shall maintain an accurate list of fixed assets as defined by the CSB. Assets that are no longer working or repairable or are not retained shall be excluded from the list of assets and written off against accumulated depreciation, and their disposition shall be documented by a designated staff person who does not have physical control over the assets. The current location of or responsibility for each asset shall be indicated on the list of fixed assets.

j. Access to the CSB's information system shall be controlled and properly documented. Access shall be terminated in a timely manner when a staff member is no longer employed by the CSB to ensure security of confidential information about individuals receiving services and compliance with the Health Insurance Portability and Accountability Act of 1996 and associated federal or state regulations.

B. Compliance with Federal Requirements

1. **General Federal Compliance Requirements:** The CSB shall comply with all applicable federal statutes, regulations, policies, and other requirements, including applicable provisions of the federal Mental Health Services Block Grant (CFDA 93.958) and the federal Substance Abuse Prevention and Treatment Block Grant (CFDA 93.959) Requirements contained in Appendix C of the CSB Administrative Requirements and:

   a. the Federal Immigration Reform and Control Act of 1986; and

   b. Confidentiality of Alcohol and Substance Abuse Records, 42 C.F.R. Part 2.

   Non-federal entities, including CSBs, expending $500,000 or more in a year of federal awards shall have a single or program-specific audit conducted for that year in accordance with Office of Management and Budget Circular A-133.

   CSBs shall prohibit the following acts by themselves, their employees, and agents performing services for them:

   a. the unlawful or unauthorized manufacture, distribution, dispensation, possession, or use of alcohol or other drugs; and

   b. any impairment or incapacitation from the use of alcohol or other drugs, except the use of drugs for legitimate medical purposes.

2. **Disaster Response and Emergency Service Preparedness Requirements:** The CSB agrees to comply with section 416 of Public Law 93-288 and § 44-146.13 through § 44-146.28 of the Code of Virginia regarding disaster response and emergency service preparedness. Section 416 of P.L. 93-288 authorizes the State Office of Emergency Services to require the Department to comply with the *Commonwealth of Virginia Emergency Operations Plan, Volume 2,* Emergency Support Function No. 8: Health and Medical Services, Section 4: Emergency Mental Health Services. Section 4 requires the CSB to comply with Department directives coordinating disaster planning, preparedness, and response to emergencies and to develop procedures for responding to major disasters. These procedures must address:

a. conducting preparedness training activities;

b. designating staff to provide counseling;

c. coordinating with state facilities and local health departments or other responsible local agencies, departments, or units in preparing CSB all hazards disaster plans;

d. providing crisis counseling and support to local agencies, including volunteer agencies;

e. negotiating disaster response agreements with local governments and state facilities; and

f. identifying community resources.

3. **Federal Certification Regarding Lobbying for the Mental Health and Substance Abuse Prevention and Treatment Block Grants:** The CSB certifies, to the best of its knowledge and belief, that:

   a. No federal appropriated funds have been paid or will be paid, by or on behalf of the CSB, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

   b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the CSB shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

   c. The CSB shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, or cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

   This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 or more than $100,000 for each failure.

C. Compliance with State and Federal Requirements

1. **Employment Anti-Discrimination**: The CSB shall conform to the applicable provisions of Title VII of the Civil Rights Act of 1964 as amended, the Equal Pay Act of 1963, Sections 503 and 504 of the Rehabilitation Act of 1973, the Vietnam Era Veterans Readjustment Act of 1974, the Age Discrimination in Employment Act of 1967, the Americans With Disabilities Act of 1990, the Virginians With Disabilities Act, the Virginia Fair Employment Contracting Act, the Civil Rights Act of 1991, regulations issued by Federal Granting Agencies, and other applicable statutes and regulations, including § 2.2-4310 of the Code of Virginia. The CSB agrees as follows.

   a. The CSB will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is

a bona fide occupational qualification reasonably necessary to the normal operation of the CSB. The CSB agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The CSB, in all solicitations or advertisements for employees placed by or on behalf of the CSB, will state that it is an equal opportunity employer.

c. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting these requirements.

2. **Service Delivery Anti-Discrimination:** The CSB shall conform to the applicable provisions of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act of 1990, the Virginians With Disabilities Act, the Civil Rights Act of 1991, regulations issued by the U.S. Department of Health and Human Services pursuant thereto, other applicable statutes and regulations, and paragraphs a and b below.

   a. Services operated or funded by the CSB have been and will continue to be operated in such a manner that no person will be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under such services on the grounds of race, religion, color, national origin, age, gender, or disability.

   b. The CSB and its direct and contractual services will include these assurances in their services policies and practices and will post suitable notices of these assurances at each of their facilities in areas accessible to individuals receiving services.

   c. The CSB will periodically review its operating procedures and practices to insure continued conformance with applicable statutes, regulations, and orders related to non-discrimination in service delivery.

II. Department Requirements

A. Compliance with State Requirements

1. **Human Rights:** The Department shall operate the statewide human rights system described in the current *Rules and Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services*, monitor compliance with the human rights requirements in those regulations, and conduct reviews and investigations referenced in those regulations. The Department's human rights staff shall be available on a daily basis, including weekends and holidays, to receive reports of allegations of violations of the human rights of individuals receiving services from the CSB.

2. **Licensing:** The Department shall license programs and services that meet the requirements of the current *Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services* and conduct licensing reviews in accordance with the provisions of those regulations. The Department shall respond in a timely manner to issues raised by the CSB regarding its efforts to coordinate and monitor services provided by independent providers licensed by the Department. Pursuant to the Licensing Review Protocol for CARF-Accredited CSB Outpatient and Day Support Services, contained in the CSB Administrative Requirements, the Department's Office of Licensing shall accept CARF surveys as a review of regulation compliance for those licensing regulations or standards that are the same for outpatient and day support services at CSBs that have triennial licenses for

these services. These regulations or standards are identified in the crosswalk between the licensing regulations and CARF standards in the CSB Administrative Requirements.

3. **Reviews:** The Department shall review and take appropriate action on audits submitted by the CSB in accordance with the provisions of this contract and the CSB Administrative Requirements. The Department may conduct procurement, financial management, reimbursement, and human resource management reviews of a CSB's operations, in accordance with provisions in the CSB Administrative Requirements.

FY 2013 and FY 2014 CSB Administrative Requirements

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I. **Purpose:** The CSB Administrative Requirements include or incorporate by reference ongoing statutory, regulatory, policy, and other requirements that are not expected to change frequently. By agreement of the parties, this document is incorporated into and made a part of the current Community Services Performance Contract (performance contract) by reference and is available on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm. Any substantive change in this document, except changes in statutory, regulatory, policy, or other requirements or in other documents incorporated by reference in it, which changes are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements or documents, shall be made in accordance with applicable provisions of the Partnership Agreement and shall be considered to be a performance contract amendment that requires a new contract signature page, signed by both parties. In this document, a CSB, the local government department with a policy-advisory CSB, or the behavioral health authority will be referred to as the CSB.

II. CSB Requirements

A. State Requirements

1. **General State Requirements:** The CSB shall comply with applicable state statutes and regulations, State Board of Behavioral Health and Developmental Services (State Board) regulations and policies, and Department procedures including:

   a. Community Services Boards, § 37.2-500 through § 37.2-512 or Behavioral Health Authorities, § 37.2-600 through § 37.2-615 of the Code of Virginia;

   b. State and Local Government Conflict of Interests Act, § 2.2-3100 through § 2.2-3131 of the Code;

c. Virginia Freedom of Information Act, § 2.2-3700 through § 2.2 -3714 of the Code, including its notice of meeting and public meeting provisions;

d. Government Data Collection and Dissemination Practices Act, § 2.2-3800 through § 2.2-3809 of the Code;

e. Virginia Public Procurement Act, § 2.2-4300 through § 2.2-4377 of the Code;

f. Chapter 8 (Admissions and Dispositions) and other applicable provisions of Title 37.2 and other titles of the Code; and.

g. Applicable provisions of the current Appropriation Act.

2. **Financial Management Requirements, Policies, and Procedures**

a. **Generally Accepted Accounting Principles:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government financial management requirements, policies, and procedures, the CSB's financial management and accounting system shall operate and produce financial statements and reports in accordance with Generally Accepted Accounting Principles. It shall include necessary personnel and financial records and a fixed assets system. It must provide for the practice of fund accounting and adhere to cost accounting guidelines issued by the Department.

If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government financial management requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, the CSB shall comply with local government financial management requirements, policies, and procedures.

If the Department receives any complaints about the CSB's financial management operations, the Department will forward these complaints to the local government and any other appropriate authorities. In response to those complaints, the Department may conduct a review of that CSB's financial management activities.

b. **Accounting:** CSBs shall account for all service and administrative expenses accurately and submit timely reports to the Department to document these expenses.

c. **Annual Independent Audit:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government financial management requirements, policies, and procedures, the CSB shall obtain an independent annual audit conducted by certified public accountants. Audited financial statements shall be prepared in accordance with generally accepted accounting principles (GAAP). The appropriate GAAP basis financial reporting model is the Enterprise Fund in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement Number 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments*. GASB 34 replaces the previous financial reporting model *Health Care Organizations Guide*, produced by the American Institute of Certified Public Accountants. Copies of the audit and the accompanying management letter shall be provided to the Office of Budget and Financial Reporting in the Department and to each local government that established the CSB. CSBs shall, to the extent practicable, obtain unqualified audit opinions. Deficiencies and exceptions noted in an audit or management letter shall be resolved or corrected within a reasonable period of time, mutually agreed upon by the CSB and the Department.

If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government financial management requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, the CSB shall be included in the annual audit of its local government. Copies of the applicable portions of the accompanying management letter shall be provided to the Office of Budget and Financial Reporting in the Department. Deficiencies and exceptions noted in a management letter shall be resolved or corrected within a reasonable period of time, mutually agreed upon by the CSB, its local government(s), and the Department.

If an administrative policy CSB that is a city or county department or agency or is required to adhere to local government financial management requirements, policies, and procedures or the local government department with a policy-advisory CSB obtains a separate independent annual audit conducted by certified public accountants, audited financial statements shall be prepared in accordance with generally accepted accounting principles. The appropriate GAAP basis financial reporting model is the Enterprise Fund in accordance with the requirements of Governmental Accounting Standards Board (GASB) Statement Number 34, *Basic Financial Statements- and Management's Discussion and Analysis- for State and Local Governments.* The local government will determine the appropriate fund classification in consultation with its certified public accountant. Copies of the audit and the accompanying management letter shall be provided to the Office of Budget and Financial Reporting and to each local government that established the CSB. CSBs shall, to the extent practicable, obtain unqualified audit opinions. Deficiencies and exceptions noted in an audit or management letter shall be resolved or corrected within a reasonable period of time, mutually agreed upon by the CSB and the Department.

d. **Federal Audit Requirements:** When the Department subgrants federal grants to a CSB, all federal government audit requirements shall be satisfied.

e. **Subcontractor Audits:** Every CSB shall obtain, review, and take any necessary actions on audits of any subcontractors that provide services that are procured under the Virginia Public Procurement Act and included in a CSB's performance contract. The CSB shall provide copies of these audits to the Office of Budget and Financial Reporting in the Department.

f. **Bonding:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government financial management requirements, policies, and procedures, CSB employees with financial responsibilities shall be bonded in accordance with local financial management policies.

g. **Fiscal Policies and Procedures:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government financial management requirements, policies, and procedures, a CSB's written fiscal policies and procedures shall conform to applicable State Board policies and Departmental policies and procedures.

h. **Financial Management Manual:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government financial management requirements, policies, and procedures, a CSB shall be in material compliance with the requirements in the current Financial Management Standards for Community Services Boards issued by the Department.

i. **Local Government Approval:** CSBs shall submit their performance contracts to the local governments in their service areas for review and approval, pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, which requires approval of the contracts by September 30. CSBs shall submit their contracts to the local governing bodies of the cities and counties that established them in accordance with the schedules determined by those governing bodies or at least 15 days before meetings at which the governing bodies are scheduled to consider approval of their contracts. Unless prohibited from doing so by its local government(s), a CSB may submit its contract to the Department before it is approved by its local government(s).

j. **Department Review:** If a CSB is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government financial management requirements, policies, and procedures, the Department may conduct a review of the CSB's financial management activities at any time. While it does not conduct routine reviews of the CSB's financial management activities, the Department may conduct a review in response to significant deficiencies, irregularities, or problems identified in the CSB's independent annual audit or management letter or in response to complaints or information that it receives. CSBs shall submit formal plans of correction to the Office of Budget and Financial Reporting in the Department within 45 days of receipt of official reports of reviews. Minor compliance issues shall be corrected within 45 days of submitting a plan. Action to correct major compliance issues shall be initiated within 45 days and completed within 180 days of submitting a plan, unless the Department grants an extension.

