



# Training Center Options

## House Appropriations Committee

January 29, 2018

**Jack Barber, M.D.**  
Acting Commissioner  
Virginia Department of Behavioral Health  
and Developmental Services

# Conflicting Visions for the Training Centers

Virginia's plan since 2012 has been to close 4 of the 5 training centers.

The General Assembly requires a quarterly report on closure progress, has the Special Joint Subcommittee to Consult on the Plan to Close State Training Centers, and has passed budgets that have included closure assumptions.

General Assembly members have concerns and included a number of budget amendments this year to keep Southwestern Virginia Training Center (SWVTC) and Central Virginia Training Center (CVTC) open.

Advocacy groups assert that funds for keeping the training centers open should be used to address the waiting list for Medicaid waivers.

Private providers have made commitments and are making plans to serve individuals transitioning from training centers, including those with severe medical or behavioral needs.

# Governor's Budget Proposal

- The introduced budget includes **total GF savings of \$10.5M in FY 2019 and \$18.1M in FY 2020** (of which \$10.5M in FY 2019 and \$17M in FY 2020 is in the DMAS budget) for the planned closures of SWVTC and CVTC.
- Savings help fund initiatives required to ensure compliance with the DOJ Settlement Agreement, including:

## DOJ-Related Initiatives

Children and Adult Crisis Homes

Rental Assistance Program

DD Health Support Network (DDHSN)

Support to Individuals Without Medicaid

Increase Independent Reviewer Support

825 Settlement Agreement Waiver Slots (DMAS)

50 Waiver Reserve Slots (DMAS)

FY 2019

FY 2020

\$2.4M	\$3.2M
\$1.6M	\$4.1M
–	\$1.3M
\$175K	\$175K
\$62K	\$101K
\$14.5M	\$30.5M
\$937K	\$1.9M

# Virginia's Training Center Census

## January 22, 2018

Training Center	2010	2012	2014	2016	1/22 2018	Projected Census 6/30/2018
<b>Southwestern (SWVTC)</b> Closure date: 2018	192	173	144	98	55	0
<b>Central (CVTC)</b> Closure date: 2020	426	342	288	192	113	98
<b>Total Remaining Beds to be Closed in SWVTC and CVTC</b>	<b>618</b>	<b>515</b>	<b>432</b>	<b>290</b>	<b>168</b>	<b>98</b>
<b>Southeastern (SEVTC)</b> Stays open	143	104	75	65	73	70
<b>Total Statewide Census *</b>	<b>1,198</b>	<b>969</b>	<b>614</b>	<b>355</b>	<b>241</b>	<b>168</b>

\* **Two training centers have already been closed:** Southside Virginia Training Center closed in 2014 and Northern Virginia Training Center closed in 2016. These facilities are included in the "Total Statewide Census" row in the years they were still open.

# Plan for a Smaller Training Center

- During the 2017 Session the Senate passed SB 1551 to prohibit the closure of CVTC without General Assembly authorization.
  - Not adopted by HAC HHR Subcommittee
- Instead, the 2017 General Assembly directed the Joint Subcommittee to Consult on the Plan to Close State Training Centers to develop and evaluate a plan to operate a smaller training facility.
- HAC and SFC staff met with DBHDS to verify budget, capital and other considerations and develop scenarios for consideration:
  1. Renovate the Lower Rapidan area of CVTC
  2. Reopen and use portions of SWVTC
  3. Construct a new facility in the western part of the state

# Study Methodology

- Legislative staff clarified the requirements necessary to develop the following assumptions:
  - Small training center capacity of 60 beds
  - Location in western Virginia, looking at Staunton area for cost purposes
  - Similar patient mix level as SEVTC population
- DBHDS assessed the most efficient and clinically appropriate model for a new training center, using Bureau of Labor Statistics salary data, input from facilities, and industry standards.
- CVTC and SWVTC created operating budgets based on these parameters, considering their unique legacy requirements.
- DBHDS then:
  - Analyzed discrete cost centers (staffing FTE bed ratios, power plant, support services, etc), to ensure consistency between budgets and key requirements/business practices at the facilities.
  - Worked through the designs and costs for capital improvements or new construction.
  - Reviewed and revised the analysis with legislative staff throughout the process, seeking and receiving feedback on financial assumptions and operating parameters.

