

**ARLINGTON COUNTY COMMUNITY
SERVICES PERFORMANCE CONTRACT**

**VIRGINIA DEPARTMENT OF MENTAL HEALTH,
MENTAL RETARDATION, AND SUBSTANCE ABUSE
SERVICES**

FISCAL YEAR 2008

October 1, 2007

FY 2008 Community Services Performance Contract

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1. Contract Purpose

- a. Title 37.2 of the *Code of Virginia* establishes the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services (the Department) to ensure delivery of publicly funded services and supports to individuals with mental illnesses, mental retardation, or substance use disorders and authorizes the Department to fund community mental health, mental retardation, and substance abuse services.
- b. Sections 37.2-500 through 37.2-511 of the *Code of Virginia* require cities and counties to establish community services boards for the purpose of providing local public mental health, mental retardation, and substance abuse services; § 37.2-600 through § 37.2-614 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 on page 16 of this contract will be referred to as the Board.
- c. Section 37.2-500 or 37.2-601 of the *Code of Virginia* states that, in order to provide comprehensive mental health, mental retardation, and substance abuse services within a continuum of care, the Board shall function as the single point of entry into publicly funded mental health, mental retardation, and substance abuse services. The Board fulfills this function in accordance with State Board Policy 1035 for any person who is located in the Board's service area and needs mental health, mental retardation, or substance abuse services.
- d. Sections 37.2-508 and 37.2-608 of the *Code of Virginia* establish this contract as the primary accountability and funding mechanism between the Department and the Board.
- e. The Board 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 Board and the Department that are not established through other means, such as statute or regulation. The General 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 expected to change frequently and accordingly are not included in this contract.
- g. The Department and the Board enter into this performance contract for the purpose of funding services provided directly or contractually by the Board in a manner that ensures accountability to the Department and quality of care for consumers and implements the vision, articulated in State Board Policy 1036, of a consumer-driven system of services and supports that promotes self-determination, empowerment, recovery, resilience, health, and the highest possible level of consumer participation in all aspects of community life, including work, school, family, and other meaningful relationships; and the Board and the Department agree as follows.

2. Relationship: The Department functions as the state authority for the public mental health, mental retardation, and substance abuse services system; and the Board functions as the local authority for that system. The relationship between and the roles and responsibilities of the Department and the Board are described more specifically in the current 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 Board or its board of directors and the Department.

3. Contract Term: This contract shall be in effect for a term of one year, commencing on July 1, 2007 and ending on June 30, 2008.

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4. Scope of Services

- a. **Services:** Exhibit A of this contract includes all mental health, mental retardation, and substance abuse services provided or contracted by the Board 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.
- b. **Expenses for Services:** The Board shall provide to the extent practicable those services that are funded within the revenues and expenses set forth in Exhibit A and documented in the Board's financial management system. The Board shall distribute its administrative and management expenses across some or all of the three program areas on a basis that is in accordance with Uniform Cost Report principles, 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 Board shall follow the *Continuity of Care Procedures* that are included in the current General Requirements Document.
 - 1.) **Coordination of Mental Retardation Waiver Services:** The Board shall provide case management services to consumers who are receiving services under the Medicaid Mental Retardation Home and Community-Based Waiver (MR Waiver). In its capacity as the case manager for these consumers and in order to receive payment for services from the Department of Medical Assistance Services (DMAS), the Board shall develop individual service authorization requests (ISARs) for Waiver services and submit them to the Department for preauthorization, pursuant to section 3.2.7 of the DMAS/DMHMRSAS Interagency Agreement (10-17-2000), under which the Department preauthorizes ISARs as a delegated function from the DMAS. As part of its specific case management responsibilities for individuals receiving MR Waiver services, the Board shall coordinate and monitor the delivery of all services to its consumers, including monitoring the receipt of services in a consumer's ISAR that are provided by independent vendors, who are reimbursed directly by the DMAS, to the extent that the Board is not prohibited from doing so by such vendors (reference the DMAS *Mental Retardation Community Services Manual*, Chapters II and IV). The Board may raise issues regarding its efforts to coordinate and monitor services provided by independent vendors to the applicable funding or licensing authority, for example the Department, the DMAS, or the Virginia Department of Social Services. In fulfilling this service coordination responsibility, the Board shall not restrict or seek to influence the consumer's choice among qualified service providers. This prohibition is not intended to restrict the ability of Board case managers to make recommendations, based on their professional judgment, to consumers regarding those available service options that best meet the terms of the consumers' ISPs and allow for the most effective coordination of services. This section does not, nor shall it be construed to, make the Board legally liable for the actions of independent vendors of MR Waiver services who are reimbursed directly by the DMAS.
 - 2.) **Linkages with Primary Care:** When it arranges for the care and treatment of its consumers in hospitals, the Board shall assure its staff's cooperation with those hospitals, especially emergency rooms and emergency room physicians, in order to promote continuity of care for those consumers.
 - 3.) **Coordination with Local Psychiatric Hospitals:** In the case of voluntary admissions, the Board, with the consumer's consent, shall coordinate a consumer's admission to and discharge from local psychiatric units and hospitals to ensure appropriate use of these services in the least restrictive setting and to prevent inappropriate use of those hospitals.

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4.) **Access to Services:** The Board shall not require a consumer 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 and the person is an adult with a serious mental illness, a child with or at risk of serious emotional disturbance, or an individual with mental retardation or a substance use disorder, the person is receiving more than one other service from the Board, or a licensed clinician employed or contracted by the Board determines that case management services are clinically necessary for the consumer.

5.) **PACT Criteria:** If the Board 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 consumers with serious mental illnesses who are frequent recipients of inpatient services or are homeless.
- c.) Achieve and maintain a caseload of 80 consumers after two years from the date of initial funding by the Department.
- d.) Participate in technical assistance provided by the Department.

If the Board receives state general or federal funds for a new PACT during the term of this contract or in the fiscal year immediately preceding that term, it also shall satisfy the following conditions:

- a.) Procure individual team training and technical assistance quarterly.
- b.) Meet bimonthly with other PACT programs (the network of CSB PACTs).

d. **Populations Served:** The Board shall provide needed services to adults with serious mental illnesses, children with or at risk of serious emotional disturbance, and individuals with mental retardation, substance dependence, or substance abuse to the greatest extent possible within the resources available to it for this purpose. In accordance with § 37.2-508 or § 37.2-608 of the *Code of Virginia*, the Board shall report the unduplicated numbers of consumers with serious mental illnesses, serious emotional disturbance, at risk of serious emotional disturbance, mental retardation, substance dependence, or substance abuse that it serves during the term of this contract. These populations are defined in the current Core Services Taxonomy.

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 Board; balances of unexpended or unencumbered state general and federal funds retained by the Board 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 Targeted Case Management, State Plan Option, and Mental Retardation 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. The Board may choose to include only the minimum 10 percent local matching funds in the contract, rather than all local matching funds.

a. **Allocations of State General and Federal Funds:** The Department shall inform the Board of its allocations of state general and federal funds 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 Board in writing. Allocations of state general and federal funds shall be based on state and federal statutory and regulatory requirements, provisions of the current Appropriation Act, State Board policies, and previous allocation amounts. Allocations shall not be based on numbers of adults with serious mental illnesses, children with or at risk of serious emotional disturbance, or individuals with mental retardation, substance dependence, or substance abuse who receive services from the Board.

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- b. **Conditions on the Use of Resources:** The Department can attach service requirements or specific conditions that it establishes for the 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 Board and to the 10 percent local matching funds that are required to obtain the Board's state general fund allocations.

6. Board Responsibilities

- a. **State Hospital Bed Utilization:** In accordance with § 37.2-508 or § 37.2-608 of the *Code of Virginia*, the Board shall identify or develop jointly with the Department mechanisms, such as the Discharge Protocols, Extraordinary Barriers to Discharge lists, and reinvestment and restructuring projects and activities, 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 consumers for whom the Board is the case management board.

b. Quality of Care

- 1.) **Clinical Consultation:** The Board 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 consumers 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 Board request such consultations for its consumers in the community, if the Board is not able to provide those second opinions or obtain this consultation within its resources.

- 2.) **Quality Improvement and Risk Management:** The Board shall, to the extent possible, develop and implement quality improvement processes that utilize consumer 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 Board's responsibilities under this contract.

The Board shall, to the extent practicable, develop, implement, and maintain, itself or in affiliation with other Boards, a quality improvement plan incorporating provider performance measures, consumer outcome measures, and human rights information.

The Board shall, to the extent practicable, develop, implement, and maintain, itself or in affiliation with other Boards, a risk management plan or the Board shall participate in a local government's risk management plan. The Board shall work with the Department through the System Leadership Council to identify how the Board will address quality improvement activities.

The Board shall implement, in collaboration with other Boards in its region and the state hospitals and training centers serving its region, the Regional Utilization Management Guidance document, adopted by the System Leadership Council on January 10, 2007.