   If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government financial management requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, the Department may conduct a review of a CSB's financial management activities at any time in order to fulfill its responsibilities for federal sub-recipient (CSB) monitoring requirements under the Single Audit Act (OMB Circular A-133). While it does not conduct routine reviews of the CSB's financial management activities, the Department may conduct a review in response to significant deficiencies, irregularities, or problems identified in the CSB's audit or management letter or in response to complaints or information that it receives. Such reviews shall be limited to sub-recipient monitoring responsibilities in Subpart D.400 of the Single Audit Act associated with receipt of federal funds by the CSB. CSBs shall submit formal plans of correction to the Office of Budget and Financial Reporting in the Department within 45 days of receipt of official reports of reviews. Minor compliance issues shall be corrected within 45 days of submitting a plan. Action to correct major compliance issues shall be initiated within 45 days and completed within 180 days of submitting a plan, unless the Department grants an extension.

k. **Balances of Unspent Funds:** In calculating amounts of unspent state funds, the Department shall prorate balances of unexpended unrestricted funds after the close of the fiscal year among unrestricted state funds, local matching funds, and fee revenues, based on the relative proportions of those funds received by the CSB. This normally will produce identified balances of unrestricted state funds, local matching funds, and fee revenues, rather than just balances of unrestricted state funds. Restricted state funds shall be accounted for separately, given their restricted status, and the Department shall identify balances of unexpended restricted state funds separately. CSBs shall adhere to the Unspent Balances Principles and Procedures in Appendix C.

3. **Procurement Requirements, Policies, and Procedures**

   a. **Procurement Policies and Procedures:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government procurement requirements, policies, and procedures, a CSB shall have written procurement policies and procedures in effect that address internal procurement responsibilities, small purchases and dollar thresholds, ethics, and disposal of surplus property. Written procurement policies and procedures relating to vendors shall be in effect that address how to sell to the CSB, procurement, default, and protests and appeals. All written policies and procedures shall conform to the Virginia Public Procurement Act.

      If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government procurement requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, a CSB shall comply with its local government's procurement requirements, policies, and procedures, which shall conform to the Virginia Public Procurement Act. If the Department receives any complaints about the CSB's procurement operations, the Department will forward these complaints to the local government and any other appropriate authorities. In response to those complaints, the Department may conduct a review of that CSB's procurement activities.

   b. **Department Review:** If a CSB is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government procurement requirements, policies, and procedures, the Department may conduct a review of the CSB's procurement activities at any time. While it does not conduct routine reviews of the CSB's procurement activities, the Department may conduct a review in response to significant deficiencies, irregularities, or problems identified in the CSB's independent annual audit or management letter or in response to complaints or information that it receives. The review will include a sampling of CSB subcontracts. CSBs shall submit formal plans of correction to the Office of Administrative Services in the Department within 45 days of receipt of official reports of reviews. Minor compliance issues shall be corrected within 45 days of submitting a plan. Action to correct major compliance issues shall be initiated within 45 days and completed within 180 days of submitting a plan, unless the Department grants an extension.

4. **Reimbursement Requirements, Policies, and Procedures**

   a. **Reimbursement System:** Each CSB's reimbursement system shall comply with § 37.2-504 and § 37.2-511 or § 37.2-605 and § 37.2-612 and with § 20-61 of the Code of Virginia and State Board Policy 6002 (FIN) 86-14. Its operation must be described in organizational charts identifying all staff members, flow charts, and specific job descriptions for all personnel involved in the reimbursement system.

   b. **Policies and Procedures:** Written fee collection policies and procedures shall be adequate to maximize revenues from individuals and responsible third party payors.

   c. **Schedule of Charges:** A schedule of charges shall exist for all services that are included in the CSB's performance contract, shall be related reasonably to the cost of the services, and shall be applicable to all recipients of the services.

   d. **Ability to Pay:** A method, approved by a CSB's board of directors that complies with applicable state and federal regulations shall be used to evaluate the ability of each individual to pay fees for the services he or she receives.

e. **Department Review:** While it does not conduct routine reviews of the CSB's reimbursement activities, the Department may conduct a review at any time in response to significant deficiencies, irregularities, or problems identified in the CSB's independent annual audit or management letter or in response to complaints or information that it receives. CSBs shall submit formal plans of correction to the Office of Cost Accounting and Reimbursement in the Department within 45 days of receipt of official reports of reviews. Minor compliance issues shall be corrected within 45 days of submitting a plan. Action to correct major compliance issues shall be initiated within 45 days and completed within 180 days of submitting a plan, unless the Department grants an extension.

f. **Medicaid and Medicare Regulations:** CSBs shall comply with applicable federal and state Medicaid and Medicare regulations, policies, procedures, and provider agreements. Medicaid non-compliance issues identified by Department staff will be communicated to the Department of Medical Assistance Services.

5. **Human Resource Management Requirements, Policies, and Procedures**

a. **Statutory Requirements:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government human resource management requirements, policies, and procedures, a CSB shall operate a human resource management program that complies with state and federal statutes, regulations, and policies. When its executive director position becomes vacant, a CSB shall provide to the Office of Community Contracting in the Department a current position description and salary range and the advertisement for the position for review, pursuant to § 37.2-504 or § 37.2-605 of the Code of Virginia. This review does not include Department approval of the selection or employment of a particular candidate for the position. In accordance with § 37.2-504 or § 37.2-605 of the Code of Virginia, if it is an operating CSB or the behavioral health authority, a CSB shall employ its executive director or chief executive officer for the behavioral health authority under an annually renewable contract that contains performance objectives and evaluation criteria. A CSB shall provide a copy of this employment contract to the Department upon request.

If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government human resource management requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, a CSB shall be part of a human resource management program that complies with state and federal statutes, regulations, and policies. When its executive director position becomes vacant, an administrative policy CSB shall provide to the Office of Community Contracting in the Department a current position description and the advertisement for the position for review, pursuant to § 37.2-504 of the Code of Virginia. This review does not include Department approval of the selection or employment of a particular candidate for the position.

b. **Policies and Procedures:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government human resource management requirements, policies, and procedures, a CSB's written human resource management policies and procedures shall include a classification plan and uniform employee pay plan and must address benefits, progressive discipline (standards of conduct), professional conduct, employee ethics, compliance with state Human Rights Regulations and the CSB's local human rights policies and procedures, conflicts of interest, employee performance evaluation, equal employment opportunity, employee grievances, hours of work, leave, outside

employment, recruitment and selection, transfer and promotion, termination and layoff, travel, initial employee orientation, examinations, employee to executive director and board of directors contact protocol, on-the-job expenses, criminal background check requirements, and the prevention of sexual harassment and workplace violence.

If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government human resource management requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, a CSB shall adhere to its local government's human resource management policies and procedures.

c. **Job Descriptions:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government human resource management requirements, policies, and procedures, a CSB shall have written, up-to-date job descriptions for all positions. Job descriptions shall include identified essential functions, explicit responsibilities, and qualification statements, expressed in terms of knowledges, skills, and abilities as well as business necessity and bona fide occupational qualifications or requirements.

d. **Grievance Procedure:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government human resource management requirements, policies, and procedures, a CSB's grievance procedure shall satisfy § 15.2-1506 or § 15.2-1507 of the Code of Virginia.

e. **Uniform Pay Plan:** If it is an operating CSB, a behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government human resource management requirements, policies, and procedures, a CSB shall adopt a uniform pay plan in accordance with § 15.2-1506 of the Code of Virginia and the Equal Pay Act of 1963.

f. **Department Review:** If it is an operating CSB, the behavioral health authority, or an administrative policy CSB that is not a city or county department or agency or is not required to adhere to local government human resource management requirements, policies, and procedures, employee complaints regarding a CSB's human resource management practices will be referred back to the CSB for appropriate local remedies. The Department may conduct a human resource management review to ascertain a CSB's compliance with performance contract requirements and assurances, based on complaints or other information received about a CSB's human resource management practices. If a review is done and deficiencies are identified, a CSB shall submit a formal plan of correction to the Office of Human Resource Management and Development in the Department within 45 days of receipt of an official report of a review. Minor compliance issues must be corrected within 45 days of submitting the plan. Action to correct major compliance issues shall be initiated within 45 days and completed within 180 days of submitting the plan, unless the Department grants an extension.

If it is an administrative policy CSB that is a city or county department or agency or is required to adhere to local government human resource management requirements, policies, and procedures or it is the local government department with a policy-advisory CSB, employee complaints regarding a CSB's human resource management practices will be referred back to the local government for appropriate local remedies. In response to complaints that it receives, the Department may conduct a review of the local government's human resource management practices at any time.

6. **Information Technology Capabilities and Requirements:** CSB shall meet the following requirements.

   a. **Hardware and Software Procurement:** Any hardware and software purchased by a CSB with state or federal funds shall be capable of addressing requirements established by the Department, including communications, compatibility, and network protocols and the reporting requirements in the performance contract. Such procurements may be subject to review and approval by the Office of Information Technology Services in the Department.

   b. **Operating Systems:** CSBs shall use or have access to operating systems that are compatible with or are able to communicate with the Department's network. A CSB's computer network or system shall be capable of supporting and running the current versions of the Department's Community Automated Reporting System (CARS) software and Community Consumer Submission (CCS) extract software and should be capable of processing and reporting standardized aggregate and discrete data about individuals receiving services, services, and outcomes, provider performance measures, and revenues, expenditures, and costs based on documents and requirements listed in the performance contract.

   c. **Electronic Communication:** CSBs shall ensure that their information systems communicate with those used by the Department and that this communication conforms to the security requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA). This communication shall provide file and data exchange capabilities for automated routines and access to legally mandated systems via the TCP/IP networking protocol.

   d. **Data Access:** CSBs shall develop and implement or access automated systems that allow for output of fiscal, service, and individual data, taking into consideration the need for appropriate security and confidentiality. Output shall be in a format prescribed by the Department. In addition to regular reports, such data may be used to prepare ad hoc reports on individuals and services and to update Department files using this information. CSBs shall ensure that their information systems meet all applicable state and federal confidentiality, privacy, and security requirements, particularly concerning the distribution of identifying information, diagnosis, service history, and service use and that their information systems are compliant with HIPAA. Each CSB shall provide to the Office of Community Contracting in the Department the names of staff for whom it has rescinded permission to access the SFTP server. Each CSB also shall provide to the Office of Community Contracting the name, email address, telephone number, and applications that additional staff have been given permission to access; this includes changing the applications for any staff previously granted access to the SFTP server. Each CSB shall keep the list of its staff with permission to access the SFTP server it provided to the Office of Community Contracting current at all times.