# Small Training Center Scenarios

All Funds	CVTC 60	SWVTC 60	60 Bed Model
Personnel	\$18.7M	\$15.2M	\$15.5M
Non Personnel	\$7.9M	\$4.2M	\$3.9M
<b>Total Operating Budget*</b>	<b>\$26.7M</b>	<b>\$19.5M</b>	<b>\$19.4M</b>
<b>Capital Investment Required</b>	<b>\$19.6M</b>	<b>\$13.7M</b>	<b>\$72.4M</b>

*\*Due to reimbursement of Medicaid costs, the funding is assumed to be 55% GF. **For CVTC:** \$12M would be GF match at DMAS, \$12M would be federal Medicaid, and \$2.7M would be DBHDS GF. **For SWVTC:** \$8.8M would be GF match at DMAS, \$8.8M would be federal Medicaid, and \$2M would be DBHDS GF.*

- Personnel costs include full-time and part-time staff as well as overtime, shift differential, turnover and vacancy, health coverage adjustments
- Non Personnel costs include: Utilities, Facility Maintenance, IT, Pharmacy, Food, Workman's Comp, Contracts, and Administration

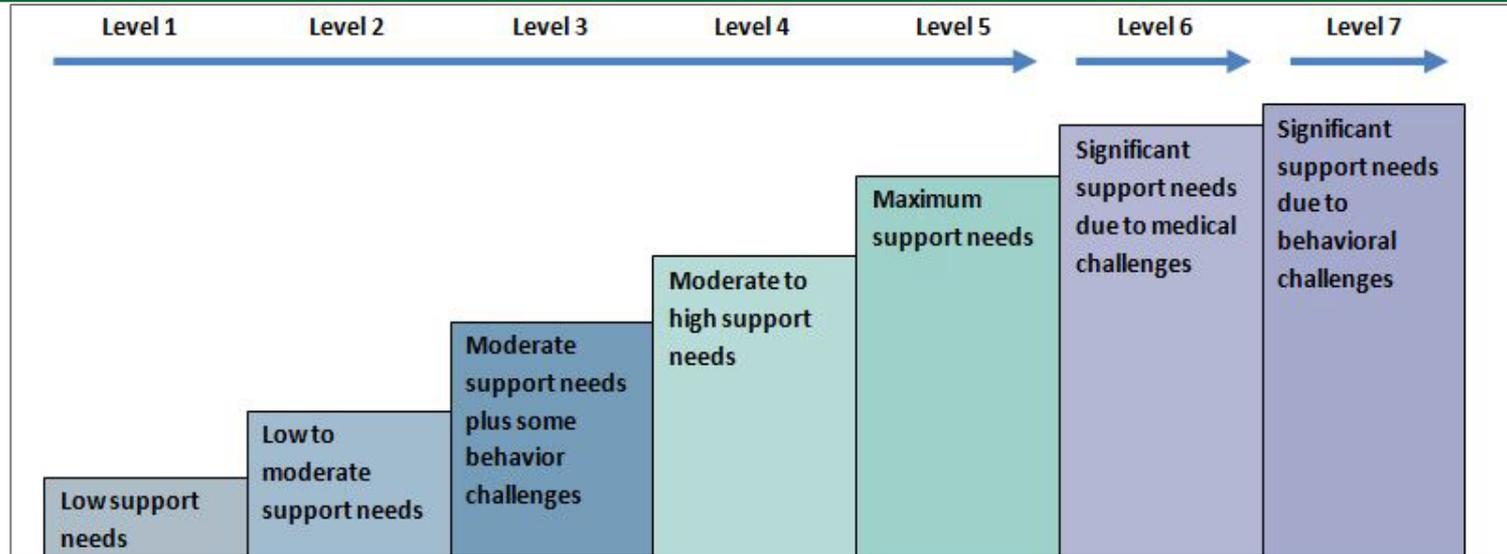
# Background on Higher Operating Costs at CVTC

Higher Costs at CVTC	Difference
Overall salaries are higher. This is due to the labor market in Lynchburg and many of these positions are veteran staff members	\$2.7M
Higher workers comp claims. More claims = Higher Premiums	\$1.1M
CVTC historically relies on overtime and projected a similar operational nature in their plan	\$1M
Utilities due to age and infrastructure of the facility. CVTC estimate was based on a proportional reduction of current expenditures	\$800,000
Food, laundry and information technology costs	\$800,000

# Annual Per Person Cost

- The statewide average cost of supporting individuals in training centers in FY 2017 was **\$343,625** per person, per year.
- The cost per person is projected to continue to increase due to the fixed costs allocated to a declining census in the training centers as well as discharges and natural deaths.
- Using FY 2016 data, the average annual cost of supporting former training center residents statewide who moved into community homes was **\$141,559**.