3.) Consumer Outcome and Provider Performance Measures

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

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- b.) **Individual Board Performance Measures:** The Department may negotiate specific, time-limited measures with the Board to address identified performance concerns or issues. When negotiated, such measures will be included as Exhibit D of this contract.
 - c.) **Consumer Satisfaction Survey:** Pursuant to § 37.2-508 or § 37.2-608 of the *Code of Virginia*, the Board shall participate in an assessment of consumer satisfaction in accordance with Exhibit C of this contract.
 - d.) **Substance Abuse Youth Surveys:** The Board 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 Board 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 Board 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 Board 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.
- 4.) **Program and Service Reviews:** The Department reserves the right to conduct or contract for reviews of programs or services provided or contracted by the Board 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 consumer or his authorized representative that complies with the Human Rights Regulations and the HIPAA Privacy Rule.
- c. **Reporting Requirements**
- 1.) **Board Responsibilities:** For purposes of reporting to the Department, the Board shall comply with State Board Policy 1037 and:
 - a.) provide monthly Community Consumer Submission 3 (CCS 3) extracts that report individual consumer 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 CCS 3 Extract Specifications, which, by agreement of the parties, is hereby incorporated into and made a part of this contract by reference;
 - b.) follow the current Core Services Taxonomy and the CCS 3 Extract Specifications when responding to reporting requirements established by the Department;
 - c.) complete the National Survey of Substance Abuse Treatment Services (N-SSATS), formerly the Uniform Facility Data Set (UFDS), annually that is used to compile and

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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 Board, including services that are supported by the Substance Abuse Prevention and Treatment (SAPT) Block Grant allocation, LINK prevention and education services funded with the 20 percent SAPT set aside, and prevention services funded by other grants KIT Prevention System and reported under substance abuse in CARS-ACCESS, and enter KIT Prevention System data on goals, objectives, and programs approved by the community prevention planning coalition by June 15;
 - f.) supply information to the Department's Forensics Information Management System for consumers 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); and
 - g.) report data and information required by the current Appropriation Act.
- 2.) Routine Reporting Requirements:** The Board shall account for all services, revenues, and expenses accurately and submit reports to the Department in a timely manner using CARS-ACCESS, CCS 3, or other software provided by the Department. All reports shall be provided in the form and format prescribed by the Department. The Board shall provide the following information and meet the following reporting requirements:
- a.) types, amounts, and static capacities of services provided; expenses for services provided; and numbers of consumers served by core service and revenues received by source and amount by program area, reported mid-year and at the end of the fiscal year through CARS-ACCESS, and types and amounts of services provided to each consumer, reported monthly through the CCS 3;
 - b.) demographic characteristics of individual consumers in each program area through the CCS 3;
 - c.) numbers of adults with serious mental illnesses, children with serious emotional disturbance, children at risk of serious emotional disturbance, and individuals with mental retardation, substance dependence, or substance abuse through the CCS 3;
 - d.) consumer outcome and provider performance measures specified in Exhibit C;
 - 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 31);
 - h.) Total numbers of consumers served and expenses for the Discharge Assistance Project, Mental Health Child and Adolescent Services Initiative, and MR Waiver Services through CARS-ACCESS (mid-year and at the end of the fiscal year);
 - i.) PATH reports (mid-year and at the end of the fiscal year);
 - j.) Uniform Cost Report information through CARS-ACCESS (annually) and
 - k.) other reporting requirements in the CCS 3 Extract Specifications.

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- 3.) **Subsequent Reporting Requirements:** In accordance with State Board Policy 1037, the Board shall work with the Department to ensure that current data and reporting requirements are consistent with each other and the current Core Services Taxonomy, the CCS 3, and the Treatment Episode Data Set (TEDS) and other federal reporting requirements. The Board also shall work with the Department in planning and developing any additional reporting or documentation requirements beyond those identified in this contract, such as the federal mental health and substance abuse National Outcomes Measures (NOMS) when they become effective, to ensure that such requirements are consistent with the current Core Services Taxonomy, the CCS 3, and TEDS and other federal reporting requirements.
- d. **Discharge Assistance Project (DAP)**
- 1.) **Board Responsibilities:** If it participates in any DAP funded by the Department, the Board shall manage, account for, and report DAP funds allocated to it as a restricted fund. The Board shall be responsible for ensuring the effective utilization of those funds, without submitting individualized services plans (ISPs) to the Department for approval or preauthorization. The Board shall submit all DAP ISPs to the Department for information purposes and shall inform the Department whenever a consumer is admitted to or discharged from a DAP-funded placement.
- 2.) **Department Review:** The Board agrees to participate in any utilization review or utilization management activities conducted by the Department involving services provided under the DAP. Protected health information may be disclosed as permitted under 45 CFR §§ 164.506 (c) (1), (3), and (4) and 164.512 (k) (6) (ii).
- 3.) **Procedures:** The Board shall adhere to the DAP Procedures in the General Requirements Document if it participates in any DAP funded by the Department. If the Board's participation in the DAP 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 funds, as authorized by that *Code* section and State Board Policy 4010.
- e. **Individualized Services**
- 1.) **Board Responsibilities:** If it participates in any individualized services, except the DAP, funded by the Department (e.g., the MH Child and Adolescent Services Initiative), the Board shall manage, account for, and report such individualized services funds allocated to it as a restricted fund. The Board shall be responsible for ensuring the effective utilization of those funds, without submitting individualized services plans to the Department for preauthorization or approval.
- 2.) **Department Review:** The Board agrees to participate in any utilization review or utilization management activities conducted by the Department involving services provided as individualized services. Protected health information may be disclosed as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (k) (6) (ii).
- 3.) **Procedures:** The Board shall develop and maintain individualized services plans (ISPs), which shall be subject to review by the Department, for such individualized services; but the Board shall not be required to submit these ISPs to the Department for information purposes or for prior review or approval.
- f. **Compliance Requirements:** The Board shall comply with all applicable federal, state, and local laws and regulations, including those contained or referenced in the General Requirements Document and in Exhibit F of this contract, as they affect the operation of this contract. Any substantive change in the General Requirements 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

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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 Board shall comply with the Health Insurance Portability and Accountability Act of 1996 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 Board 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 Board shall document its compliance with §§ 37.2-501, 37.2-504, and 37.2-508 or §§ 37.2-602, 37.2-605, and 37.2-608 of the *Code of Virginia* in Exhibits G and H of this contract. If the Board's receipt of state facility reinvestment project state 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 state facility reinvestment project funds, as authorized by that *Code* section and State Board Policy 4010.

- g. Regional Programs:** The Board shall manage or participate in the management of and account for and report on regional programs in accordance with the Regional Program Procedures in Exhibit J of this contract. The Board shall provide the Department with a copy of any regional program memorandum of agreement required by the Commissioner's August 16, 2006 memo. If the Board's participation in a regional program, as defined in the Procedures, 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. The Board 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).
- h. Joint Agreements:** If the Board enters into a joint agreement pursuant to § 37.2-512 or § 37.2-615 of the *Code of Virginia*, the Board shall describe the agreement in Exhibit K of this contract and shall attach a copy of the joint agreement to that Exhibit.

7. Department Responsibilities

- a. Funding:** The Department shall disburse the state general funds displayed in Exhibit A, subject to the Board's compliance with the provisions of this contract, prospectively on a semi-monthly basis to the Board. Payments may be revised to reflect funding adjustments. The Department shall disburse federal grant funds that it receives to the Board 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.)** The Department shall make state facility inpatient services available, if appropriate, through its state hospitals and training centers, when individuals located in the Board's service area meet the admission criteria for these services.

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- 2.) The Department shall track, monitor, and report on the Board's utilization of state hospital beds and provide data to the Board about consumers from its service area who are served in state hospitals as permitted under 45 CFR §§ 164.506 (c) (1), (2), and (4) and 164.512 (k) (6) (ii). The Department shall post state hospital bed utilization by the Board for all types of beds (adult, geriatric, child and adolescent, and forensic) on its Internet web site for information purposes.
- 3.) The Department shall manage its state hospitals and training centers in accordance with State Board Policy 1035 to support service linkages with the Board, including adherence to the applicable provisions of the *Continuity of Care Procedures* and the *Discharge Planning Protocols*. The Department shall assure that its state hospitals and training centers use teleconferencing technology to the extent practicable and whenever possible to facilitate the Board's participation in treatment planning activities and the Board's fulfillment of its discharge planning responsibilities for its consumers in state hospitals and training centers.
- 4.) The Department shall involve the Board, as applicable and to the greatest extent possible, in collaborative planning activities regarding the future role and structure of state hospitals and training centers.

c. Quality of Care

- 1.) The Department with participation from the Board shall identify consumer outcome, provider performance, consumer satisfaction, and consumer and family member participation and involvement measures for inclusion in this contract, pursuant to § 37.2-508 or § 37.2-608 of the *Code of Virginia*, and shall collect information about these measures.
- 2.) The Department may provide professional consultations to the Board upon request 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 consumers 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 Board request such consultations for its consumers in the community, if the Board is not able to provide those second opinions or obtain this consultation within its resources.
- 3.) The Department shall implement, in collaboration with the Board and the state hospitals and training centers serving it, the Regional Utilization Management Guidance document, adopted by the System Leadership Council on January 10, 2007.

d. Reporting Requirements

- 1.) In accordance with State Board Policy 1037, the Department shall work with representatives of Boards, including 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 with the current Core Services Taxonomy, the Community Consumer Submission 3 (CCS 3), and TEDS and other federal reporting requirements. The Department also shall work with representatives of Boards, including the DMC, in planning and developing any additional reporting or documentation requirements beyond those identified in this contract, such as the federal mental health and substance abuse National Outcomes Measures (NOMS) when they become effective, to ensure that such requirements are consistent with the current Core Services Taxonomy, the CCS 3, and TEDS and other federal reporting requirements.
- 2.) The Department shall collaborate with representatives of the Boards, including the DMC, in the implementation and modification of the Community Consumer Submission

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3 (CCS 3), which reports individual consumer 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 CCS 3 Extract Specifications. The Department will receive and use individual consumer characteristic and service data disclosed by the Board through the CCS 3 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.) The Department shall work with representatives of the Boards, including the DMC, to reduce the number of data elements required whenever this is possible.
- 4.) The Department shall ensure that all surveys and requests for data have been reviewed for cost effectiveness and developed through a joint Department and Board process.

e. Discharge Assistance Project

- 1.) **Department Responsibilities:** If the Board participates in any DAP funded by the Department, the Department shall fund and monitor the DAP as a restricted fund. The Department agrees that the Board shall be responsible for ensuring the effective utilization of those funds, without submitting individualized services plans to the Department for preauthorization or approval.
- 2.) **Department Review:** The Department may conduct utilization review or utilization management activities involving services provided by the Board under the DAP. 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), (3), and (4) and 164.512 (k) (6) (ii).
- 3.) **Procedures:** The Department shall adhere to the DAP Procedures in the General Requirements Document. If the Board's participation in the DAP 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 funds, as authorized by that *Code* section and State Board Policy 4010.

f. Individualized Services

- 1.) **Department Responsibilities:** If the Board participates in any individualized services, except DAP, funded by the Department (e.g., the MH Child and Adolescent Services Initiative), the Department shall fund and monitor those services as a restricted fund. The Department agrees that the Board shall be responsible for ensuring the effective utilization of those funds, without submitting individualized services plans to the Department for preauthorization, approval, or information.
- 2.) **Department Review:** The Department may conduct utilization review or utilization management activities involving services provided by the Board as individualized services. 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).