7. **Planning**

   a. **General Planning:** The CSB shall participate in collaborative local and regional service and management information systems planning with state facilities, other CSBs, other public and private human services agencies, and the Department, as appropriate. In accordance with § 37.2-504 or § 37.2-605 of the Code of Virginia, the CSB shall provide input into long-range planning activities that are conducted by the Department, including the Comprehensive State Plan required by § 37.2-315 of the Code of Virginia. The CSB shall work with local prevention planning bodies composed of representatives of multiple systems and groups to develop community-

based prevention plans based on assessed needs and resources and submit annual Community Prevention Plan reports to the Department.

b. **Participation in State Facility Planning Activities:** The CSB shall participate in collaborative planning activities with the Department to the greatest extent possible regarding the future role and structure of the state facilities.

8. Forensic Services

a. Upon receipt of a court order pursuant to § 19.2-169.2 of the Code of Virginia, the CSB shall provide or arrange for the provision of services to restore the individual to competency to stand trial. These services shall be delivered in the local or regional jail, juvenile detention center (when a juvenile is being tried as an adult), other location in the community where the individual is currently located, or in another location suitable for the delivery of the restoration services. These services shall include treatment and restoration services, emergency services, assessment services, the provision of medications and medication management services, and other services that may be needed by the individual in order to restore him to competency and to prevent his admission to a state hospital for these services.

b. Upon written notification from a state facility that an individual hospitalized for restoration to competency pursuant to § 19.2-169.2 of the Code of Virginia has been restored to competency and is being discharged back to the community, the CSB shall to the greatest extent possible provide or arrange for the provision of services in the local or regional jail, juvenile detention center (when a juvenile is being tried as an adult), other location in the community where the individual is located, or in another location suitable for the delivery of these services to that individual to ensure the maintenance of his psychiatric stability and competency to stand trial. Services shall include treatment and restoration services, emergency services, assessment services, the provision of medications and medication management services, and other services which may be needed by the individual in order prevent his readmission to a state hospital for these services.

c. Upon receipt of a court order pursuant to § 16.1-356 of the Code of Virginia, the CSB shall provide or arrange for the provision of a juvenile competency evaluation. Upon receipt of a court order pursuant to § 16.1-357, the CSB shall provide or arrange for the provision of services to restore a juvenile to competency to stand trial through the Department's statewide contract.

d. Upon receipt of a court order, the CSB shall provide or arrange for the provision of forensic evaluations required by local courts in the community in accordance with State Board Policy 1041.

e. Forensic evaluations and treatment shall be performed on an outpatient basis unless the results of an outpatient evaluation indicate that hospitalization is necessary. The CSB shall consult with local courts in placement decisions for hospitalization of individuals with a forensic status based upon evaluation of the individual's clinical condition, need for a secure environment, and other relevant factors. The CSB's staff shall conduct an assessment of risk to provide information to the Commissioner for the determination of whether an individual with a forensic status in need of hospitalization requires placement in a civil facility or a secure facility. The CSB's staff will contact and collaborate with the Forensic Coordinator of the state hospital that serves the CSB or outside of regular business hours any other personnel designated by the state hospital to manage emergency admissions in making this determination. The CSB's assessment shall include those items required prior to admission to a state hospital, per the Continuity of Care Procedures in Appendix A of the CSB Administrative Requirements.

f. The CSB shall designate a Forensic Admissions Coordinator, a Forensic Evaluation Coordinator, and an NGRI Coordinator to collaborate with the local courts, the forensic staff of state facilities, and the Department. The CSB shall notify the Department's Director of Forensic Services of the name, title, and contact information of these designees and shall inform the Director of any changes in these designations. The CSB shall ensure that designated staff completes the forensic training designated by the Commissioner of the Department as meeting the requirements for completion of forensic evaluations authorized under § 19.2-169.1, § 19.2-169.5, § 19.2-182.2, and § 19.2-182.5 of the Code of Virginia.

g. The CSB shall provide discharge planning for persons found not guilty by reason of insanity. Pursuant to § 19.2-182.2 through § 19.2 -182.7, and § 19.2-182.11 of the Code of Virginia, the CSB shall provide discharge planning, collaborate with the state facility staff in preparing conditional release plans, implement the court's conditional release orders, and submit written reports to the court on the person's progress and adjustment in the community no less frequently than every six months for acquittees who have been conditionally released to a locality served by the CSB. The CSB should provide to the Department's Director of Forensic Services written monthly reports on the person's progress and adjustment in the community for their first 12 continuous months in the community for acquittees who have been conditionally released to a locality served by the CSB and copies of court orders regarding acquittees on conditional release.

h. If an individual with a forensic status does not meet the criteria for admission to a state hospital, his psychiatric needs should be addressed in the local jail, prison, detention center, or other correctional facility in collaboration with local treatment providers.

9. **Access to Services for Individuals who are Deaf, Hard of Hearing, Late Deafened, or Deafblind:** The CSB should identify and develop a working relationship with the Regional Deaf Services Program and the Regional Deaf Services Coordinator that serve the CSB's service area and collaborate with them on the provision of appropriate and linguistically and culturally competent services, consultation, and referral for individuals who are deaf, hard of hearing, late deafened, or deafblind.

10. **Continuous Quality Improvement Expectations:** The Department shall continue to work with CSBs to achieve a welcoming, recovery-oriented, integrated services system, a transformed system for individuals receiving services and their families in which CSBs, state facilities, programs, and services staff, in collaboration with individuals and their families, are becoming more welcoming, recovery-oriented, and co-occurring disorder capable. The process for achieving this goal within limited resources is to build a system wide continuous quality improvement process, in a partnership among CSBs, the Department, and other stakeholders, in which there is a consistent shared vision combined with a measurable and achievable implementation process for each CSB to make progress toward this vision. This section provides further clarification for those implementation activities, so that each CSB can be successful in designing a performance improvement process at the local level.

    Pursuant to Section 7: Accountability in the Community Services Performance Contract Central Office, State Facility, and CSB Partnership Agreement, the CSB provides the following affirmations of its compliance with the listed Performance Expectations and Goals. If the CSB cannot provide a particular affirmation, the CSB shall attach an explanation to Exhibit B of its performance contract with a plan for complying with the identified expectation or goal, including specific actions and target dates. The

Department will review this plan and negotiate any changes with the CSB, whereupon, the plan will become part of Exhibit B of the CSB's performance contract.

a. General Performance Goal and Expectation Affirmations

1.) For individuals currently receiving services, the CSB has a protocol in effect 24 hours per day, seven days per week (a) for service providers to alert emergency services staff about individuals deemed to be at risk of needing an emergency intervention, (b) for service providers to provide essential clinical information, which should include advance directives, wellness recovery action plans, or safety and support plans to the extent they are available, that would assist in facilitating the disposition of the emergency intervention, and (c) for emergency services staff to inform the case manager of the disposition of the emergency intervention. Individuals with co-occurring mental health and substance use disorders are welcomed and engaged promptly in an integrated screening and assessment process to determine the best response or disposition for continuing care. The CSB shall provide this protocol to the Department upon request. During its inspections, the Department's Licensing Office may examine this protocol to verify this affirmation as it reviews the CSB's policies and procedures.

b. Emergency Services Performance Expectation Affirmations

1.) Every preadmission screening evaluator hired after July 1, 2008 meets the educational qualifications endorsed in October 2007 by the Department and the Virginia Association of Community Services Boards. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews personnel records.

2.) Every preadmission screening evaluator employed by the CSB has completed the certification program approved by the Department before performing preadmission screenings, and documentation of satisfactory completion is available for review. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews personnel or training records or documentation.

3.) Every preadmission screening evaluator is hired with knowledge, skills, and abilities to establish a welcoming environment for individuals with co-occurring disorders and performing hopeful engagement and integrated screening and assessment.

4.) Pursuant to subsection B of § 37.2-817 of the Code of Virginia, a preadmission screening evaluator, or through a mutual arrangement an evaluator from another CSB, attends each commitment hearing, original (up to 30 days) or recommitment (up to 180 days), for an adult held in the CSB's service area or for an adult receiving services from the CSB held outside of its service area in person, or, if that is not possible, the preadmission screening evaluator participates in the hearing through two-way electronic video and audio or telephonic communication systems, as authorized by subsection B of § 37.2-804.1 of the Code of Virginia, for the purposes of presenting preadmission screening reports and recommended treatment plans and facilitating least restrictive dispositions.

5.) In preparing preadmission screening reports, the preadmission screening evaluator considers all available relevant clinical information, including a review of clinical records, wellness recovery action plans, advance directives, and information or recommendations provided by other current service providers or

appropriate significant other persons (e.g., family members or partners). Reports reference the relevant clinical information used by the preadmission screening evaluator. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews services records, including records selected from a sample identified by the CSB for individuals who received preadmission screening evaluations.

6.) If the emergency services intervention occurs in a hospital or clinic setting, the preadmission screening evaluator informs the charge nurse or requesting medical doctor of the disposition, including leaving a written clinical note describing the assessment and recommended disposition or a copy of the preadmission screening form containing this information, and this action is documented in the individual's service record at the CSB with a progress note or with a notation on the preadmission screening form that is included in the individual's service record. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews services records, including records selected from a sample identified by the CSB for individuals who received preadmission screening evaluations, for a progress note or a copy of the preadmission screening form.

c. Mental Health and Substance Abuse Case Management Services Performance Expectation Affirmations

1.) Case managers employed or contracted by the CSB meet the knowledge, skills, and abilities qualifications in the Case Management Licensing Regulations, 12 VAC 35-105-1250. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews personnel records.

2.) Individuals receiving case management services are offered a choice of case managers to the extent possible, and this is documented by a procedure to address requests for changing a case manager. The CSB shall provide a copy this procedure to the Department upon request. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews services records and by examining the procedure.

3.) Case managers are hired with the goal of becoming welcoming, recovery-oriented, and co-occurring competent to engage all individuals receiving services in empathetic, hopeful, integrated relationships to help them address multiple issues successfully.

4.) Reviews of the individualized services plan (ISP), including necessary assessment updates, are conducted face-to-face with the individual every 90 days and include significant changes in the individual's status, engagement, participation in recovery planning, and preferences for services; and the ISP is revised accordingly to include an individual-directed wellness plan that addresses crisis self-management strategies and implements advance directives, as desired by the individual. For those individuals who express a choice to discontinue case management services because of their dissatisfaction with care, the provider reviews the ISP to consider reasonable solutions to address the individual's concerns. During its inspections, the Department's Licensing Office may verify this affirmation as it reviews services records, including records from a sample identified by the CSB for individuals who discontinued case management services.

5.) The CSB has policies and procedures in effect to ensure that, during normal business hours, case management services are available to respond in person, electronically, or by telephone to preadmission screening evaluators of

individuals with open cases at the CSB to provide relevant clinical information in order to help facilitate appropriate dispositions related to the civil involuntary admissions process established in Chapter 8 of Title 37.2 of the Code of Virginia. During its inspections, the Department's Licensing Office may verify this affirmation as it examines the CSB's policies and procedures.

6.) For an individual who has been discharged from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital or released from a commitment hearing and has been referred to the CSB and determined by it to be appropriate for its case management services program, a preliminary assessment is initiated at first contact and completed, within 14 but in no case more than 30 calendar days of referral, and an individualized services plan (ISP) is initiated within 24 hours of the individual's admission to a program area for services in its case management services program and updated when required by the Department's licensing regulations. A copy of an advance directive, a wellness recovery action plan, or a similar expression of an individual's treatment preferences, if available, is included in the clinical record. During its inspections, the Department's Licensing Office may verify these affirmations as it reviews services records.

7.) For individuals for whom case management services will be discontinued due to failure to keep scheduled appointments, outreach attempts, including home visits, telephone calls, letters, and contacts with others as appropriate, to reengage the individual are documented. The CSB has a procedure in place to routinely review the rate of and reasons for refused or discontinued case management services and takes appropriate actions when possible to reduce that rate and address those reasons. The CSB shall provide a copy of this procedure to the Department upon request. During its inspections, the Department's Licensing Office may examine this procedure to verify this affirmation.