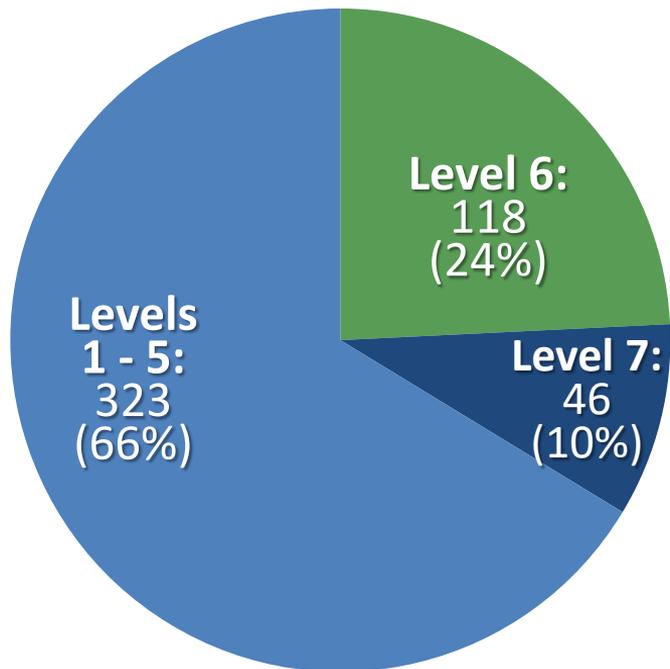
# Assessment Levels



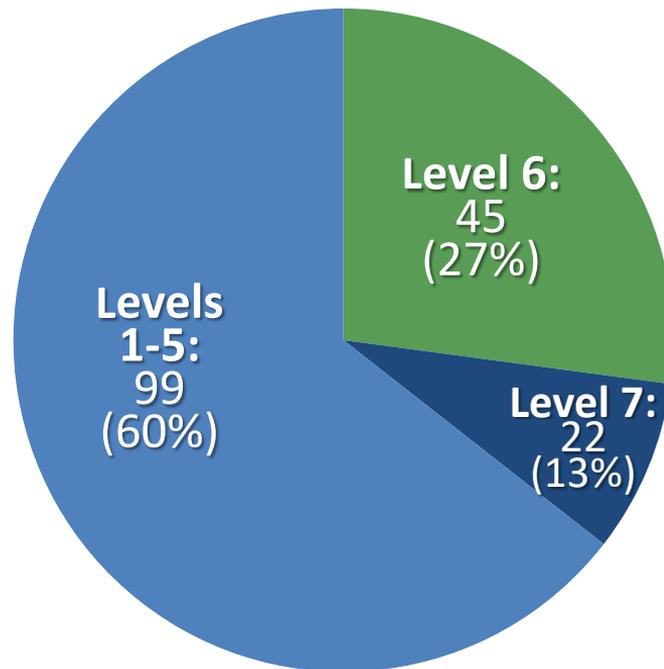
- **Level 6** - Medical needs involve assistance with respiration, feeding, voiding, decubitus prevention/treatment, or other exceptional medical care. Partial to full assistance may be needed with dressing and other activities. May have difficulty ambulating.
- **Level 7** - Behavioral needs may require full assistance to prevent harm to themselves or others, prevention of pica, sexually aggressive behavior, wandering and tantrums, other forms of self-harm.