- g. **Compliance Requirements:** The Department shall comply with all applicable state and federal statutes and regulations, including those contained or referenced in the General Requirements Document and in Exhibit F of this contract, as they affect the operation of this contract. Any substantive change in the General Requirements 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

FY 2008 Community Services Performance Contract

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 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. If the Board's receipt of 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 state facility reinvestment project funds, as authorized by that *Code* section and State Board Policy 4010.

h. Communication: The Department shall provide technical assistance and written notification 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 respond in a timely manner to written correspondence from the Board that requests information or a response.

i. Regional Programs: The Department may conduct utilization review or utilization management activities involving services provided by the Board 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 Board's participation in a regional program, as defined in the Regional Program Procedures in Exhibit J of this contract, 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.

8. Subcontracting: The Board may subcontract any of the requirements in this contract. The Board 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 Board and subcontractors. The Board agrees to provide copies of such contracts or other documents to the Department upon request. The Board shall satisfy the subcontracting provisions in the General Requirements Document.

9. Terms and Conditions

a. Availability of Funds: The Department and the Board 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 Board compliance with this contract. Specific remedies, described in Exhibit I of this contract, may be taken if the Board fails to satisfy the reporting requirements in this contract.

FY 2008 Community Services Performance Contract

- c. **Disputes:** Resolution of disputes arising from Department contract compliance review and performance management efforts or from actions by the Board 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 performance 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 performance contract;
 - 5.) determination that an expenditure is not allowable under this contract; and
 - 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 Board under this contract shall cease immediately. The Board and the Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on consumers.
 - 2.) 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 Board 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 Board's board chairman 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 Board 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 Board to address a particular situation or condition identified by the Department or the Board 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 Board'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 Board, 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

FY 2008 Community Services Performance Contract

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 individuals shall be appointed to hear the dispute. The Board 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 Board 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 Board'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 Board 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 Board. 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.

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- h. Liability:** The Board shall defend or compromise, as appropriate, all claims, suits, actions, or proceedings arising from its performance of this contract. The Board 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 Board 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 individual to services or benefits from the Board or the Department.
- i. 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 Board 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 Board 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 Board or representatives of the Board and the Department will establish work groups where appropriate to address these issues and topics. The Department and the Board also may address issues and topics through the System Leadership Council, which is described in the Partnership Agreement, and the System Operations Team.
- a. Evidence-Based or Best Clinical Practices:** Identify evidence-based practices or best clinical practices that will improve the quality of mental health, mental retardation, or substance abuse services and address the service needs of individuals with co-occurring disorders and develop strategies for the implementation of these practices to the extent practicable.
- b. Mental Health Services for Children and Adolescents At-Risk of Custody Relinquishment:** Work collaboratively with other state and local human services agencies to implement policy changes to the extent practicable in the Comprehensive Services Act for Trouble Youth and Families related to providing mental health services for children and adolescents at-risk of custody relinquishment.
- c. Data Quality and Use:** Through the Moving Forward Work Group and similar mechanisms, work collaboratively to (i) monitor and increase the timeliness and quality of data submitted through the Community Consumer Submission 3 in accordance with the CCS 3 Extract Specifications; (ii) address current and future data and information needs, including communicating more effectively about the volume of services provided and how these services affect the lives of individual consumers; and (iii) achieve the values and benefits of interoperability or the ability to reliably exchange information without error, in a secure fashion, with different information technology systems, software applications, and networks in various settings; to exchange this information with its clinical or operational meaning preserved and unaltered; and to do so in the course of the process of service delivery to promote the continuity of that process.

FY 2008 Community Services Performance Contract

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

**Virginia Department of Mental Health,
Mental Retardation and Substance
Abuse Services**

Board

By: _____

Name: James S. Reinhard, M.D.
Title: Commissioner

Date: _____

By:  _____

Name: Patrick Hope
Title: Chairman of the Board

Date: 10/1/07

By:  _____

Name: Cynthia Kemp
Title: Executive Director

Date: 10-1-07

Exhibit A

Arlington County

Consolidated Budget

| Revenue Source | Mental Health | Mental Retardation | Substance Abuse | TOTAL |
|---------------------------------|-------------------|--------------------|------------------|-------------------|
| State Funds | 2,359,429 | 992,266 | 1,098,614 | 4,450,309 |
| State Restricted Funds | 2,597,295 | 0 | 39,281 | 2,636,576 |
| Local Matching Funds | 8,694,519 | 7,056,349 | 3,714,599 | 19,465,467 |
| Fee Revenues | 1,654,965 | 988,878 | 61,299 | 2,705,142 |
| Federal Funds | 743,523 | 0 | 1,507,090 | 2,250,613 |
| Other Funds | 10,000 | 0 | 0 | 10,000 |
| State Retained Earnings | 0 | 0 | 0 | 0 |
| Federal Retained Earnings | 0 | | 63,378 | 63,378 |
| Other Retained Earnings | 0 | 0 | 0 | 0 |
| Subtotal Funds | 16,059,731 | 9,037,493 | 6,484,261 | 31,581,485 |
| State Funds One-Time | 0 | | | 0 |
| State Restricted Funds One-Time | | 0 | | 0 |
| Federal Funds One-Time | 0 | | 0 | 0 |
| Subtotal One -Time Funds | 0 | 0 | 0 | 0 |
| TOTAL ALL FUNDS | 16,059,731 | 9,037,493 | 6,484,261 | 31,581,485 |

| | | | | |
|-----------------------|------------|-----------|-----------|------------|
| Expenses for MH/MR/SA | 14,413,270 | 9,034,266 | 6,167,210 | 29,614,746 |
|-----------------------|------------|-----------|-----------|------------|

| | | | | |
|---|--|--|--|-----------|
| Expenses for Services Available Outside of a Program Area | | | | 2,366,739 |
|---|--|--|--|-----------|

| | | | | |
|-----------------------|--|--|--|-------------------|
| Total Expenses | | | | 31,981,485 |
|-----------------------|--|--|--|-------------------|

| Local Match Computation | |
|--|------------|
| Total State Restricted and State Funds | 7,086,885 |
| Total Local Matching Funds | 19,465,467 |
| Total State and Local Funds | 26,552,352 |
| Total Local Match % | 73.31% |

| Administration Expenses | |
|-------------------------|------------|
| Total Admin. Expenses | 1,743,515 |
| Total Expenses | 31,981,485 |
| % Administration | 5.45% |

| Fees Transferred | | |
|------------------|------|-----|
| To | From | Net |
| 0 | 0 | 0 |

| Emergency Response Budget | |
|---------------------------|---|
| Expenses | 0 |
| Revenue | 0 |

FY2008 Performance Contract

Arlington County

Financial Comments

| | |
|------------------|--|
| Comment1 | Mental Health - Other Federal CSB: HUD TOW Project (\$107,784) |
| Comment2 | Substance Abuse - Other Federal CSB: Hud TOW Project (\$41,578); |
| Comment3 | HIDTA (\$144,812); and CSAT (\$500,000) |
| Comment4 | Mental Health Local Inpatient (\$400,000) included on Services side but not on |
| Comment5 | Revenues: Fairfax is regional fiscal agent per agreement. |
| Comment6 | |
| Comment7 | |
| Comment8 | |
| Comment9 | |
| Comment10 | |
| Comment11 | |
| Comment12 | |
| Comment13 | |
| Comment14 | |
| Comment15 | |
| Comment16 | |
| Comment17 | |
| Comment18 | |
| Comment19 | |
| Comment20 | |
| Comment21 | |
| Comment22 | |
| Comment23 | |
| Comment24 | |
| Comment25 | |

FY 2008 Performance Contract Financial Summary

Mental Health Arlington County

| Revenue Source | <u>Revenue</u> |
|--|----------------|
| <u>Fees</u> | |
| MH Medicaid Fees | 1,492,827 |
| MH Fees: Other | 162,138 |
| Total MH Fees | 1,654,965 |
| MH Transfer Fees (To)/From | 0 |
| MH Net Fees | 1,654,965 |
| <u>Restricted Funds</u> | |
| Federal | |
| MH FBG SED C & A | 24,601 |
| MH FBG SMI | 43,692 |
| MH FBG PACT | 0 |
| MH FBG Geriatrics | 500,000 |
| MH Fed PATH | 67,356 |
| MH Other Federal - DMHMRSAS | 0 |
| MH Other Federal - CSB | 107,874 |
| MH Fed JABG | 0 |
| Total Federal Restricted MH Funds | 743,523 |
| State | |
| MH Acute Care (Fiscal Agent) | 0 |
| MH Transfer In/(Out) Acute Care | 0 |
| MH Net Acute Care | 0 |
| MH Regional DAP (Fiscal Agent) | 0 |
| MH Transfer In/(Out) Regional DAP | 0 |
| MH Net Regional DAP | 0 |
| MH Facility Reinvestment (Fiscal Agent) | 0 |
| MH Transfer In/(Out) Facility Reinvestment | 0 |
| MH Net Facility Reinvestment | 0 |
| MH Regional DAD/Wintex (Fiscal Agent) | 0 |
| MH Transfer In/(Out) Regional DAD/Wintex | 0 |
| MH Net Regional DAD/Wintex | 0 |
| MH Crisis Stabilization (Fiscal Agent) | 0 |
| MH Transfer In/(Out) Crisis Stabilization | 0 |
| MH Net Crisis Stabilization | 0 |
| MH Recovery (Fiscal Agent) | 0 |
| MH Transfer In/(Out) Recovery | 0 |
| MH Net Recovery | 0 |
| MH Transformation (Fiscal Agent) | 620,000 |
| MH Transfer In/(Out) Transformation | 0 |
| MH Net Transformation | 620,000 |