III. Department Requirements

A. State Requirements

1. **Information Technology:** The Department shall operate and provide technical assistance and support, to the extent practicable, to the CSB about the Community Automated Reporting System (CARS), the Community Consumer Submission (CCS) software, the FIMS, and the KIT Prevention System referenced in the performance contract and comply with State Board Policies 1030 and 1037. Pursuant to § 37.2-504 and § 37.2-605 of the Code of Virginia, the Department shall implement procedures to protect the confidentiality of data accessed or received in accordance with the performance contract. The Department shall ensure that any software application that it issues to the CSB for reporting purposes associated with the performance contract has been field tested by a reasonable number of CSBs to assure compatibility and functionality with the major IT systems used by CSBs, is operational, and is provided to the CSB sufficiently in advance of reporting deadlines to allow the it to install and run the software application.

2. **Planning:** The Department shall conduct long-range planning activities related to state facility and community services, including the preparation and dissemination of the Comprehensive State Plan required by § 37.2-315 of the Code of Virginia.

3. **Licensing Review Protocol for CARF-Accredited CSB Outpatient and Day Support Services:** The Department and CSBs with directly operated programs that are accredited by CARF (the Commission on Accreditation of Rehabilitation Facilities) have agreed to the following provisions, pursuant to the Partnership Agreement and in accordance with applicable requirements of the Code of Virginia and associated regulations.

   a. The Department's Office of Licensing shall accept CARF surveys as a review of regulation compliance for those licensing regulations or standards that are the same for outpatient and day support services at CSBs that have triennial licenses for these services. These regulations or standards are identified in the crosswalk between the licensing regulations and CARF standards that follows this section.

   b. The Office of Licensing shall accept the CARF review of compliance for the administrative, human resource, record management, and physical plant licensing regulations that also are covered by CARF regulations for outpatient and day support services.

   c. CSBs that are accredited by the CARF shall provide the results of CARF surveys to the Office of Licensing. These results shall be public documents.

   d. The Office of Licensing shall conduct annual unannounced focused reviews as required by the Code of Virginia on specific areas of risk and on areas not covered by CARF standards, which may include emergency services, case management services, medication administration, review of incidents, or areas cited for deficiencies as a result of complaints or in previous surveys.

   e. The Office of Licensing shall continue to access the same documents, records, staff, and individuals receiving services that it needs to access to conduct inspections and complaint investigations.

   f. When practicable, the Office of Licensing shall issue triennial licenses to coincide with CARF accreditations.

   g. New services implemented by a CSB shall not be subject to these provisions until they achieve triennial licensing status.

   h. The Office of Licensing shall conduct complaint investigations. CSBs shall continue to report serious injuries to or deaths of individuals and allegations of abuse or neglect to the Department. The Offices of Licensing and Human Rights shall review these reports to ensure that reporting continues as required by applicable provisions of the Code of Virginia and associated human rights and licensing regulations.

   i. Should multiple or serious violations be identified as a result of an investigation or inspection or the Department reduces a license in one of these services, full inspections by the Office of Licensing of all licensing regulations shall resume.

Crosswalk Between Licensing Regulations and 2012 CARF Standards		
No.	**Department Licensing Standard**	**CARF Standard**
	12 VAC 35-105 Part III Administrative Services	
	Article 1: Management and Administration	
140	License availability	
150	Compliance with laws, regulations, and policies	Sec. 1, E.1-3
160	Reviews by department; requests for information	Sec. 1, E.1; H.8, 9; K.1-5
170	Corrective action plan	
180	Notification of changes	
190	Operating authority, governing body, and organizational structure	Sec. 1, A.1, 8
200	Appointment of administrator	Sec. 1, A.1
210	Fiscal accountability	Sec.1, F.1, 11; M.3
220	Indemnity coverage	Sec. 1, G.2
230	Written fee schedule	Sec. 1, F.8
240	Policy on funds of individuals receiving services	Sec. 1, F.9
250	Deceptive or false advertising	Sec. 1, A.6
	Article 2: Physical Environment	
260	Building inspection and classification	Sec. 1, H.1, H.12-13
265	Floor plans	
270	Building modifications	
280	Physical environment	Sec. 1, H.1; Sec 2, A.23
290	Food service inspections	Sec. 1, H.1, H.12
300	Sewer and water inspections	Sec. 1, H.1, H.12
310	Weapons	Sec. 2, A.23
320	Fire inspections	Sec. 1, H.12
325	Community Liaison	Sec. 3, V.10
	Article 3: Physical Environment of Residential/Inpatient Service Locations	
330	Beds	Sec. 3, V.4
340	Bedrooms	Sec. 3, V.4
350	Condition of beds	
360	Privacy	Sec. 3, V.4
370	Ratios of toilets, basins, showers or baths	
380	Lighting	
	Article 4: Human Resources	
390	Confidentiality and security personnel records	Sec. 1, E.3, 4
400	Criminal registry checks	Sec. 1, I.2
410	Job description	Sec. 1, I.4, 6
420	Qualifications of employees or contractors	Sec. 1, I.4-9; Sec. 2, A.18
430	Employee or contractor personnel records	Sec. 1, E.3, 4; I.9
440	Orientation of new employees, contractors, volunteers, and students	Sec. 1, H.4, I.4, 5, I.7; Sec. 2, A.18
450	Employee training and development	Sec. 1, H.4, I.4, 5, I.9; Sec. 2, A.18
460	Emergency medical or first aid training	Sec. 1, H.7
470	Notification of policy changes	Sec. 1, I.8
480	Employee or contractor performance evaluation	Sec. 1, I.4, I.6, I.9
490	Written grievance policy	Sec. 1, I.8
500	Students and volunteers	Sec. 1, I.7
510	Tuberculosis screening	Sec. 1, H.10, I.2

Crosswalk Between Licensing Regulations and 2012 CARF Standards		
	Article 5: Health and Safety Management	
520	Risk management	Sec. 1, G.1, 2, H.7, 14
530	Emergency preparedness and response plan	Sec. 1, H.2-9
540	Access to telephone in emergencies; emergency telephone numbers	Sec. 1, H.5, 7
550	First aid kit accessible	Sec. 1, H.7
560	Operable flashlights or battery lanterns	Sec. 1, H.5
	12 VAC 35-105 Part IV Services and Supports	
	Article 1: Services Description and Staffing	
570	Mission statement	Sec. 1, A.3
580	Service description requirements	Sec. 2, A.1, 8
590	Provider staffing plan	Sec. 1, I.1, 9; Sec. 2, A.2, 5, 12, 13, 21,22
600	Nutrition	Sec. 3, V.4
610	Community participation	Sec. 2, A.9, 14
620	Monitoring and evaluating service quality	Sec. 1, D. 1, 2, M. 3, 8, N. 1, 2; Sec. 2, A.1, 6, 9
630	Policies on screening, admission, and referrals	
	Article 2: Screening, Admission, Assessment, Service Planning, and Orientation	
645	Initial contacts, screening, admission, assessment, service planning, orientation, and discharge	Sec. 2, B.1-8
650	Assessment policy	Sec. 2, B.10-15
660	Individualized services plan (ISP)	Sec. 2, C.1-7
665	ISP requirements	Sec. 2, A.19, 20; C.1-7
675	Reassessments and ISP reviews	Sec. 2, C.3
680	Progress notes or other documentation	Sec. 2, C.8
690	Orientation	Sec. 2, B.9
691	Transition of individuals among services	Sec. 2, D.1-8
693	Discharge	Sec. 2, D.1-8
	Article 3: Crisis and Emergencies	
700	Written policies and procedures for crisis or emergency interventions; required elements	Sec. 1, H.7; Sec. 2, A.7
710	Documenting crisis intervention and emergency services	Sec. 2, C.6
	Article 4: Medical Management	
720	Health care policy	Sec. 1, H.10; Sec. 2, B.14, C. 6, 7, E.5, 6
740	Physical examination for residential and inpatient services	Sec. 3, V.5
750	Emergency medical information	Sec. 2, B.14, E.5
760	Medical equipment	
	Article 5: Medication Management Services	
770	Medication management	Sec. 2, E.1-10
780	Medication errors and drug reactions	Sec. 1, H.8, 9; Sec. 2, E.4, 5, 10
790	Medication administration and storage or pharmacy operation	Sec. 2, E.1-10
	Article 6: Behavior Interventions	
800	Policies and procedures on behavior interventions and supports	Sec. 2, F.1-15
810	Behavioral treatment plan	Sec. 2, A.10, C.5
820	Prohibited actions	Sec. 1, K.1-5
830	Seclusion, restraint, and time out	Sec. 2, F.1-15
840	Requirements for seclusion room	Sec. 2, F.11

Crosswalk Between Licensing Regulations and 2012 CARF Standards		
	12 VAC 35-105 Part V Records Management	
870	Paper and electronic records management policy	Sec. 1, E.3; Sec. 2, G.1-6
880	Documentation policy	Sec. 1, E.3; Sec. 2, G.1-6
890	Individual's service record	Sec. 1, E.3; Sec. 2, G.1-6
900	Record storage and security	Sec. 1, E.3
910	Retention of individual's service records	Sec. 1, E.3
920	Review process for records	Sec. 2, H.1-5
	12 VAC 35-105 Part VI Additional Requirements for Selected Services	
	Article 1: Medication Assisted Treatment	
925	Standards for the evaluation of new licenses for providers of services to individuals with opioid addiction	
930	Registration, certification, or accreditation	Opioid Treatment Manual
940	Criteria for involuntary termination from treatment	Opioid Treatment Manual
950	Service operation schedule	Opioid Treatment Manual
960	Physical examinations	Opioid Treatment Manual
970	Counseling sessions	Opioid Treatment Manual
980	Drug screens	Opioid Treatment Manual
990	Take-home medication	Opioid Treatment Manual
1000	Preventing duplication of medication services	Opioid Treatment Manual
1010	Guests	Opioid Treatment Manual
1020	Detoxification prior to involuntary discharge	Opioid Treatment Manual
1030	Opioid agonist medication renewal	Opioid Treatment Manual
1040	Emergency preparedness plan	Opioid Treatment Manual
1050	Security of opioid agonist medication supplies	Opioid Treatment Manual
	Article 2: Medically Managed Withdrawal Services	
1055	Description of level of care provided	Sec. 2, A.8
1060	Cooperative Agreements with Community Agencies	Sec. 3, K.8
1070	Observation Area	
1080	Direct-Care Training for Providers of Detox. Services	Sec. 3, K.2
1090	Minimum No. of Employees or Contractors on Duty	Sec. 3, K.2
1100	Documentation	Sec. 3, K.6
1110	Admission Assessments	Sec. 3, K.1-4, 9
1120	Vital Signs	Sec. 3, K.4
1130	Light Snacks and Fluids	
	Article 5: Case Management Services	
1240	Service requirements for providers of case management services	Sec. 3, C.1, 3-5
1250	Qualifications of case management employees or contractors	Sec. 3, C.2
1255	Case manager choice	
	Article 7: Assertive Community Treatment and Program of Assertive Community Treatment Services	
1360	Admission and Discharge Criteria	Sec. 2, A.1-3, 8
1370	Treatment Team and Staffing Plan	Sec. 3, A.1-10, 24, 27
1380	Contacts	Sec. 3, A.23-27
1390	ICT and PACT Service Daily Operation and Progress Notes	Sec. 3, A.28, 29
1400	ICT and PACT Assessment	Sec. 2, B.14, 15; Sec. 3, A.10
1410	Service Requirements	Sec. 3, A.10-26

Appendix A: Continuity of Care Procedures

Overarching Responsibility: Sections 37.2-500 and 37.2-601 of the Code of Virginia and State Board Policy 1035 establish CSBs as the single points of entry into publicly funded mental health, developmental, and substance abuse services. Related to this principle and as required by § 37.2-505 of the Code of Virginia, it is the responsibility of CSBs to assure that individuals receive:

- preadmission screening that confirms the appropriateness of admission to a state hospital or training center (state facilities) and
- discharge planning services, beginning at the time of admission to the state facility, that enable timely discharge from the state facility and appropriate post-discharge, community-based services.