# Levels of Current and Former Training Center Residents

## Former Training Center Residents Now Living in the Community



## Current Training Center Residents In Beds Scheduled to Close

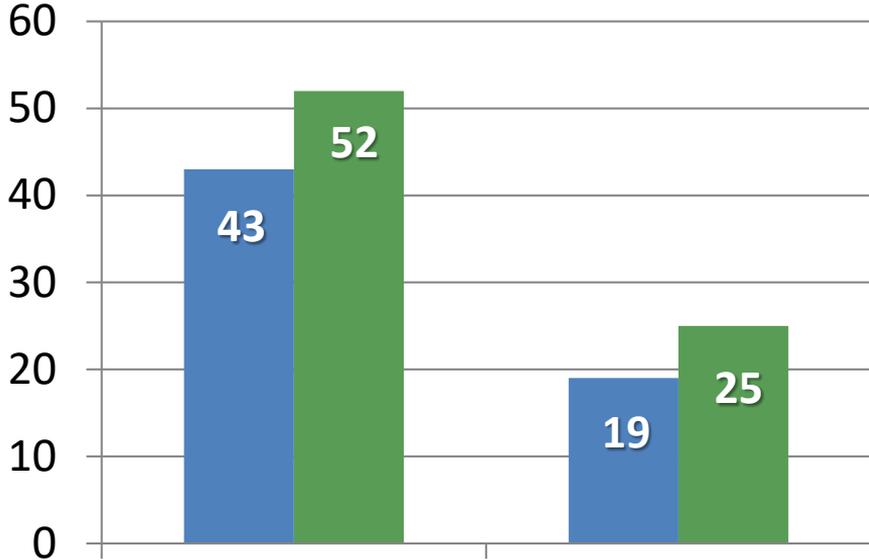


# Individuals in Levels 6 and 7

- Of the 12,833 individuals currently being supported by one of the three waivers:
  - 1,044 are Level 6 (Medically intense needs)
  - 721 are Level 7 (Behaviorally intense needs)
- Of those remaining in a training center who will need community placement:
  - 45 are assessed in Level 6
  - 22 assessed as Level 7
- Individuals who cannot secure a provider and need a training center bed will be offered admission at SEVTC.
- If a medical or nursing facility (NF) is needed, private care or Hiram Davis Medical Center (HDMC) will be offered. There are 4-5 individuals at CVTC whose medical conditions are declining and may soon need a transfer to a private NF or HDMC.

# Community Provider Supports and Availability

## Providers Offering Medical Supports (Level 6)

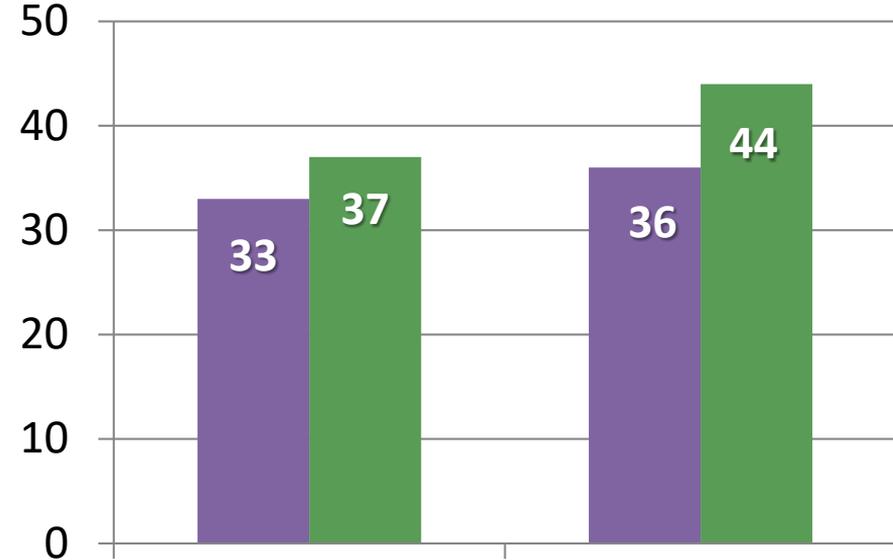


CVTC

SWVTC

- Individuals who require medical supports
- Provider beds available/developing to meet needs

## Providers Offering Behavioral Supports (Level 7)



CVTC

SWVTC

- Individuals who require behavioral supports
- Provider beds available/developing to meet needs

# Willingness to Consider New Community Homes (January 22, 2018)

Training Center	Currently in the Discharge Process	Considering Options and Willing to Participate	Tentative, Not Always Responsive	Saying No or Not Yet
CVTC	27	19	22	48
SWVTC	8	29	14	4

- Some families are reluctant and some are adamantly opposed to moving.
- DBHDS has found that most authorized representatives are more willing to choose new community homes with education about available options and as the established closure dates draw closer.
- The settlement agreement requires DBHDS to provide families with specific options for community placements and the opportunity to meaningfully discuss those options, and to seek to resolve concerns or objections. DBHDS is required by the GA to report quarterly on the preferences of training center families in considering community placement.