FY 2008 Performance Contract Financial Summary

Mental Health Arlington County

| Revenue Source | <u>Revenue</u> |
|--|-------------------------|
| MH DAD/Wintex | 110,000 |
| MH PACT | 700,000 |
| MH Discharge Assistance (DAP) | 1,003,068 |
| MH CSA Non-Mandated | 89,227 |
| MH Pharmacy (Blue Ridge) | 0 |
| MH Demo Proj-System of Care (Child) | 0 |
| MH Juvenile Detention | 0 |
| MH Jail Diversion/Service | 75,000 |
| Total State Restricted MH Funds | <u>2,597,295</u> |
| <u>Other Funds</u> | |
| MH Other Funds | 10,000 |
| MH Federal Retained Earnings | 0 |
| MH State Retained Earnings | 0 |
| MH State Retained Earnings - Regional Prog | 0 |
| MH Other Retained Earnings | 0 |
| Total Other MH Funds | <u>10,000</u> |
| <u>State Funds</u> | |
| MH State General Funds | 2,334,429 |
| MH State Regional Deaf Services | 0 |
| MH State NGRI | 0 |
| MH State Children's Services | 25,000 |
| Total State MH Funds | <u>2,359,429</u> |
| <u>Local Matching Funds</u> | |
| MH In-Kind | 0 |
| MH Contributions | 0 |
| MH Local Other | 0 |
| MH Local Government | 8,694,519 |
| Total Local MH Funds | <u>8,694,519</u> |
| Total MH Revenue | 16,059,731 |
| <u>MH One Time Funds</u> | |
| MH FBG SWVMH Board | 0 |
| MH FBG SMI | 0 |
| MH FBG SED C & A | 0 |
| MH State General Funds | 0 |
| Total One Time MH Funds | <u>0</u> |
| Total All MH Revenue | 16,059,731 |

FY 2008 Performance Contract Financial Summary

Mental Retardation

Arlington County

| Revenue Sources | Revenue |
|--|---------|
| <u>Fees</u> | |
| MR Medicaid Fees | 396,000 |
| MR Medicaid ICF/MR | 0 |
| MR Fees: Other | 592,878 |
| Total MR Fees | 988,878 |
| MR Transfer Fees (To)/From | 0 |
| MR Net Fees | 988,878 |
| <u>Restricted Funds</u> | |
| Federal | |
| MR Child Day Care | 0 |
| MR Other Federal - DMHMRSAS | 0 |
| MR Other Federal - CSB | 0 |
| Total Federal Restricted MR Funds | 0 |
| State | |
| MR Facility Reinvestment (Fiscal Agent) | 0 |
| MR Transfer In/(Out) Facility Reinvestment | 0 |
| MR Net Facility Reinvestment | 0 |
| MR Transformation | 0 |
| Total State Restricted MR Funds | 0 |
| <u>Other Funds</u> | |
| MR Workshop Sales | 0 |
| MR Other Funds | 0 |
| MR State Retained Earnings | 0 |
| MR Other Retained Earnings | 0 |
| Total Other MR Funds | 0 |
| <u>State Funds</u> | |
| MR State General Funds | 992,266 |
| MR OBRA | 0 |
| MR Family Support | 0 |
| MR Children's Family Support | 0 |
| Total State MR Funds | 992,266 |

FY 2008 Performance Contract Financial Summary

Mental Retardation

Arlington County

| Revenue Sources | Revenue |
|------------------------------------|------------------|
| <u>Local Matching Funds</u> | |
| MR In-Kind | 0 |
| MR Contributions | 0 |
| MR Local Other | 0 |
| MR Local Government | 7,056,349 |
| Total Local MR Funds | 7,056,349 |
| Total MR Revenue | 9,037,493 |
| <u>MR One Time Funds</u> | |
| MR Waiver-Start Up | 0 |
| Total One Time MR Funds | 0 |
| Total ALL MR Revenue | 9,037,493 |

FY 2008 Performance Contract Financial Summary

Substance Abuse

Arlington County

| Revenue Sources | Revenue |
|--|-----------|
| <u>Fees</u> | |
| SA Medicaid Fees | 0 |
| SA Fees: Other | 61,299 |
| Total SA Fees | 61,299 |
| SA Transfer Fees (To)/From | 0 |
| SA Net Fees | 61,299 |
| <u>Restricted Funds</u> | |
| Federal | |
| SA FBG Alcohol/Drug Trmt | 373,242 |
| SA FBG Women | 76,137 |
| SA FBG Prevention-Women | 0 |
| SA FBG SARPOS | 94,197 |
| SA FBG HIV/AIDS | 73,504 |
| SA FBG Facility Diversion | 0 |
| SA FBG Jail Services | 0 |
| SA FBG Crisis Intervention | 0 |
| SA FBG Prevention | 181,745 |
| SA FBG Co-Occurring | 20,000 |
| SA FBG Prev-Strengthening Families | 0 |
| SA Other Federal - DMHMRSAS | 0 |
| SA Other Federal - CSB | 686,390 |
| SA Fed VASIP/COSIG | 1,875 |
| SA Fed "Project Remote" | 0 |
| SA FBG New Directions | 0 |
| Total Federal Restricted SA Funds | 1,507,090 |
| State | |
| SA Facility Reinvestment (Fiscal Agent) | 0 |
| SA Transfer In/(Out) Facility Reinvestment | 0 |
| SA Net Facility Reinvestment | 0 |
| SA Facility Diversion | 0 |
| SA Women | 0 |
| SA Crisis Stabilization | 0 |
| SA MAT | 0 |
| SA Transformation | 0 |
| SA SARPOS | 39,281 |
| SA Recovery | 0 |
| Total State Restricted SA Funds | 39,281 |

FY 2008 Performance Contract Financial Summary

Substance Abuse

Arlington County

| Revenue Sources | <u>Revenue</u> |
|--|-------------------------|
| <u>Other Funds</u> | |
| SA Other Funds | 0 |
| SA Federal Retained Earnings | 63,378 |
| SA State Retained Earnings | 0 |
| SA State Retained Earnings-Regional Prog | 0 |
| SA Other Retained Earnings | 0 |
| Total Other SA Funds | <u>63,378</u> |
| <u>State Funds</u> | |
| SA State General Funds | 1,098,614 |
| SA Region V Residential | 0 |
| SA Postpartum - Women | 0 |
| SA Jail Services/Juv Detention | 0 |
| Total State SA Funds | <u>1,098,614</u> |
| <u>Local Matching Funds</u> | |
| SA In-Kind | 0 |
| SA Contributions | 0 |
| SA Local Other | 0 |
| SA Local Government | 3,714,599 |
| Total Local SA Funds | <u>3,714,599</u> |
| Total SA Revenue | 6,484,261 |
| <u>SA One Time Funds</u> | |
| SA FBG Alcohol/Drug Trmt | 0 |
| SA FBG Women | 0 |
| SA FBG Prevention | 0 |
| Total One Time SA Funds | <u>0</u> |
| Total ALL SA Revenue | 6,484,261 |

**FY 2008 Performance Contract
Local Government Tax Appropriations**

Arlington County

| City/County | Tax Appropriation |
|--|--------------------------|
| Arlington County | 19,465,467 |
| Total Local Government Tax Funds: | 19,465,467 |

Supplemental Information

FY 2008 Quarter: C

Reconciliation of Financial Report and Utilization Data (Core Services) Expenses

Arlington County

| | MH | MR | SA | Services Outside Prog. Area | Total |
|----------------------------------|------------|-----------|-----------|--------------------------------|------------|
| Financial Report Revenue | 16,059,731 | 9,037,493 | 6,484,261 | 0 | 31,581,485 |
| Utilization Data Expenses | 14,413,270 | 9,034,266 | 6,167,210 | 2,366,739 | 31,981,485 |
| Difference | 1,646,461 | 3,227 | 317,051 | -2,366,739 | -400,000 |

Difference results from

Other 400,000

Explanation of Other: Regional expenses for 250 Acute Psychiatric Inpatient services shown in service information. Revenue does not pass to Arlington, so not shown.

FY2008 CSB 100 Mental Health Services

Quarter: C

Arlington County

Report for Form 11

| Core Services Code / or Consumer Designation Code | Service Capacity | Total Units | Contract Units | Units Per Capacity | Consumers Served | Expenses |
|---|------------------|-------------|----------------|--------------------|------------------|---------------------|
| 250 Acute Psychiatric or SA Inpatient Services | 2 Beds | 730 | 625 | 313 | 90 | \$400,000 |
| 310 Outpatient Services | 23.98 FTEs | 49878.4 | 39354 | 1,641 | 2100 | \$4,472,628 |
| 350 Assertive Community Treatment | 9.35 FTEs | 19448 | 13585 | 1,453 | 100 | \$981,906 |
| 320 Case Management Services | 25 FTEs | 52000 | 32500 | 1,300 | 1100 | \$2,340,179 |
| 425 Rehabilitation/Habilitation | 51 Slots | 67320 | 45132 | 885 | 127 | \$552,291 |
| 430 Sheltered Employment | 7 Slots | 1540 | 926 | 132 | 7 | \$44,278 |
| 465 Group Supported Employment | 2 Slots | 440 | 350 | 175 | 2 | \$13,010 |
| 460 Individual Supported Employment | 1.25 FTEs | 2600 | 3575 | 2,860 | 120 | \$308,977 |
| 501 Highly Intensive Residential Services | 12 Beds | 4380 | 4360 | 363 | 59 | \$1,437,207 |
| 521 Intensive Residential Services | 29.2 Beds | 10658 | 10645 | 365 | 34 | \$1,670,940 |
| 551 Supervised Residential Services | 17 Beds | 6205 | 6205 | 365 | 29 | \$335,906 |
| 581 Supportive Residential Services | 6 FTEs | 12480 | 13905 | 2,318 | 146 | \$1,855,948 |
| 910 Discharge Assistance Project (DAP) | | | | | | |
| 915 MH Child and Adolescent Services Initiative | | | | | 25 | |
| 918 Program of Assertive Community Treatment (PACT) | | | | | 12 | |
| 919 Prog for Assist in Trans fm Homelessness (PATH) | | | | | 100 | |
| | | | | | 50 | |
| Total Expenses | | | | | | \$14,413,270 |

FY2008 CSB 200 Mental Retardation Services

Quarter: C

Arlington County

Report for Form 21

| Core Services Code / or Consumer Designation Code | Service Capacity | Total Units | Contract Units | Units Per Capacity | Consumers Served | Expenses |
|--|-------------------------|--------------------|-----------------------|---------------------------|-------------------------|--------------------|
| 320 Case Management Services | 10.9 FTEs | 22672 | 14300 | 1,312 | 258 | \$1,228,897 |
| 425 Rehabilitation/Habilitation | 22 Slots | 29040 | 27120 | 1,233 | 22 | \$2,127,897 |
| 430 Sheltered Employment | 14 Slots | 3360 | 2940 | 210 | 14 | \$287,246 |
| 465 Group Supported Employment | 33 Slots | 7920 | 6869 | 208 | 33 | \$1,199,068 |
| 460 Individual Supported Employment | 0 FTEs | 0 | 2195 | | 23 | \$188,914 |
| 521 Intensive Residential Services | 15 Beds | 5475 | 4470 | 298 | 14 | \$1,690,534 |
| 551 Supervised Residential Services | 12 Beds | 4380 | 4310 | 359 | 12 | \$867,838 |
| 581 Supportive Residential Services | 0 FTEs | 0 | 2495 | | 8 | \$90,161 |
| 625 Infant and Toddler Intervention Services | 7.7 FTEs | 16016 | 10010 | 1,300 | 482 | \$1,353,711 |
| Total Expenses | | | | | | \$9,034,266 |