Throughout this Appendix, the term CSB is used to refer to an operating CSB, an administrative policy CSB, the local government department with a policy-advisory CSB, or the behavioral health authority. State hospital is defined in § 37.2-100 of the Code of Virginia as a hospital, psychiatric institute, or other institution operated by the Department that provides care and treatment for persons with mental illness. Training center is defined in § 37.2-100 as a facility operated by the Department that provides training, habilitation, or other individually focused supports to persons with intellectual disability.

These Continuity of Care Procedures must be read and implemented in conjunction with the *Discharge Protocols for Community Services Boards and State Hospitals*, incorporated by reference as part of this document, and available on the Department's web site at www.dbhds.virginia.gov/documents/OMH-DischargeProtocols.pdf and the *Admission and Discharge Protocols for Individuals with Intellectual Disabilities*, incorporated by reference as part of this document, and available at www.dbhds.virginia.gov/documents/ODS/ods-Admission-Discharge-Protocol.pdf. Applicable provisions in those protocols have replaced most treatment team, discharge, and post-discharge activities that were described in earlier versions of these procedures; however a few remain in the procedures. In the event of a conflict between any Continuity of Care Procedures and the protocols, provisions in the protocols shall apply.

I. State Facility Admission Criteria

A. State Hospitals

1. An individual must meet the following criteria for admission to a state hospital.

   a. **Adults:** The individual meets one of the criteria in section A. 1.) below or one or more of the other criteria listed in section A and the criterion in section B:

   Section A:

   1.) the person has a mental illness and there is a substantial likelihood that, as a result of mental illness, the person will, in the near future,

   a.) cause serious physical harm to himself or others as evidenced by recent behavior causing, attempting, or threatening harm and other relevant information, if any, or

   b.) suffer serious harm due to his lack of capacity to protect himself from harm or to provide for his basic human needs[1]; or

   [1] Criteria for involuntary admission for inpatient treatment to a facility pursuant to § 37.2-817.C of the Code of Virginia.

   2.) the person has a condition that requires intensive monitoring of newly prescribed drugs with a high rate of complications or adverse reactions; or

3.) the person has a condition that requires intensive monitoring and intervention for toxic effects from therapeutic psychotropic medication and short term community stabilization is not deemed to be appropriate; and

Section B:

4.) all available less restrictive treatment alternatives to involuntary inpatient treatment that would offer an opportunity for the improvement of the person's condition have been investigated and determined to be inappropriate (§37.2-817.C of the Code of Virginia).

b. **Children and Adolescents:** Due to a mental illness, the child or adolescent meets one or more of the criteria in section A and both criteria in section B:

Section A:

1.) presents a serious danger to self or others such that severe or irremediable injury is likely to result, as evidenced by recent acts or threats [2]; or

2.) is experiencing a serious deterioration of his ability to care for himself in a developmentally age-appropriate manner, as evidenced by delusional thinking or significant impairment of functioning in hydration, nutrition, self-protection, or self control [2]; or

[2] Criteria for parental or involuntary admission to a state hospital.

3.) requires monitoring of newly prescribed drugs with a high rate of complications or adverse reactions or monitoring for toxic effects from therapeutic psychotropic medication; and

Section B:

4.) is in need of inpatient treatment for a mental illness and is likely to benefit from the proposed treatment; and

5.) all treatment modalities have been reviewed and inpatient treatment at a state hospital is the least restrictive alternative that meets the minor's needs (§ 16.1-338, §16.1-339, and § 16.1-344 of the Code of Virginia).

The determination of least restrictive alternative should be a joint decision of the case management CSB and the receiving state hospital, with input from the individual receiving services and family members. The CSB must document specific community alternatives considered or attempted and the specific reasons why state hospital placement is the least restrictive setting for the individual at this time.

2. Admission to state hospitals is not appropriate for:

a. individuals who have behaviors that are due to medical disorders, neurological disorders (including head injury), or intellectual disability and who do not have a qualifying psychiatric diagnosis or serious emotional disturbance;

b. individuals with unstable medical conditions that require detoxification services or other extensive medical services;

c. individuals with a diagnosis of dementia, as defined in the Diagnostic and Statistical Manual, unless they also have significant behavioral problems, as determined by qualified state hospital staff;

d. individuals with primary diagnoses of adjustment disorder, anti-social personality disorder, or conduct disorder; and

e. individuals with a primary diagnosis of substance use disorder unless it is a co-occurring disorder with a qualifying psychiatric diagnosis or serious emotional disturbance.

3. In most cases, individuals with severe or profound levels of intellectual disability are not appropriate for admission to a state hospital. However, individuals with a mental illness who are also diagnosed with mild or moderate intellectual disability but are exhibiting signs of acute mental illness may be admitted to a state hospital if they meet the preceding criteria for admission due to their mental illness and have a primary need for mental health services. Once these psychiatric symptoms subside, the person must be reassessed according to AAIDD criteria and must be discharged to an appropriate setting.
4. Individuals with a mental health disorder who are also diagnosed with a co-occurring substance use disorder may be admitted to a state hospital if they meet the preceding criteria for admission.
5. For a forensic admission to a state hospital, an individual must meet the criteria for admission to a state hospital.

B. Training Centers

1. Admission to a training center for a person with intellectual disability will occur only when all of the following circumstances exist.
   a. The training center is the least restrictive and most appropriate available placement to meet the individual's treatment and training needs.
   b. Programs in the community cannot provide the necessary adequate supports and services required by an individual as determined by the CSB, pursuant to § 37.2-505 or § 37.2-606 of the Code of Virginia.
   c. It has been documented in the person's plan of care that the individual and his or her parents or authorized representative have selected ICF/ID services after being offered a choice between ICF/ID and community ID waiver services and that they agree with placement at a training center.
   d. The training center director approves the admission to the training center, with the decision of the director being in compliance with State Board regulations that establish the procedure and standards for issuance of such approval, pursuant to § 37.2-806 of the Code of Virginia.
   e. Documentation is present that the individual meets the AAIDD definition of intellectual disability and level 6 or 7 of the ICF/ID Level of Care.
   f. The individual demonstrates a need for extensive or pervasive supports and training to perform activities of daily living (ICF/ID Level of Care 6 or 7).
   g. The individual demonstrates one or more of the following conditions:
      - exhibits challenging behaviors (e.g., behavior patterns that may be manifested in self-injurious behavior, aggression toward others, or behaviors that pose public safety risks),
      - does not have a mental health diagnosis without also having an intellectual disability diagnosis, or
      - is medically fragile (e.g., has a chronic medical condition or requires specialized technological health care procedures or ongoing support to prevent adverse physical consequences).
2. After the training center director approves the admission, the CSB shall initiate the judicial certification process, pursuant to § 37.2-806 of the Code of Virginia.
3. Admission to a training center is not appropriate for obtaining:
   a. extensive medical services required to treat an unstable medical condition,

b. evaluation and program development services, or

c. treatment of medical or behavioral problems that can be addressed in the community system of care.

4. Special Circumstances for Respite Care or Emergency Admissions

a. Requests for respite care admissions to training centers must meet the criteria for admission to a training center and the regulations adopted by the State Board. The admission must be based on the need for a temporary placement and will not exceed statutory time limits (21 consecutive days or a maximum of 75 days in a calendar year) set forth in § 37.2-807 of the Code of Virginia.

b. Emergency admissions to training centers must meet the criteria for admission to a training center and must:

- be based on specific, current circumstances that threaten the individual's health or safety (e.g., unexpected absence or loss of the person's caretaker),
- require that alternate care arrangements be made immediately to protect the individual, and
- not exceed statutory time limits (21 consecutive days or a maximum of 75 days in a calendar year) set forth in § 37.2-807 of the Code of Virginia.

c. No person shall be admitted to a training center for a respite admission or an emergency admission unless the CSB responsible for the person's care, normally the case management CSB, has agreed in writing to begin serving the person on the day he or she is discharged from the training center, if that is less than 21 days after his or her admission, or no later than 21 days after his or her admission.

II. Preadmission Screening Services and Assessments Required Prior to State Facility Admission

A. CSB Preadmission Screening Requirements

1. CSBs will perform preadmission screening assessments on all individuals for whom admission, or readmission if the person is already in the hospital, to a state hospital is sought. A qualified CSB employee or designee shall conduct a comprehensive face-to-face evaluation of each individual who is being screened for admission to a state hospital. All CSB preadmission screeners for admission to state hospitals shall meet the qualifications for preadmission screeners as required in § 37.2-809 of the Code of Virginia. The preadmission screener shall forward a completed DBHDS MH Preadmission Screening Form to the receiving state hospital before the individual's arrival.

2. CSBs should ensure that employees or designees who perform preadmission screenings to a state hospital have expertise in the diagnosis and treatment of mental illnesses and consult, as appropriate, with professionals who have expertise in working with and evaluating persons with intellectual disability or substance use disorders or children and adolescents with serious emotional disturbance.

3. CSBs should ensure that employees or designees who perform preadmission screenings for admission to a training center have expertise in the diagnosis and treatment of persons with intellectual disability and consult, as appropriate, with professionals who have expertise in working with and evaluating individuals with mental health or substance use disorders.

4. Results of the CSB's comprehensive face-to-face evaluation of each individual who is being screened for admission to a state facility should be forwarded to the receiving

state facility for its review before the person's arrival at the facility. This evaluation should include the CSB assessments listed in the following section.

5. When an individual who has not been screened for admission by a CSB arrives at a state facility, he should be screened in accordance with procedures negotiated by the state facility and the CSBs that it serves. State facility staff will not perform preadmission screening assessments.
6. Preadmission screening CSBs must notify the state hospital immediately in cases in which the CSB preadmission screener did not recommend admission but the individual has been judicially admitted to the state hospital.
7. The case management CSB or its designee shall conduct preadmission screening assessments for the readmission of any individuals it serves in a state hospital.

B. **Assessments Required Prior to Admission to a State Hospital**: Section 37.2-815 of the Code of Virginia requires an examination, which consists of items 1 and 2 below and is conducted by an independent examiner, of the person who is the subject of a civil commitment hearing. The same Code section permits CSB staff, with certain limitations, to perform these examinations. The same items are required for a voluntary admission, but they do not have to be performed by an examiner referenced in § 37.2-815.

1. If there is reason to suspect the presence of a substance use disorder and available information is not adequate to make a determination of its existence, a substance use disorder screening, including completion of:
   a. a comprehensive drug screen including blood alcohol concentration (BAC), with the individual's consent, and
   b. the Substance Abuse Subtle Screening Inventory (SASSI) or Simple Screening Instrument (SSI) for adults or the adolescent version of SASSI for adolescents age 12 and older. The SASSI will not be required for youth under age 12.
2. A clinical assessment that includes:
   a. a face-to-face interview or one conducted via two-way electronic video and audio communication system, including arrangements for translation or interpreter services for individuals when necessary;
   b. clinical assessment information, as available, including documentation of:
      - a mental status examination, including the presence of a mental illness and a differential diagnosis of an intellectual disability,
      - determination of current use of psychotropic and other medications, including dosing requirements,
      - a medical and psychiatric history,
      - a substance use, dependence, or abuse determination, and
      - a determination of the likelihood that, as a result of mental illness, the person will, in the near future, suffer serious harm due to his lack of capacity to protect himself from harm or to provide for his basic human needs;
   c. a risk assessment that includes an evaluation of the likelihood that, as a result of mental illness, the person will, in the near future, cause serious physical harm to himself of others as evidenced by recent behavior causing, attempting, or threatening harm and other relevant information, if any;
   d. an assessment of the person's capacity to consent to treatment, including his ability to:
      - maintain and communicate choice,

- understand relevant information, and
- comprehend the situation and its consequences;

e. a review of the temporary detention facility's records for the person, including the treating physician's evaluation, any collateral information, reports of any laboratory or toxicology tests conducted, and all admission forms and nurses' notes ;

f. a discussion of treatment preferences expressed by the person or contained in a document provided by the person in support of recovery;

g. an assessment of alternatives to involuntary inpatient treatment; and

h. recommendations for the placement, care, and treatment of the person.