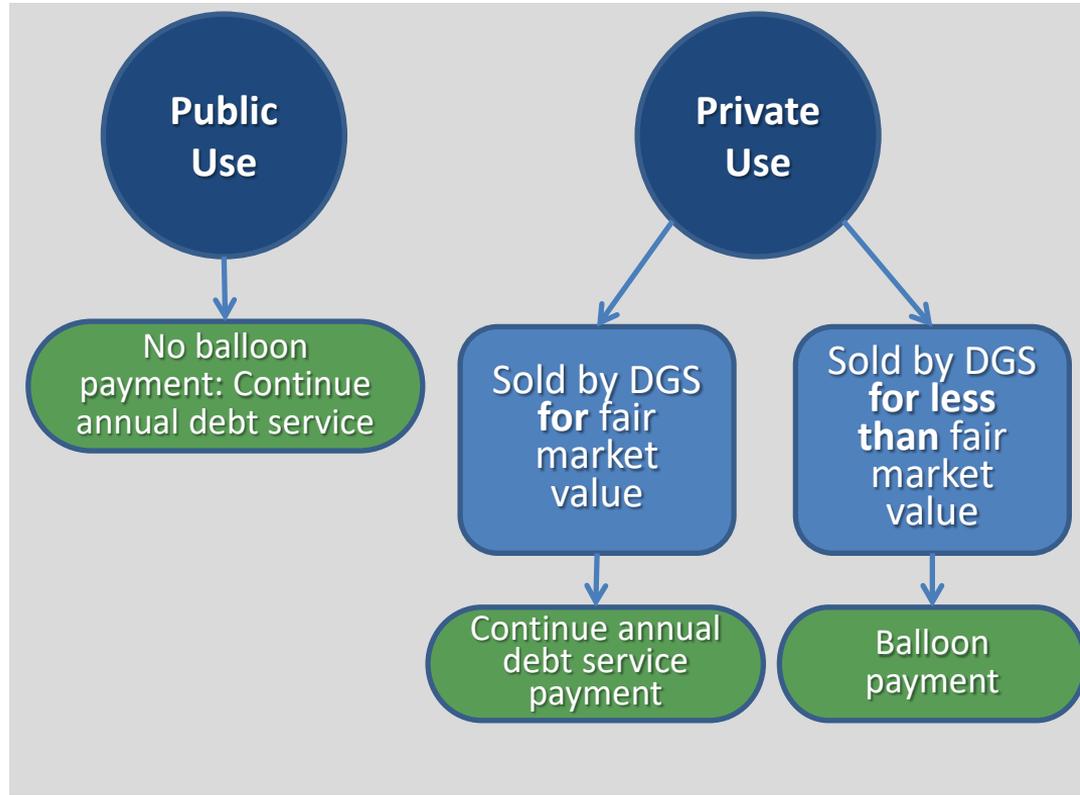
# Developmental Disability (DD) Waiver Potential Slots

General Fund	CVTC 98 Beds	CVTC 60 Beds	SWVTC 60 Beds
GF required to maintain operations	\$23.1M	\$14.7M	\$10.7M
Potential Community Living Slots	305	192	140
Potential Family & Individual Supports Slots	710	465	330
Potential Building Independence Slots	120	70	50
<b>Total Potential Slots</b>	<b>1,135</b>	<b>727</b>	<b>525</b>

- CVTC 98 beds is the FY 2019 GF budget for CVTC.
- Slot mix is based on the needs of the priority one wait list.
- End of FY 2018 CVTC is projected to have a census of 98.
- Total Fund cost = \$42M for CVTC 98 beds, \$26.7M for CVTC 60 beds, and \$19.5M for SWVTC 60 beds.

# Training Center Bond Defeasance

- Defeasance (paying off outstanding bonds for construction or maintenance projects) comes into play when state real property is sold and not all debt has been repaid.
- If the property is sold for private use at less than fair market value, the current estimated defeasance (per Treasury) is:
  - \$25-30M at CVTC
  - \$6M at SWVTC
  - Actual cost may shift based on the remaining term of the bonds and interest rates at the time of the property sale



# Background Slides

# Current Developmental Disability (DD) Waiver Slot Assignments

<b>Building Independence (BI)</b>	<b>Family &amp; Individual Supports (FIS)</b>	<b>Community Living (CL)</b>
For adults (18+) able to live independently in the community	For individuals living with their families, friends, or in their own homes	24/7 services and supports for individuals with complex medical and/or behavioral support needs through licensed services
<b>261 Individuals</b>	<b>1,706 Individuals</b>	<b>11,183 Individuals</b>
<b>Total Individuals Receiving Waiver Services = 13,150</b>		

# DD Waiver Waiting List Update

(January 2018)