FY2008 CSB 300 Substance Abuse Services

Quarter: C

Arlington County

Report for Form 31

| Core Services Code / or Consumer Designation Code | Service Capacity | Total Units | Contract Units | Units Per Capacity | Consumers Served | Expenses |
|---|------------------|-------------|----------------|--------------------|------------------|--------------------|
| 250 Acute Psychiatric or SA Inpatient Services | 0.02 Beds | 7.3 | 7 | 350 | 2 | \$3,689 |
| 310 Outpatient Services | 13.5 FTEs | 28080 | 18330 | 1,358 | 795 | \$1,638,057 |
| 340 Opioid Treatment Services | 0 FTEs | 0 | 700 | | 23 | \$113,238 |
| 320 Case Management Services | 4.4 FTEs | 9152 | 5720 | 1,300 | 290 | \$462,180 |
| 501 Highly Intensive Residential Services | 10 Beds | 3650 | 3000 | 300 | 240 | \$778,737 |
| 521 Intensive Residential Services | 26.9 Beds | 9818.5 | 9732 | 362 | 37 | \$1,895,867 |
| 531 Jail-Based Habilitation Services | 36 Beds | 13140 | 12950 | 360 | 95 | \$641,982 |
| 551 Supervised Residential Services | 13.5 Beds | 4927.5 | 4800 | 356 | 32 | \$252,536 |
| 610 Prevention Services | 2 FTEs | 4160 | 2600 | 1,300 | | \$380,924 |
| Total Expenses | | | | | | \$6,167,210 |

FY2008 CSB 400 Services Available Outside of a Program Area

Quarter: C

Arlington County

Report for Form 01

Core Services Code

| Core Services Code | Service Capacity | Total Units | Contract Units | Units Per Capacity | Consumers Served | Expenses |
|--|------------------|-------------|----------------|--------------------|------------------|--------------------|
| 100 Emergency Services | 9.8 FTEs | 20384 | 12292 | 1,254 | 1340 | \$1,171,530 |
| 318 Motivational Treatment Services | 1 FTEs | 2080 | 1300 | 1,300 | 100 | \$162,506 |
| 390 Consumer Monitoring Services | 2.35 FTEs | 4888 | 3065 | 1,304 | 160 | \$330,891 |
| 720 Assessment and Evaluation Services | 6.3 FTEs | 13104 | 7680 | 1,219 | 536 | \$525,499 |
| 620 Early Intervention Services | 1 FTEs | 2080 | 1300 | 1,300 | 75 | \$176,313 |
| Total Expenses | | | | | | \$2,366,739 |

FY 2008 CSB Performance Contract Supplement

Table 1: Board of Directors Membership Characteristics

Name of CSB:

Total Appointments: **Vacancies:** **Filled Appointments:**

Number of Consumers: **Number of Family Members:**

Age of Board Members

Age 18 - 35:

Age 36 - 64:

Age 65+:

Total:

Race and Ethnicity of Board Members

African-American:

Asian/Pacific Islander:

Caucasian:

Other:

Total:

Gender of Board Members

Female:

Male:

Total:

Hispanic Origin:

Board Member Occupations

| | |
|---|--|
| Businessmen/Businesswomen: <input type="text" value="6"/> | Elected Gov't Officials: <input type="text" value="0"/> |
| Educators: <input type="text" value="0"/> | Appointed Gov't Officials: <input type="text" value="0"/> |
| Human Service Professionals: <input type="text" value="3"/> | Clergy: <input type="text" value="0"/> |
| Homemakers: <input type="text" value="0"/> | Clerical/Blue Collar Workers: <input type="text" value="0"/> |
| Medical Professionals: <input type="text" value="1"/> | Retired Individuals: <input type="text" value="0"/> |
| Lawyers: <input type="text" value="5"/> | Non-Gov. Serv. Providers: <input type="text" value="0"/> |
| Sheriffs: <input type="text" value="1"/> | No Response: <input type="text" value="0"/> |
| Total: <input type="text" value="16"/> | |

Elected and appointed government officials might also be identified in other occupational categories; duplication is acceptable in this table and it is important to identify all of the government officials serving as Board members.

FY2008 Community Services Board Performance Contract

Arlington County

Exhibit D: Board of Directors Membership List

| Name | Address | Phone Number | Start Date | End Date | Term No. |
|---------------------|--|----------------|------------|----------|----------|
| Dean Bonney | 4029 South 7th Street Arlington, VA 22204 | (703) 979-1226 | 6/21/2005 | 7/1/2008 | 2 |
| Scott Brannon | 2904 South 13th Road Suite 202 Arlington, VA 22204 | (703) 979-4673 | 7/11/2006 | 7/1/2009 | 1 |
| Kanielle M. Denenny | 3004 Lee Highway D-323 Arlington, VA 22201 | (703) 469-3941 | 6/19/2007 | 7/1/2010 | 2 |
| Kathleen Donovan | 1300 South Norwood Street Arlington, VA 22204 | (703) 521-3346 | 6/20/2005 | 7/1/2008 | 2 |
| Barry Gale | 3735 North Vernon St. Arlington, VA 22207 | (703) 532-7257 | 5/8/2007 | 7/1/2009 | 1 |
| Brenda Hadiji | 4120 North 34th St. Arlington, VA 22207 | (703) 243-7753 | 5/8/2007 | 7/1/2009 | 1 |
| Anne Marie Hermann | 2514 North Quebec Street Arlington, VA 22207 | (703) 524-3684 | 7/11/2006 | 7/1/2009 | 2 |
| Patrick Alan Hope | 504-J North Thomas Street Arlington, VA 22203 | (703) 528-8956 | 6/21/2005 | 7/1/2008 | 2 |
| James Mack | 3615 North 38th St. Arlington, VA 22207 | (703) 524-2914 | 7/9/2007 | 7/1/2010 | 1 |
| Jenette O'Keefe | 4867 Old Dominion Drive Arlington, VA 22207 | (703) 395-3363 | 12/13/2005 | 7/1/2008 | 1 |
| Mike Pinson | 1425 North Courthouse Road Arlington, VA 22201 | (703) 228-4492 | 7/11/2006 | 7/1/2009 | 2 |
| Carol Skelly | 2818 Key Boulevard Arlington, VA 22201 | (703) 522-2007 | 6/21/2005 | 7/1/2008 | 2 |
| Jocelyn Ann Starzak | 5631 North 25th Road Arlington, VA 22207 | (703) 376-6050 | 6/19/2007 | 7/1/2010 | 2 |
| Kiersten Todt Coon | 4003 North 25th Street Arlington, VA 22207 | (202) 489-4040 | 6/19/2007 | 7/1/2010 | 2 |
| Naomi Verdugo | 885 North Lexington Street Arlington, VA 22205 | (703) 841-5192 | 6/19/2007 | 7/1/2010 | 2 |
| John C. Youngs | 2009 North Woodrow Street Arlington, VA 22207 | (703) 875-1111 | 7/11/2006 | 7/1/2009 | 1 |

Dean Bonney
4029 South 7th Street
Arlington, VA 22204

Kanielle M. Denenny
3004 Lee Highway D-323
Arlington, VA 22201

Barry Gale
3735 North Vernon St.
Arlington, VA 22207

Anne Marie Hermann
2514 North Quebec Street
Arlington, VA 22207

James Mack
3615 North 38th St.
Arlington, VA 22207

Mike Pinson
1425 North Courthouse Road
Arlington, VA 22201

Jocelyn Ann Starzak
5631 North 25th Road
Arlington, VA 22207

Naomi Verdugo
885 North Lexington Street
Arlington, VA 22205

Scott Brannon
2904 South 13th Road Suite 202
Arlington, VA 22204

Kathleen Donovan
1300 South Norwood Street
Arlington, VA 22204

Brenda Hadiji
4120 North 34th St.
Arlington, VA 22207

Patrick Alan Hope
504-J North Thomas Street
Arlington, VA 22203

Jenette O'Keefe
4867 Old Dominion Drive
Arlington, VA 22207

Carol Skelly
2818 Key Boulevard
Arlington, VA 22201

Kiersten Todt Coon
4003 North 25th Street
Arlington, VA 22207

John C. Youngs
2009 North Woodrow Street
Arlington, VA 22207

Fiscal Year 2008 CSB Performance Contract Supplement
Table 2: Fiscal Year 2008 Board Management Salary Costs

| Explanations for Table 2a | | | | | |
|---------------------------|--|--|--|--|--|
| | | | | | |

Table 2b: Community Service Board Employees

| 1. | 2. | 3. | 4. | 5. | 6. |
|--------------------------------|---------------|--------------|--------------|--------------|---------------|
| No. of FTE CSB Employees | MH | MR | SA | ADMIN | TOTAL |
| Consumer Service FTEs | 89.43 | 18.60 | 22.75 | ■ | 130.78 |
| Peer Staff Service FTEs | | | | ■ | 0.00 |
| Support Staff FTEs | 24.00 | 2.33 | 12.14 | 15.00 | 53.47 |
| TOTAL FTE CSB Employees | 113.43 | 20.93 | 34.89 | 15.00 | 184.25 |

FY 2008 Community Services Performance Contract

Exhibit B: Reserved

FY 2008 Community Services Performance Contract
Exhibit C: Statewide Consumer Outcome and Board Performance Measures

| Measure | Program Area | Source of Requirement | Type of Measure | Data Needed for Measure | Reporting Frequency | Reporting Mechanism |
|------------------------------|--------------|----------------------------------|-----------------|--|---------------------|------------------------------|
| 1. Access for Pregnant Women | SA Only | SAPT Block Grant | Aggregate | Number of Pregnant Women Requesting Service Number of Pregnant Women Receiving Services Within 48 Hours | Annually | Performance Contract Reports |
| 2. Continuity of Care | MH Only | Executive Agreement ¹ | Individual | Face-to-Face Status Date of First Face-to-Face Outpatient Visit | Monthly | ACCESS Software |

Other Provider Performance and Consumer Outcome measures will be collected through the CCS 2, which CSBs submit to provide TEDS data to satisfy federal SAPT Block Grant Requirements. These measures include frequency of alcohol and of other drug use.