3. To the extent practicable, a medical assessment performed by an available medical professional (i.e., an M.D. or a nurse practitioner) at, for example, the CSB or an emergency room. Elements of a medical assessment include a physical examination and a medical screening of:

   a. known medical diseases or other disabilities;

   b. previous psychiatric and medical hospitalizations;

   c. medications;

   d. current use of alcohol and illicit drugs, using blood alcohol concentrations and the results of the comprehensive drug screen; and

   e. physical symptoms that may suggest a medical problem.

4. If there is reason to suspect the presence of intellectual disability, to the extent practicable, a psychological assessment that reflects the person's current level of functioning based on the current AAIDD criteria should be performed if a recent psychological assessment is not already available to the preadmission screener.

5. When a state hospital accepts a direct admission, the Medical Officer on Duty should be contacted prior to admission to determine which of these assessments are needed. The state hospital shall communicate the results its decision in writing to the CSB within four hours.

C. CSB Assessments Required Prior to Admission to a Training Center

1. For certified admission to a training center, a completed preadmission screening report that shall include the following information:

   a. A completed preadmission screening report, which shall include at a minimum:

      i. an application for services;

      ii. a medical history indicating the presence of any current medical problems as well as the presence of any known communicable disease. In all cases, the application shall include any currently prescribed medications as well as any known medication allergies;

      iii. a social history and current housing or living arrangements; and

      iv. a psychological evaluation that reflects the individual's current functioning.

   b. The preadmission screening report shall include the following information, as appropriate:

      i. a current individualized education plan for school-aged individuals,

      ii. a vocational assessment for adults,

iii. a completed discharge plan outlining the services to be provided upon discharge and anticipated data of discharge, and

iv. a statement from the individual, family member, or authorized representative requesting services in the training center.

c. If there is reason to suspect the presence of a substance use disorder (e.g., current or past substance dependence or addiction) and available information is not adequate to make a determination of its existence, a substance use disorder screening, including completion of:

i. a comprehensive drug screen including blood alcohol concentration (BAC), with the individual's consent, and

ii. the Substance Abuse Subtle Screening Inventory (SASSI) or Simple Screening Instrument (SSI) for adults or the adolescent version of SASSI for adolescents age 12 and older. The SASSI will not be required for youth under age 12.

d. When indicated, an assessment of the individual's mental status to determine the presence of a co-occurring mental illness. This mental status assessment should include:

i. a face-to-face interview, including arrangements for translation or interpreter services for individuals;

ii. clinical assessment information, as available, including documentation of the following:

- a mental status examination,
- current psychotropic and other medications, including dosing requirements,
- medical and psychiatric history,
- substance use or abuse,
- information and recommendations of other current service providers (e.g., treating physicians) and appropriate significant persons (e.g., spouse, parents), and
- ability to care for self; and

iii. assessment of capacity to consent to treatment, including an evaluation of such processes as the ability to:

- maintain and communicate choice,
- understand relevant information, and
- understand the situation and its consequences.

2. For respite admissions to a training center, information requirements for the admission package are limited, but must include:

a. an application for services;

b. a medical history indicating the presence of any current medical problems as well as the presence of any known communicable disease. In all cases, the application shall include any currently prescribed medications as well as any known medication allergies;

c. a social history and current status;

d. a psychological evaluation that reflects the individual's current functioning.

e. a current individualized education plan for school-aged individuals unless the training center director or designee determines that sufficient information as to the individual's abilities and needs is included in other reports received;

f. a vocational assessment for adults unless the training center director or designee determines that sufficient information as to the individual's abilities and needs is included in other reports received;

g. a statement from the CSB that respite care is not available in the community for the individual;

h. a statement from the CSB that the appropriate arrangements are being made to return the individual to the CSB within the time frame required under the regulations for respite admissions to training centers; and

i. a statement from the individual, family member, or authorized representative specifically requesting services in the training center.

3. For emergency admissions to a training center, information required for a respite admission is required; however, if the information is not available, this requirement may be waived temporarily only if arrangements have been made for receipt of the required information within 48 hours of the emergency admission.

D. Disposition of Individuals with Acute or Unstable Medical Conditions

1. Individuals who are experiencing acute or unstable medical conditions will not receive medical clearance for admission to a state hospital or training center. Examples of these conditions include: untreated acute medical conditions requiring surgery or other immediate treatment, acute pneumonia, respiratory distress, acute renal failure or chronic renal failure requiring dialysis, unstable diabetes, symptoms of alcohol or drug toxicity, and erratic consciousness of unknown origin.

2. CSBs should have procedures in place to divert individuals who do not meet state facility admission criteria due to with medical conditions to appropriate medical facilities.

E. Procedures for Dealing with Inappropriate Judicial Admissions to State Facilities

1. The individual's case management CSB shall immediately formulate and implement a discharge plan, as required by § 37.2-505 or § 37.2-606 of the Code of Virginia, if a state hospital determines that an individual who has been judicially admitted to the hospital is inappropriate for admission (e.g., the person does not meet the admission criteria listed in these procedures).

2. CSBs will be notified of the numbers of their admissions that state hospitals have determined do not meet the admission criteria in these procedures. State hospitals will report this information to the Department and the affected CSBs at least quarterly in a format prescribed by the Department. This information will be discussed during the bi-monthly utilization review and utilization management process developed and implemented by CSBs and state hospitals, which is described in the next section. This will include inappropriate jail transfers for evaluation and treatment.

III. CSB Participation on Interdisciplinary Treatment Teams and Coordination with State Facility in Service Planning

Refer to the current applicable *Discharge Protocols* for other CSB requirements related to participation in treatment planning while the individual is in the state facility.

A. Staff of the case management CSBs shall participate in readmission hearings at state hospitals by attending the hearings or participating in teleconferences or video conferences. State hospital staff will not represent CSBs at readmission hearings.

B. CSBs and state facilities shall develop and implement a bi-monthly utilization review and utilization management process to discuss and address issues related to the CSB's utilization of state facility services. This includes reviewing the status and lengths of stay of individuals served by the CSB and developing and implementing actions to address census management issues.

IV. CSB Discharge Planning Responsibilities

Refer to the current applicable *Discharge Protocols* for other CSB requirements related to discharge planning responsibilities.

A. State facilities shall provide or arrange transportation, to the extent practicable, for individuals for discharge-related activities. Transportation includes travel from state facilities to community settings for trial visits and back to state facilities after such visits. The case management CSB shall provide or arrange transportation, to the extent practicable, for an individual whose admission to a state facility has been determined to be inappropriate, resulting in the person's discharge in accordance with § 37.2-837, § 37.2-505, § 37.2-606, or § 16.1-346.B of the Code of Virginia, and shall provide or arrange transportation for individuals when they are discharged from state facilities.

V. Discharge Criteria and Resolution of Disagreements about an Individual's Readiness for Discharge

A. Each state facility and the CSBs that it serves will use the following discharge criteria.

1. ***State Hospitals***

a. **Adults:** An adult will be discharged from a state hospital when hospitalization is no longer clinically appropriate. The interdisciplinary treatment team will use all of the following criteria to determine an individual's readiness for discharge:

1.) the individual has a mental illness but there is not a substantial likelihood that, as a result of mental illness, the person will, in the near future,

a.) cause serious physical harm to himself or others as evidenced by recent behavior causing, attempting, or threatening harm and other relevant information, if any, or

b.) suffer serious harm due to his lack of capacity to protect himself from harm or to provide for his basic human needs; and

2.) inpatient treatment goals, as documented in the person's individualized treatment plan, have been addressed sufficiently, and

3.) the individual is free from serious adverse reactions to or complications from medications and is medically stable.

b. **Children and Adolescents:** A child or an adolescent will be discharged from a state hospital when he or she no longer meets the criteria for inpatient care. The interdisciplinary treatment team will use the following criteria to determine an individual's readiness for discharge:

1.) the minor no longer presents a serious danger to self or others, and

2.) the minor is able to care for himself in a developmentally appropriate manner; and, in addition,

3.) the minor, if he is on psychotropic medication, is free from serious adverse effects or complications from the medications and is medically stable;

OR when any of the following apply:

4.) the minor is unlikely to benefit from further acute inpatient psychiatric treatment;

5.) the minor has stabilized to the extent that inpatient psychiatric treatment in a state hospital is no longer the least restrictive treatment intervention; or

6.) if the minor is a voluntary admission, the legal guardian or the minor, if he is age 14 or older, has withdrawn consent to admission (§ 16.1-338.D of the Code of Virginia), unless continued hospitalization is authorized under § 16.1-339, § 16.1-340, or § 16.1-345 of the Code of Virginia within 48 hours of the withdrawal of consent to admission.

2. ***Training Centers***: Any individual is ready for discharge from a training center when the supports that are necessary to meet his or her needs are available in the community of his or her choice.

B. The state facility shall provide assessment information that is equivalent to the information specified in sections II.B. or II.C. (except for items B.3.a. and g. and C.3.a. and h.) of these procedures to the CSB when an individual is being considered for discharge to the community.

C. The CSB shall be notified when the state facility interdisciplinary treatment team determines that an individual admitted to a state facility does not meet the admission criteria in these procedures and needs to be discharged in accordance with § 37.2-837 and § 37.2-505 or § 37.2-606 of the Code of Virginia.

D. A disagreement as to whether an individual is ready for discharge from a state facility is solely a clinically-based disagreement between the state facility treatment team and the CSB that is responsible for the individual's care in the community. A dispute may occur when either:

1. the treatment team determines that the individual is clinically ready for discharge and the CSB disagrees; or
2. the CSB determines that an individual is clinically ready for discharge and the treatment team disagrees.

See the applicable Discharge Protocols for further guidance about resolving such disagreements.

VI. CSB Post-discharge Services

Refer to the current applicable *Discharge Protocols* for other CSB requirements related to post-discharge services responsibilities.

A. Individuals discharged from a training center who have missed their first appointment with a CSB case manager or in a day support program shall be contacted by the case management CSB within 14 calendar days.

B. To reduce readmissions to training centers, CSBs shall, to the extent practicable, establish a developmental crisis stabilization/behavior management capability to work with individuals who have been discharged from a training center who are having difficulty adjusting to their new environments.

Appendix B: Federal Substance Abuse Prevention and Treatment Block Grant Requirements

Certification Regarding Environmental Tobacco Smoke: Substance Abuse Prevention and Treatment (SAPT) Block Grant and Community Mental Health Services Block Grant

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; CSBs whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing a performance contract, a CSB certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services to children as defined by the Act.

A CSB agrees that it will require that the language of this certification be included in any subawards that contain provisions for children's services and that all subrecipients shall certify accordingly.

Special Federal Substance Abuse Prevention and Treatment Block Grant (CFDA 93.959) Compliance Requirements

Treatment services provided with federal Substance Abuse Prevention and Treatment Block Grant (SAPT) funds must satisfy federally mandated requirements. SAPT funds must be treated as the payer of last resort only for providing services to pregnant women and women with dependent children and TB and HIV services [Source: 45 CFR § 96.137]. Relevant requirements of the Substance Abuse Prevention and Treatment Block Grants; Interim Final Rule (45 CFR Part 96) are summarized below. As subgrantees of the Department, the CSB and its subcontractors under this performance contract are responsible for compliance with these requirements. Failure to address these requirements may jeopardize all SAPT block grant funds awarded to the CSB.

1. **Meet Set-Aside Requirements:** Federal law requires that the state expend its allocation to address established minimum set-asides. In order to address these set-asides, the Department shall designate its awards to the CSB in specified categories, which may include:

   a. primary prevention,

   b. treatment services for substance use disorders, and

   c. services to pregnant women and women with dependent children.