¹ Executive Agreement Measure: Percentage of discharges from state psychiatric hospitals that were followed by at least one scheduled face-to-face (non-emergency) outpatient visit within 7 days.

The Board also agrees to participate in the conduct of the following surveys:

1. Annual Consumer Survey of MH and SA Outpatient Consumers,
2. Annual Youth Services Survey for Families (i.e., Child MH survey), and
3. MR Family Survey (done at the time of the consumer's annual planning meeting).

FY 2008 Community Services Performance Contract
Exhibit D: Individual Board Performance Measures

N/A

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

**Virginia Department of Mental Health,
Mental Retardation and Substance
Abuse Services**

Board

By: _____
Name: James S. Reinhard, M.D.
Title: Commissioner
Date: _____

By: _____
Name: _____
Title: Chairman of the Board
Date: _____

By: _____
Name: _____
Title: Executive Director
Date: _____

FY 2008 Community Services Performance Contract

Exhibit E: Performance Contract Process and Contract Revision Instructions

- 05-11-07:** The Department distributes the FY 2008 Performance Contract to Boards electronically on **May 11**.
- 05-11-07:** The Department distributes the FY 2008 Letters of Notification to Boards on **May 11**, 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 Board to be included in Exhibit D of the contract. The Office of Information Technology Services (OITS) completes distribution of the FY 2008 Community Services Performance Contract package software (CARS-ACCESS) to CSBs by **May 4**. Department staff completes training Boards on the software by **May 23**.
- 06-22-07:** Exhibit A and other parts of the FY 2008 Community Services Performance Contract, submitted electronically in CARS-ACCESS, are due in the OITS *in time to be received* by **June 22**. Tables 1 and 2 of the Performance Contract Supplement (also in CARS-ACCESS) 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 **June 22**: the signature page of the contract body; the Board's current organization chart (page 3 of Exhibit H), Exhibit D, if applicable, Exhibit F (two pages), page 1 of Exhibit G, Exhibit K (if applicable), and the signature page of the Partnership Agreement (page 10). Page 2 of Exhibit G must be submitted as soon as possible and no later than **September 28**.
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 Board 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 performance contract reports, submitted after the ends of the 2nd and 4th quarters, and contract revisions, if either report or the contract revision reflects less than the minimum 10 percent local matching funds.
- 06-29-07:** The OITS distributes the FY 2007 end of the fiscal year performance contract report package by **June 29**.
Program Accountants in the Department's Office of Grants Management (OGM) prepare Electronic Data Interchange (EDI) transfers for the *first two semi-monthly payments* (both July payments) of state and federal funds for all Boards and send the requests to the Department of Accounts, starting with the transmission on **June 29**.
- 07-13-07:** Program Accountants receive authorizations to prepare EDI transfers for *payments 3 through 6* (both August and September) of state and federal funds for Boards whose contracts were received and determined to be complete by July 13 and, after OCC Administrators authorize their release, prepare and send the transfers to the Department of Accounts, starting with the transmission on **August 1**. **Payments will not be released without complete contracts**, as defined in item 1 of Exhibit I. For a Board whose contract is received after July 13, EDI transfers for these four semi-monthly payments will be processed within two weeks of receipt of the contract, if the contract is complete.
- 07-31-07:** Department staff complete reviews by **July 31** of FY 2008 contracts received by June 22. Contracts received after June 22 will be processed in the order in which they are received.

FY 2008 Community Services Performance Contract

1. The **Office of Grants Management (OGM)** analyzes the revenue information in the contract for conformity to Letter of Notification allocations and makes corrections and changes on the financial forms in Exhibit A of the contract.
2. The **Offices of Mental Health, Child and Family, Mental Retardation, and Substance Abuse Services** review and approve new service proposals and consider program issues related to existing services, based on Exhibit A and the service level analyses provided by the OCC Administrator negotiating the contract.
3. The **Office of Community Contracting (OCC)** assesses contract completeness, examines maintenance of local matching funds, analyzes existing service levels, 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 Board when its contract is not complete or has not been approved and advises the Board to revise and resubmit its contract.
4. The **Office of Information Technology Services (OITS)** receives CARS-ACCESS and Community Consumer Submission 3 (CCS 3) submissions from the Boards, maintains the community database, and processes signed contracts into that database as they are received from the OCC.

08-29-07: Boards submit their final CCS 2 year end (year-to-date) consumer, admission, program, and service extract files for all of FY 2007 to the OITS in time to be received by **August 29**. This later date for final FY 2007 CCS 2 data, as opposed to July 31, 2007, allows for the inclusion of all units of services delivered in FY 2007, which might not be in local information systems in July. Since all services provided by Boards directly and contractually should be in their local information systems, service unit information in final CCS 2 FY 2007 submissions should match service unit information in FY 2007 CARS performance contract reports. Any corrections of service information needed as a result of Departmental review of the August 29 submissions must be completed by **October 1**.

09-14-07: Program Accountants receive authorization to prepare EDI transfers for *payments 7 and 8* (October) and, after OCC Administrators authorize their release, prepare and send the transfers to the Department of Accounts, for transmission starting on **September 28** for payment 7 for Boards with signed contracts. Payments 7 and 8 will not be released without a contract signed by the Commissioner.

After the Commissioner signs it, the OCC sends a copy of the approved contract Exhibit A to the Board, with the signature page containing only the Commissioner's signature. The Board must review this contract, which reflects all of the changes negotiated by Department staff (see 7-31-07); complete the signature page, which documents its acceptance of these changes; and return the completed signature page to the OCC.

10-01-07: Boards send complete FY 2007 end of the fiscal year performance contract reports that include Uniform Cost Report information electronically in CARS-ACCESS to the OITS *in time to be received by October 1*. *Reports must be accompanied by the Executive Director's certification that the software error check was performed, the report contains no errors identified by the error checking software, and the data submitted in the reports is accurate.*

Boards must insure that substance abuse prevention units of service data in their CARS-ACCESS end of the fiscal year reports are identical to the units of service data that they submitted through the KIT Prevention System.

OITS staff places the reports in a temporary data base for OCC and OGM staff to access them and print paper copies of the reports. OCC Administrators review services sections of reports for correctness, completeness, consistency, and acceptability;

FY 2008 Community Services Performance Contract

resolve discrepancies with Boards; communicate necessary changes to Boards; and make the changes on the paper copies of the reports. Program Accountants review the financial portions of reports for arithmetic accuracy, completeness, consistency, and conformity with state funding actions; resolve discrepancies with Boards; communicate necessary changes to Boards; and make the changes on the paper copies of the reports.

Once OCC and OGM staff complete their reviews and corrections of a Board's reports, the OCC administrator notifies the Board to submit new reports, reflecting only those approved changes, to OITS. Upon receipt, the process described above is repeated to ensure that the new reports contain only those changes identified by OGM and OCC staff. If the reviews document this, OCC and OGM staffs approve the reports. OITS staff then processes final report data into the Department's community database.

Late report submission, if an extension of the October 1 due date has not been obtained through the process in Exhibit I of this contract, or submitting a report without correcting errors identified by the CARS-ACCESS error checking program will result in a letter from the Commissioner to the Board Chairman and local government officials. See Exhibit I for additional information.

- 10-05-07:** The Department distributes the CCS 3 extract software to Boards for them to install and begin using.
- 10-12-07:** Program Accountants receive authorization to prepare EDI transfers for *payments 9 through 12* (November and December), and, after OCC Administrators authorize their release, prepare and send these transfers to the Department of Accounts, beginning with the transmission on **October 31** for Boards whose *complete* FY 2007 end of the fiscal year performance contract reports were received by October 1. **Funds will not be released without (1) complete reports**, as defined in item 2.a. of Exhibit I of this contract, **(2) complete CCS 2 submissions** (see 8-29-07), and **(3) the completed signature page** received from the Board (see 9-14-07).
- 11-01-07:** If necessary, Boards submit new FY 2007 end of the fiscal year performance contract reports that correct errors or inaccuracies **not later than November 1. The Department will not accept CARS-ACCESS report revisions after November 1.**
- 11-01-07:** Boards submit their CCS 3 test data to the Department in time to be received by **November 1** to verify that their information systems can produce acceptable CCS 3 data and that the Department's CCS 3 extract software works.
- Boards submit their System Transformation Initiative Quarterly Status Reports for the first quarter of FY 2008 to the OCC in time to be received by November 1.
- 11-28-07:** Boards submit their first CCS 3 FY 2008 monthly consumer, type of care, and service extract files to the Department by **November 28** for the July 1 through October 31 period.
- 12-03-07:** Boards 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 board-operated programs to the Department's Office of Financial Reporting and Compliance. *While the Code requires reports within 90 calendar days after the end of the fiscal year, the Auditor of Public Accounts will not penalize late submissions up to December 3.* A management letter and plan of correction for deficiencies must be sent with this report.
- Boards 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 Office of Financial Reporting and Compliance by **December 3**. For programs with different fiscal years, reports are due five months after the end of the year. Management letters and plans of correction for deficiencies must be included with these reports.

FY 2008 Community Services Performance Contract

Audit reports for Boards 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 Board must forward a plan of correction for any audit deficiencies that are related to or affect the Board to the Office of Financial Reporting and Compliance by **December 3**.