   The CSB must utilize these funds for the purposes for which they are indicated in the performance contract and the letter of notification. The CSB must provide documentation in its semi-annual (2nd quarter) and annual (4th quarter) performance contract reports of expenditures of the set-asides to the Office of Substance Abuse Services and the Division of Finance and Administration in the Department to ensure that the state meets its set-aside requirements.

   [Sources: 45 CFR § 96.124 and 45 CFR § 96.128]

2. **Primary Prevention Services:** Federal law requires that funds designated for primary prevention services be directed at individuals not identified to be in need of treatment and that a variety of strategies be utilized, to include the following strategies.

   a. *Information Dissemination*: This strategy provides awareness and knowledge of the nature and extent of alcohol, tobacco, and drug use, abuse, and addiction and their effects on individuals, families, and communities. It also provides knowledge and awareness of available prevention programs and services. Information dissemination is characterized by one-way communication from the source to the audience, with limited contact between the two. Examples of activities conducted and methods used for this strategy include:

      1) clearinghouse and information resource center(s),
      2) resource directories,
      3) media campaigns,
      4) brochures,
      5) radio and TV public service announcements,
      6) speaking engagements,
      7) health fairs and health promotion, and
      8) information lines.

   b. *Education*: This strategy involves two-way communication and is distinguished from the information dissemination strategy by the fact that interaction between the educator or facilitator and the participants is the basis of its activities. Activities under this strategy aim to affect critical life and social skills, including decision-making, refusal skills, critical analysis (e.g. of media messages), and systematic judgment abilities. Examples of activities conducted and methods used for this strategy include:

      1) classroom and small group sessions (all ages),
      2) parenting and family management classes,
      3) peer leader and helper programs,
      4) education programs for youth groups, and
      5) children of substance abusers groups.

   c. *Alternatives*: This strategy provides for the participation of target populations in activities that exclude alcohol, tobacco, and other drug use. The assumption is that constructive and healthy activities offset the attraction to, or otherwise meet the needs usually filled by, alcohol, tobacco, and other drugs and would, therefore, minimize or obviate resort to the latter. Examples of activities conducted and methods used for this strategy include:

      1) drug free dances and parties,
      2) youth and adult leadership activities,
      3) community drop-in centers, and
      4) community-service activities.

   d. *Problem Identification and Referral*: This strategy aims at identification of those who have indulged in illegal or age-inappropriate use of tobacco or alcohol and those persons who have indulged in the first use of illicit drugs in order to assess if their behavior can be reversed through education. It should be noted, however, that this strategy does not include any activity designed to determine if a person is in need of treatment. Examples of activities conducted and methods used for this strategy include:

      1) employee assistance programs,
      2) student assistance programs, and
      3) driving while under the influence and driving while intoxicated programs.

   e. *Community-Based Process*: This strategy aims to enhance the ability of the community to provide prevention and treatment services for alcohol, tobacco, and drug abuse disorders more effectively. Activities in this strategy include organizing, planning, enhancing

efficiency and effectiveness of services implementation, inter-agency collaboration, coalition building, and networking. Examples of activities conducted and methods used for this strategy include:

1) community and volunteer training, e.g., neighborhood action training, training of key people in the system, staff and officials training;
2) systemic planning;
3) multi-agency coordination and collaboration;
4) accessing services and funding; and
5) community team-building.

f. *Environmental*: This strategy establishes or changes written and unwritten community standards, codes, and attitudes, thereby influencing the incidence and prevalence of the abuse of alcohol, tobacco, and other drugs used in the general population. This strategy is divided into two subcategories to permit distinction between activities that center on legal and regulatory initiatives and those that relate to the service and action-oriented initiatives. Examples of activities conducted and methods used for this strategy include:

1) promoting the establishment and review of alcohol, tobacco, and drug use policies in schools;
2) technical assistance to communities to maximize local enforcement procedures affecting the availability and distribution of alcohol, tobacco, and other drugs;
3) modifying alcohol and tobacco advertising practices; and
3) product pricing strategies.

[Source: 45 CFR § 96.125]

3. **Services to Pregnant Women and Women with Dependent Children, Including Women who are Attempting to Regain Custody of their Children, Except in Cases where Parental Rights have been Terminated:** Federal law requires that funds allocated to the CSB under this set-aside must support, at a minimum, the following services, either directly or by a written memorandum of understanding:

a. primary medical care for women, including referral for prenatal care, and child care while such women are receiving this care;

b. primary pediatric care, including immunization for their children;

c. gender-specific substance abuse treatment and other therapeutic interventions for women that may address issues of relationships, sexual and physical abuse, and parenting and child care while the women are receiving these services;

d. therapeutic interventions for children in custody of women in treatment that may, among other things, address their developmental needs and their issues of sexual and physical abuse and neglect; and

e. sufficient case management and transportation to ensure that women and their children have access to services provided by paragraphs 2.a-d.

In addition to complying with the requirements described above, the CSB shall:

a. treat the family as a unit and, therefore, admit both women and their children into treatment services, if appropriate [Source: 45 CFR § 96.124(e)];

b. report to the Department when it has insufficient capacity to provide treatment to the woman and make available interim services, including a referral for prenatal care, within 48 hours of the time the woman initially seeks services [Source: 45 CFR § 96.131]; and

c. publicize the availability and priority of treatment for pregnant women [Source: 45 CFR § 96.131].

4. **Preference in Admission:** The CSB must give preference in admission to pregnant women who seek or are referred for and would benefit from SAPT Block Grant-funded treatment services. The CSB must give admission preference to individuals in the following order:

   a. pregnant injecting drug users,

   b. other pregnant substance abusers,

   c. other injecting drug users, and

   d. all other individuals.

   [Source: 45 CFR § 96.128]

5. **Services for persons at risk of HIV/AIDS:** Virginia is no longer considered a designated state under these regulations and is no longer required to spend five percent of the federal SAPT Block Grant on HIV Early Intervention Services (EIS). Further, Virginia is prohibited from spending federal funds on HIV EIS. Consequently, neither the Department nor the CSB may spend federal SAPT Block Grant funds for these services. However, if the CSB has an HIV rate of 10 percent or more and wishes to continue its HIV EIS during the term of this contract, it may use state general or local funds that are available to it for this purpose. If the CSB uses state general funds for HIV EIS, those funds will become restricted for that purpose, and the CSB must meet the same requirements as the federal criteria for HIV EIS activities. In any event, the CSB should determine if individuals are engaging in high risk behaviors for HIV infection and encourage them to contact their local health departments for HIV testing and preventative supplies.

6. **Interim Services:** Federal law requires that the CSB, if it receives any Federal Block Grant funds for operating a program of treatment for substance addiction or abuse, either directly or through arrangements with other public or private non-profit organizations, routinely make available services for persons who have sought admission to a substance abuse treatment program yet, due to lack of capacity in the program, have not been admitted to the program. While awaiting admission to the program, these individuals must be provided, at a minimum, with certain interim services, including counseling and education about HIV and tuberculosis (TB). Interim services means services that are provided until an individual is admitted to a substance abuse treatment program. The purposes of such interim services are to reduce the adverse health effects of substance abuse, promote the health of the individual, and reduce the risk of transmission of disease.

   a. For pregnant women, interim services also include counseling about the effects of alcohol and drug abuse on the fetus and referral for prenatal care. [Source: 45 CFR § 96.121, Definitions]

   b. At a minimum, interim services must include the following:
      1) counseling and education about HIV and tuberculosis (TB),
      2) the risks of needle sharing, the risks of transmission to sexual partners and infants, and
      3) the steps that can be taken to ensure the HIV and TB transmission does not occur and include referral for HIV or TB treatment services, if necessary.

   [Source: 45 CFR §§ 96.121 and 96.126]

7. **Services for Individuals with Intravenous Drug Use:** If the CSB offers a program that treats individuals for intravenous drug abuse, it must:

   a. provide notice to the Department within seven days when the program reaches 90 percent of capacity;

   b. admit each individual who requests and is in need of treatment for intravenous drug abuse not later than:
      1) 14 days after making the request, or

2) 120 days after making the request if the program
   - has no capacity to admit the person on the date of the request, and
   - within 48 hours of the request makes interim services as defined in 45 CFR § 96.126 available until the individual is admitted to the program;

c. maintain an active waiting list that includes a unique identifier for each injecting drug abuser seeking treatment, including individuals receiving interim services while awaiting admission;

d. have a mechanism in place that enables the program to:
   1) maintain contact with individuals awaiting admission, and
   2) admit or transfer individuals on the waiting list at the earliest possible time to an appropriate treatment program within a reasonable geographic area;

e. take individuals awaiting treatment off the waiting list only when one of the following conditions exists:
   1) such persons cannot be located for admission, or
   2) such persons refuse treatment; and

f. encourage individuals in need of treatment for intravenous drug use to undergo such treatment, using outreach methods that are scientifically sound and that can reasonably be expected to be effective; such outreach methods include:
   1) selecting, training, and supervising outreach workers;
   2) contacting, communicating, and following-up with high risk substance abusers, their associates, and neighborhood residents, within the constraints of federal and state confidentiality requirements, including 42 CFR Part 2;
   3) promoting awareness among injecting drug users about the relationship between injecting drug abuse and communicable diseases, such as HIV;
   4) recommending steps that can be taken to ensure that HIV transmission does not occur; and
   5) encouraging entry into treatment.

[Sources: 45 CFR §§ 96.121 and 96.126]

8. Tuberculosis (TB) Services:

a. Federal law requires that the CSB, if it receives any Federal Block Grant funds for operating a program of treatment for substance addiction or abuse, either directly or through arrangements with other public or private non-profit organizations, routinely make available the following tuberculosis services to each individual receiving treatment for substance abuse [45 CFR § 96.121 (Definitions)]:
   1) counseling individuals with respect to tuberculosis,
   2) testing to determine whether the individual has been infected with mycobacteria tuberculosis to identify the appropriate form of treatment for the person, and
   3) providing for or referring the individuals infected with mycobacteria tuberculosis for appropriate medical evaluation and treatment.

b. The CSB must follow the protocols established by the Department and the Department of Health and distributed by the Department of Health for screening for, detecting, and providing access to treatment for tuberculosis.

c. All individuals with active TB shall be reported to the appropriate state official (the Virginia Department of Health, Division of TB Control), as required by state law and in accordance with federal and state confidentiality requirements, including 42 CFR Part 2.

d. The CSB shall:
   1) establish mechanisms to ensure that individuals receive such services, and
   2) refer individuals who are denied admission due to lack of service capacity to other providers of TB services.

[Source: 45 CFR § 96.127]

9. **Other Requirements**

   a. The CSB shall make available continuing education about treatment services and prevention activities to employees in SAPT Block Grant-funded treatment and prevention programs. The CSB shall provide support to the greatest extent possible for at least 20 hours annually of prevention-specific training for prevention directors, managers, and staff. If the CSB hires a new prevention director or manager, it agrees to support his or her participation in the 12-month prevention director mentorship program as space is available.

   b. The CSB shall implement and maintain a system to protect individual services records maintained by SAPT Block Grant-funded services from inappropriate disclosures. This system shall comply with applicable federal and state laws and regulations, including 42 CFR, and provide for employee education about the confidentiality requirements and the fact that disciplinary action may be taken for inappropriate disclosures. [Source: 45 CFR § 96.132]

10. **Faith-Based Service Providers:** In awarding contracts for substance abuse treatment, prevention, or support services, the CSB shall consider bids from faith-based organizations on the same competitive basis as bids from other non-profit organizations. Any contract with a faith-based organization shall stipulate compliance with the provisions of 42 CFR Parts 54 and 54a and 45 CFR Parts 96, 260, and 1050. Funding awarded through such contracts shall not be used for inherently religious activities, such as worship, religious instruction, or proselytizing. Such organizations are exempt from the requirements of Title VII of the Civil Rights Act regarding employment discrimination based on religion. However, such organizations are not exempt from other provisions of Title VII or from other statutory or regulatory prohibitions against employment discrimination based on disability or age. These organizations are subject to the same licensing and human rights regulations as other providers of substance abuse services. The CSB shall be responsible for assuring that the faith-based organization complies with the provisions described in these sections. The CSB shall provide individuals referred to services provided by a faith-based organization with notice of their right to services from an alternative provider. The CSB shall notify the Office of Substance Abuse Services in the Department each time such a referral is required.

11. **Prevention Services Addressing Youth Tobacco Use and Underage Drinking:** The CSB shall select and implement evidence-based programs and practices that target youth tobacco use and underage drinking, based on rates of youth tobacco and alcohol use that exceed state rates and age of first use that fall below state rates in the CSB's service area. The CSB shall integrate underage drinking, youth access, and smoking prevention strategies and education into prevention services as appropriate and report this integration through the KIT Prevention System.

    [Sources: 42 USC 300x-26 and 45 CFR § 96.130]

12. **Evidence-Based Programs:** The CSB shall ensure that a minimum of 75 percent of all prevention programs and practices entered in the KIT Prevention System and supported wholly or in part by the SAPT Block Grant prevention set-aside are evidence-based or are included in a federal list or registry of evidence-based interventions. The CSB shall replicate any evidence-based program as directed by that program's guidelines or as adapted in collaboration with that program's developer.

Appendix C: Unspent Balances Principles and Procedures

Unspent balances means amounts of unrestricted and restricted state general funds, hereafter referred to as state funds unless clarity requires more specificity, disbursed to CSBs pursuant to 790 Grants to Localities in the current Appropriation Act that remain unexpended after the end of the fiscal year in which they were disbursed by the Department.

Unspent Balances Principles and Procedures

1. **Applicability:** These principles and procedures apply equally to all CSBs. Implementation of some details of these principles and procedures may need to vary by type of CSB, but the overall framework should apply consistently. For example, given the administrative and financial relationships between some administrative policy CSBs or the local government department with an advisory CSB and their local governments, there may be a need to modify the application of some principles or procedures to accommodate those relationships. These principles and procedures shall apply to all unspent balances of state funds present in a CSB's accounts and reflected in its financial management system.

2. **CSB Allocations of State Funds not Affected by Amounts of Unspent Balances:** Given provisions in State Board Policy 6005 and § 37.2-509 or § 37.2-611 of the Code of Virginia, the Department shall allocate funds in Grants to Localities of the Appropriation Act without applying estimated year-end balances of unspent state funds to the next year's awards to CSBs.

3. **Calculation of Balances:** In order to calculate the correct amounts of unspent state fund balances, the Department shall continue to calculate unspent balances for all types of revenue sources, except for federal grants. Balances will be determined for restricted and unrestricted state funds, local matching funds, and fees, based on the end of the fiscal year Community Automated Reporting System (CARS) reports submitted by all CSBs no later than the deadline in Exhibit E of the performance contract for the preceding state fiscal year. The Department will continue to communicate information about individual balances to each CSB.

4. **Reserve Funds:** A CSB shall place all unspent balances of unrestricted and restricted state funds that it has accumulated from previous fiscal years in a separate reserve or contingency fund. The CSB shall use this reserve fund only for mental health, developmental, and substance abuse services purposes and as specified in these principles and procedures.

   In the case of a CSB reporting under the Governmental Health Care Enterprise accounting standards, unspent balances of unrestricted or restricted state funds would be deferred to the following fiscal year and not reported as income in the year from which the income was deferred. These deferrals would be reported as balances in CARS reports submitted by the CSB. Deferred state funds would continue to be deferred until spent for services in the performance contract or until the end of the biennium in which they were appropriated. When these balances are spent, they would be reflected as state retained earnings in the end of the fiscal year CARS reports. However, balances of unexpended state funds must be reflected in the net assets part of the CSB's audit report.

   Reserve or contingency funds must not be established using current fiscal year funds, which are appropriated, granted, and disbursed for the provision of services in that fiscal year. This is particularly relevant for funds earmarked or restricted by funding sources such as the General Assembly, since these funds cannot be used for another purpose. Transferring current fiscal year state funds into a reserve or contingency fund or otherwise intentionally not expending them solely for the purpose of creating or increasing a reserve or contingency fund is a violation of the legislative intent of the Appropriation Act and is not acceptable.

5. **Maintenance of Effort:** Pursuant to State Board Policy 6005 and based on the Appropriation Act prohibition against using state funds to supplant funds provided by local governments for existing services, there should be no reduction of local matching funds as a result of a CSB's retention of any balances of unspent state funds.

6. **Size of Reserve Funds:** The maximum acceptable amount of unspent state fund balances that a CSB may accumulate in a reserve fund or otherwise is equal to the amount of all state funds received from the Department during the current fiscal year. If this amount of all state funds is less than a total amount of state funds received by the CSB during any one of the preceding five fiscal years, that larger amount shall constitute the acceptable maximum amount of unspent state fund balances that may be accumulated in a reserve account. If a CSB has accumulated more than this amount, it must expend enough of those reserve funds on allowable uses for mental health, developmental, or substance abuse services purposes to reduce the amount of accumulated state fund balances to less than the amount of all state funds received from the Department during the current fiscal year.

   In calculating the amount of acceptable accumulated state fund balances, amounts of long term capital obligations incurred by a CSB and long term liabilities (e.g., compensated absences) assumed by a CSB shall be excluded from the calculation. If a CSB has a plan approved by its CSB board to reserve a portion of accumulated balances toward an identified future capital expense, the reserved amounts of state funds shall be excluded from the maximum acceptable amount of unspent state fund balances.

7. **Unspent Balances for Regional Programs:** While all unspent balances exist in CSB financial management systems, unspent balances for a regional program may be handled by the CSBs participating in the regional program as determined by them. All of the participating CSBs must review and approve how these balances are handled. Balances for regional programs may be prorated to each participating CSB for its own locally determined uses or allocated to a CSB or CSBs for regionally approved uses, or the CSB that functions as the regional program's fiscal agent may retain and expend the funds for purposes determined by all of the participating CSBs. Procedures for handling regional program balances of unspent funds should be included in the regional program memorandum of agreement for the program among the participating CSBs, and those procedures must be consistent with the principles and procedures in this Appendix and the applicable provisions of the current performance contract.

8. **Effective Period of Restrictions on State General Funds:** Allowable uses of state funds appropriated in the Grants to Localities item of the Appropriation Act for identified purposes (restricted funds) remain in effect for each fiscal year through the end of the biennium in which those restricted funds were originally appropriated. However, after the end of the fiscal year in which the restricted funds were disbursed to CSBs, any unexpended balances of these state funds are no longer restricted and would be considered unrestricted state funds.

9. **Use of Unexpended Restricted State Funds During the Current Fiscal Year:** The Department will not approve requests from CSBs to transfer unexpended restricted state funds during the current fiscal year to be used for another purpose. Restricted state funds must be used for the purposes for which they were appropriated in the biennium in which they were appropriated. Instead, a CSB should use unspent funds from prior fiscal years in its reserve fund if additional funds are needed for this other purpose.

10. **Allowable Uses of Unspent State Fund Balances:** Consistent with the intent of the Grants to Localities item in the Appropriation Act and § 37.2-500 or § 37.2-601 of the Code of Virginia, CSBs may use unspent balances of state funds only for mental health, developmental, and substance abuse services purposes. Any other uses of unspent state fund balances are not acceptable and are a violation of the CSB's performance contract with the Department.

11. **Preferred Acceptable Uses of Accumulated Unspent State Fund Balances From Previous Fiscal Years:** CSBs may use unspent state fund balances from previous fiscal years for the following purposes:

    a. Purchase, construction, renovation, or replacement of land or buildings used to provide mental health, developmental, or substance abuse services;

    b. Purchase, replacement, or repair of vehicles used to transport individuals receiving services or to provide services (e.g., vehicles for case management or emergency services staff);

    c. Start up expenses for new programs, including security deposits for housing and utilities, advance rental payments, facility furnishings, supplies, prepaid expenses such as insurance premiums, and staff recruitment and training;

    d. Purchase, replacement, or repair of other capital equipment, including facility-related machinery, equipment, or furnishings;

    e. Initiation of Discharge Assistance Plans to enable individuals on state facility ready for discharge lists to be discharged to community settings while other support for the placements is being arranged;

    f. Purchase, replacement, or repair of information system equipment or software, including telecommunications equipment or software; and

    g. Purchase, construction, renovation, or replacement of land or buildings used for the CSB's management and administrative operations.

12. **Other Acceptable Uses of Accumulated Unspent State Fund Balances From Previous Fiscal Years:** Normally, unspent balances of state funds from previous fiscal years should be used only for one-time, non-recurring expenditures and not for supporting ongoing obligations. However, in exceptional circumstances, unspent balances may be used to temporarily absorb the short term effects of a budget reduction or an unanticipated revenue shortfall during the current fiscal year until more permanent actions are taken to implement the budget reduction or address the shortfall. Also, State Board Policy 6005 states that, if a CSB is certain that the source of balances of unspent state funds can be sustained in the future, for instance savings from a permanent reduction in staffing, then the balances could be used for ongoing obligations, although a preferable alternative would be to move the funds from the activity where they were not spent to the other ongoing use.

13. **Collective Uses of Unspent Balances:** A group of CSBs may pool amounts of their unspent balances to address one-time issues or needs that are addressed more effectively or efficiently on a collective basis. The use of these pooled unspent balances shall be consistent with the principles and procedures in this Appendix.

14. **Performance Contract Documentation:** All uses of unspent balances of state funds shall be documented in the CSB's performance contract for the year in which the unspent balances are expended. If the balances will be used to support operational costs, the funds shall be shown as state retained earnings revenue in the performance contract and in the CARS mid-year report, if the expense occurs in the first two quarters, and in the end of the fiscal year CARS report.

    If the balances will be used for major capital expenses, such as the purchase, construction, major renovation, or replacement of land or buildings used to provide mental health, developmental, or substance abuse services or the CSB's management and administrative operations or the purchase or replacement of information system equipment, these costs shall not be shown as state retained earnings, but shall be described separately on the Financial Comments page (AF-2) of the performance contract and the CARS reports. Balances used for major capital expenses shall not be included as revenues on pages AF-2 or AF-3 through AF-8

or in the costs shown on Forms 11, 21, 31, or 01 of the performance contract or CARS reports because these expenses would distort the ongoing costs of the services in which the major capital expenses would be included.

In either case, for each separate use of unspent balances of state funds, the amount expended and the category (from those listed in sections 11 and 12) of the expenditure shall be shown on the Financial Comments page of the performance contract, if the expenditure was planned at the beginning of the contract term, and the end of the fiscal year CARS report. While the amount of unspent balances expended must be shown, CSBs do not have to list the specific sources of those balances, such as unrestricted state funds or particular restricted state funds. Uses of unspent balances of state funds shall be reviewed and approved by the Department in accordance with the principles and procedures in this Appendix and the Performance Contract Process in Exhibit E of the performance contract.

CSBs may maintain their accounting records on a cash or accrual basis for day-to-day accounting and financial management purposes; however its CARS reporting must be in compliance with Generally Accepted Accounting Principles (GAAP). CSBs may submit CARS reports to the Department on a cash or modified accrual basis, but they must report on a consistent basis; and the CARS reports must include all revenues contained in the performance contract that are received by the CSB during the reporting period.

15. **Review of Unspent Balances:** In exercising its stewardship responsibility to ensure the most effective, prudent, and accountable uses of state funds, the Department may review available unspent balances of state funds with a CSB that exhibits a persistent pattern of providing lower levels of services while generating significant balances of unspent state funds, and the Department may take actions authorized by State Board Policy 6005 to address this situation.