- 12-13-07:** Program Accountants receive authorization to prepare EDI transfers for *payments 13 through 17* (January, February, 1st March), and, after OCC Administrators authorize their release, prepare and send these transfers to the Department of Accounts, beginning with the transmission on **January 2** for Boards whose FY 2007 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, whose CCS 2 submissions for FY 2007 are complete, and whose CCS 3 monthly extract for the period July 1 through October 31 has been received (see 11-28-07). **Funds will not be released without verified reports, complete CCS 2 submissions, and initial CCS 3 submissions.**
- 01-02-08:** The Department distributes the exposure draft of the FY 2009 performance contract for a 60-day public comment period pursuant to § 37.2-508 of the *Code of Virginia*.
- 01-07-08:** The OITS distributes FY 2008 mid-year performance contract (second quarter) report software by **January 7**.
- 01-31-08:** Boards submit their System Transformation Initiative Quarterly Status Reports for the second quarter of FY 2008 to the OCC in time to be received by January 31.
- 02-15-08:** Boards send complete mid-year performance contract (second quarter) reports to the OITS electronically in CARS-ACCESS *within 45 calendar days after the end of the second quarter, in time to be received by February 15*. OITS staff places the reports on a shared drive for OCC and OGM staff to access them. The offices review and act on the reports using the process described at 10-01-07. When reports are acceptable, OITS staff processes the data into the Department's community data base.
- 02-29-08:** Program Accountants receive authorization to prepare EDI transfers for *payments 18 and 19* (2nd March, 1st April) and, after OCC Administrators authorize their release, prepare and send these transfers to the Department of Accounts, starting with the transmission on **March 14** for Boards whose complete FY 2008 mid-year performance contract (second quarter) reports were received by February 15 and whose monthly CCS 3 consumer, type of care, and service extract file submissions for November and December were received by the end of the month following the month of the extract. **Funds will not be released without complete reports, as defined in item 2.a. of Exhibit I, and without these monthly CCS 3 submissions.**
- 04-04-08:** Program Accountants receive authorization to prepare EDI transfers for *payments 20 through 23* (2nd April, May, and 1st June) and, after OCC Administrators authorize their release, prepare and send these transfers to the Department of Accounts, starting with the transmission on **April 18** for Boards whose FY 2008 mid-year performance contract (second quarter) reports have been **verified** as accurate and internally consistent, per items 2.b. through d. of Exhibit I and whose monthly CCS 3 consumer, type of care, and service extract file submissions for January and February were received by the end of the month following the month of the extract. **Funds will not be released without verified reports and without these monthly CCS 3 submissions.**
- 04-18-08:** The Department distributes final revised FY 2008 Letters of Notification to Boards by **April 18**, with enclosures reflecting any changes in allocations of state and federal block grant funds since the original Letters of Notification (issued May 11, 2007) for Boards to use in preparing their final FY 2008 contract revisions.

FY 2008 Community Services Performance Contract

- 04-30-08:** Boards submit their System Transformation Initiative Quarterly Status Reports for the third quarter of FY 2008 to the OCC in time to be received by April 30.
- 05-02-08:** The Department distributes the FY 2009 Community Services Performance Contract and Letters of Notification to Boards on **May 2**, with enclosures that show the tentative allocations of state and federal funds. The Department also distributes the CARS-ACCESS Performance Contract software update for the FY 2008 Community Services Performance Contract to CSBs by **May 9**.
- The final revised FY 2008 Performance Contract Exhibit A, prepared in accordance with instructions in this Exhibit, is due in the OITS by **May 2**. Final contract revisions must conform to final revised Letter of Notification allocations, or amounts subsequently revised by or negotiated with the Department and confirmed in writing, and must contain actual amounts of local matching funds. Revised contracts are reviewed and acted on using the process at **7-31-07**. If the Board cannot include the minimum 10 percent local matching funds in its revised 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 revised contract.
- 06-02-08:** Program Accountants receive authorization to prepare EDI transfers for *payment 24* and, after OCC Administrators authorize their release, prepare and send these transfers to the Department of Accounts for transmission on **June 16**, after the Department has made any final adjustments in the Board's state and federal funds allocations, for Boards whose monthly CCS 3 consumer, type of care, and service extract file submissions for March and April were received by the end of the month following the month of the extract. **Funds will not be released without these monthly CCS 3 submissions.**
- 06-20-08:** The FY 2009 Community Services Performance Contract, submitted electronically in CARS-ACCESS, is due in the OITS by **June 20**.
- 07-18-08:** The OITS distributes FY 2008 end of the fiscal year performance contract report software to Boards.
- 08-31-08:** Boards submit their System Transformation Initiative Quarterly Status Reports for the fourth quarter of FY 2008 to the OCC in time to be received by August 31.
- 09-05-08:** Boards submit their complete Community Consumer Submission 3 (CCS 3) reports for total (annual) FY 2008 service units to the OITS in time to be received by **September 5**.
- 10-01-08:** Boards send complete FY 2008 end of the fiscal year performance contract reports electronically in CARS-ACCESS to the OITS *in time to be received by* **October 1**.

FY 2008 Community Services Performance Contract

Exhibit E: Performance Contract Process and Contract Revision Instructions

The Board may revise Exhibit A of its signed performance 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, MR, SA) 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.

Contract revisions should not be made to reflect minor deviations from the contract level in numbers of consumers to be served or units of service to be provided within existing programs and services.

To avoid frequent submissions of revisions, these circumstances should be consolidated and reflected in revisions that are periodically sent to the Department. A final revision must be submitted before the end of the term of this contract, as specified in this Exhibit, so that any discrepancies in state general or federal fund disbursements can be resolved and any other changes can be reflected in the final revision.

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

FY 2008 Community Services Performance Contract

Exhibit F: Federal Compliances

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

Check One

- 1. The Board 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 salary (not including fringe benefits and operating costs) in excess of \$183,500 per year.
- 2. The following employees are being paid totally with Federal Mental Health or SAPT Block Grant funds at a direct salary (not including fringe benefits and operating costs) in excess of \$183,500 per year.

| | <i>Name</i> | <i>Title</i> |
|----|-------------|--------------|
| 1. | _____ | _____ |
| 2. | _____ | _____ |
| 3. | _____ | _____ |
| 4. | _____ | _____ |
| 5. | _____ | _____ |
| 6. | _____ | _____ |

Assurances Regarding Equal Treatment for Faith-Based Organizations

The Board 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 2008 Community Services Performance Contract

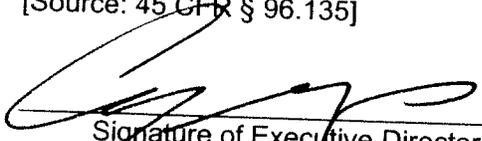
Exhibit F: Federal Compliances

Assurances Regarding Restrictions on the Use of Federal Block Grant Funds

The Board 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 General Requirements Document 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 services¹;
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 funds 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 Executive Director

10-1-07
Date

- ¹ However, the Board 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]

FY 2008 Community Services Performance Contract
Exhibit G: Local Government Approval of the Community Services Performance Contract – Page 1

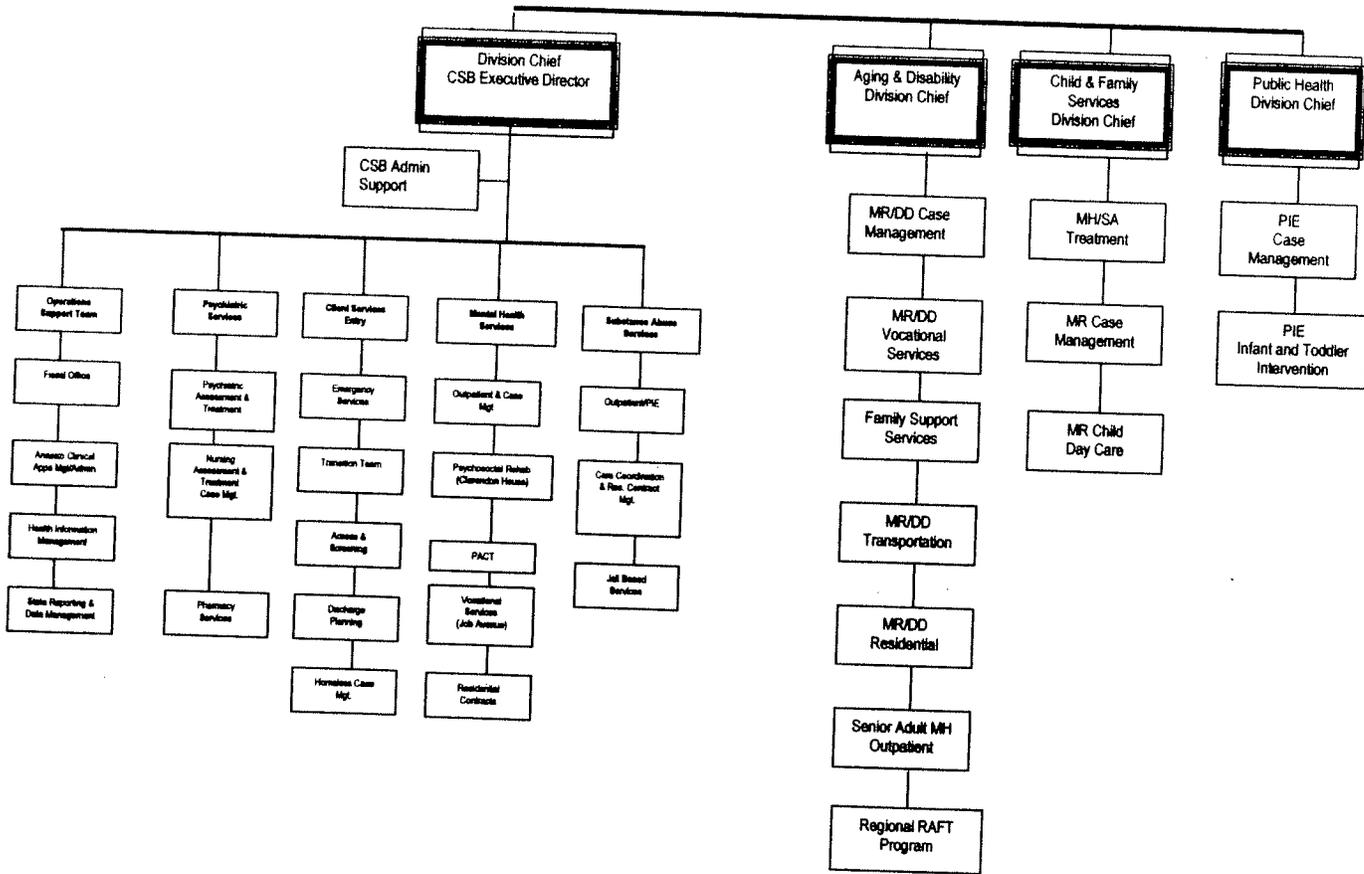
1. Name of the Board: **Arlington Community Services Board**
 2. City or County designated as the Board's Fiscal Agent: **Arlington County**
 3. Name of the Fiscal Agent's City Manager or County Administrator or Executive:
Name: **Ron Carlee** Title: **County Manager**
 4. Name of the Fiscal Agent's County or City Treasurer or Director of Finance:
Name: **Francis X. O'Leary, Jr.** Title: **Treasurer, Arlington County**
 5. Name of the Fiscal Agent official to whom checks should be electronically transmitted:
Name: **Francis X. O'Leary, Jr.** Title **Treasurer, Arlington County**
- Address: **2100 Clarendon Boulevard, Suite 201
Arlington, Virginia 22201**

Note: Subsection A.18 of § 37.2-504 of the *Code of Virginia* authorizes an operating community services board to receive state and federal funds directly from the Department and act as its own fiscal agent when authorized to do so by the governing body of each city or county that established it.

FY 2008 Community Services Performance Contract
 Exhibit H: Board Organization Chart

Attach the Board's organization chart here.

ARLINGTON COUNTY, VIRGINIA
 Department of Human Services
 CSB Programs of Mental Health, Mental Retardation and Substance Abuse Services
 FY 2008



FY 2008 Community Services Performance Contract

Exhibit I: Administrative Performance Standards

Standards

The Board shall meet these administrative performance standards in submitting its performance contract, contract revisions, mid-year and end of fiscal year performance contract reports, and monthly Community Consumer Submission 3 (CCS 3) extracts to the Department.

1. The performance contract and any revisions submitted by the Board shall be:
 - a. complete, that is all required information is displayed in the correct places and all required Exhibits and Forms, 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-ACCESS 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. The current contract term mid-year and the previous contract term end of fiscal year performance contract reports submitted by the Board shall be:
 - a. complete, that is all required information is displayed in the correct places, all required data are included in the electronic CARS-ACCESS application reports, and any required paper forms that gather information not included in CARS-ACCESS are submitted;
 - b. consistent with the state general and federal block grant funds allocations in the most recent 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 expenses, revenues, and service and consumer data are consistent, congruent, and correct within a report, and (ii) submitted only after errors identified by the CARS-ACCESS error checking programs are corrected; and
 - e. received by the due dates listed in Exhibit E of this contract, unless, pursuant to the process on the next page, an extension of the due date for the end of the fiscal year report has been obtained from the Department.

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 Board 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 Board and local government officials about failure to comply with both aspects of standard 2.d or failure 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 3 Extract Specifications. If the Board 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 in the Board's CARS-ACCESS end of fiscal year report must be identical to the service unit data that the Board submitted to the Department through the KIT Prevention System.

FY 2008 Community Services Performance Contract

Exhibit I: Administrative Performance Standards

Process for Obtaining an Extension of the End of the Fiscal Year Report Due Date

Extensions will be granted only in very exceptional situations, for example, unanticipated staff, hardware, or software problems such as an ITS failure, a key staff person's illness or accident, or an emergency that makes it impossible to meet the due date.

1. It is the responsibility of the Board to seek, negotiate, obtain, and confirm the Department's approval of an extension of the due date within the time frames specified below.
2. As soon as the Board becomes aware that its end of the fiscal year report cannot be submitted in time to be received in the Department by 5:00 p.m. on the first business day of October in the current contract term, its executive director must inform the Office of Community Contracting Director or its Community Contracting Administrator that it is requesting an extension of this due date. This request should be submitted as soon as possible and it must be in writing, describe completely the reason(s) and need for the extension, and state the date on which the Department will receive the report.
3. The written request for an extension must be received in the Office of Community Contracting no later than 5:00 p.m. on the fourth business day before the date in the second step. A facsimile transmission of the request to the number used by the Office of Community Contracting (804-371-0092), received by that time and date, is acceptable if receipt of the transmission is confirmed with a return facsimile memo from the Office no later than 5:00 p.m. on the third business day before the date in the second step. Telephone extension requests are not acceptable and will not be processed.
4. The Office of Community Contracting will act on all requests for due date extensions that are received in accordance with this process and will notify the requesting Boards by facsimile transmission of the status of their requests by 5:00 p.m. on the second business day before the date in the second step.
5. If an extension of the end of the fiscal year report due date is granted, this will not result in automatic continuation of semi-monthly payments. All of the requirements for these payments, contained in Exhibit E, must be satisfied for semi-monthly payments to continue.

FY 2008 Community Services Performance Contract

Exhibit J: Regional Program Procedures

Regional Program Definition

A regional program provides services to individuals who are consumers of a group of Boards, and it may be managed by the group of Boards, have multiple service sites, and provide more than one type of service. Regional programs also include self-contained, single purpose programs (e.g., providing one type of core service, usually residential) operated by one Board for the benefit of other Boards or programs contracted by one Board that serve consumers from other Boards. Finally, some programs (e.g., substance abuse residential or mental health day support programs) that are operated by individual Boards also may serve consumers from other Boards through contractual or purchase of service arrangements. These individual Board programs are not regional programs, but some of these principles, concepts, and models could be applied to them.

Purposes of Regional Program Principles, Operational Concepts, and Models

The regional program principles, operational concepts, and models enable Boards to implement, manage, and account for and the Department to monitor regional programs on a more consistent basis and help ensure that performance contracts and reports, including the CARS and the Community Consumer Submission 3 (CCS 3), contain all needed information, completely and accurately, about consumers and services.

Regional Program Principles

The following principles should guide the development and operation of regional programs.

1. All revenues, expenses, and costs for a regional program should be reported only once.
2. Each consumer who is served should be reported only once for a particular service. However, a consumer receiving services from more than one Board should be reported by each Board for the service(s) that it provides.
3. Each service provided by a regional program should be reported only once.
4. Double counting a service or a consumer receiving a service must be avoided.
5. For certain regional programs, where a Board (the case management Board) refers its consumer to a regional program that is operated by a contract agency and paid for by the region's fiscal agent Board, the case management Board should report the service, even though it did not provide or pay for it, since there would be no other way for information about it to be extracted through the CCS 3.
6. Avoiding duplicate reporting of consumers, services, revenues, expenses, and costs should be addressed, preferably in an Exhibit D or less preferably in a regional memorandum of agreement (MOA).
7. Boards should be able to transfer state, local, and federal funds to each other to pay for services that they purchase from each other.
8. Because the CCS 3 is the basis for all statewide individual consumer information, all individuals served by a Board in any manner must be included in the Board's information system, so that the necessary consumer and service information can be extracted by the CCS 3 and provided to the Department.
9. Existing reporting systems (the CCS 3 and the CARS) should be used wherever possible, rather than developing new reporting systems, to avoid unnecessary or duplicative data collection and entry. For example, the special project function in the CCS 3 could be used to report additional data elements that are not in the CCS 3 for special projects, instead of establishing new, stand-alone reporting mechanisms. This would reduce Board workload.
10. Any new service or program should be implemented as simply as possible regarding reporting requirements. For example, allocating all of the Regional Discharge Assistance Project funding

FY 2008 Community Services Performance Contract

to one (fiscal agent) Board rather than to each Board based on approved DAP ISPs may create significant extra work for Boards with little appreciable gain in accountability.

11. Boards and the Department have provider and local or state authority roles that involve non-direct services tasks, such as utilization management and regional authorization committees. These roles cause additional administrative and management expenses for regional programs. Boards should report these expenses as part of their costs of delivering regional services.
12. The Department should factor in and accept these administrative and management expenses as allowable costs of regional programs.
13. Board and state costs for a service should be the same: the true cost, not the subsidized (reduced) cost that may be identified and reported now for some regional programs. True costs should be reported to the General Assembly and used for other accountability purposes.
14. If a Board participating in a regional program supplements the allocation of state or federal funds received by the Board operating that program by transferring resources to the operating Board, the participating Board should show the transfer as an expense on financial forms but not as a cost on service forms in its performance contract and reports. Then, the participating Board will avoid displaying an unrealistically low service cost in its contract and reports for the regional program and double counting consumers served by and service units delivered in the regional program, since the operating Board already reports this information.
15. Regional programs should receive the same state funding increases as regular Board grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.
16. Unexpended balances of regional program funds should not be retained by the participating Boards to which the regional fiscal agent Board or the Department has disbursed the funds. Those balances should be available for redistribution during the fiscal year among the participating Boards to ensure maximum utilization of these funds. Each regional program should establish procedures for monitoring expenditures of regional program funds and redistributing those balances. These procedures should be stated, preferably in an Exhibit D or less preferably in a regional MOA.
17. Regional program funding issues, such as the amount, sources, or adequacy of funding for a regional program, the distribution of state allocations for it among participating Boards, and the financial participation of each Board whose consumers receive services from the regional program, should be resolved at the regional level among the Boards participating in the program, with the Department providing information or assistance upon request.
18. If possible, regional funding and reporting approaches should be developed that encourage or provide incentives for the contribution of local dollars to regional activities.
19. If a Board that operates or serves as the fiscal agent for a regional program cannot satisfy the statutory minimum 10 percent local matching funds requirement due to the state funds that it receives for that regional program, the Department, in accordance with provisions in the Community Services Performance Contract, State Board Policy 4010, and § 37.2-509 of the *Code of Virginia*, shall grant an automatic waiver of that matching funds requirement.

Regional Program Operational Concepts

The following concepts provide a framework for the development, implementation, and operation of regional programs.

1. **Management Approach:** The regional approach is an invaluable tool for maximizing the use of resources and for increasing the effectiveness of the services system. The regional approach is a highly effective tool for allocating and managing resources and for coordinating the delivery and managing the utilization of services. However, individual consumers generally will continue to be served by particular Boards; services will continue to be provided by

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individual Boards directly or through contracts with other providers; each Board will continue to contract for and report on the consumers that it serves and the services that it provides; and each consumer will access services through and have his or her individualized services plan managed by a particular Board. Boards are the only organizations identified in the *Code of Virginia* and the Appropriation Act that the Department can fund for the delivery of community mental health, mental retardation, or substance abuse services. This is consistent with the statutory identity of Boards as the single points of entry into publicly funded mental health, mental retardation, and substance abuse services, and Boards are the local points of accountability for the coordination of those services.

2. **Individual Board Reporting:** Implementation of the CCS 3, a secure and HIPAA-compliant individual consumer data reporting system, makes it even more important that a Board reports all of the services that it provides directly or contractually to consumers. Because the CCS 3 is the basis for all statewide individual consumer information, all individuals served by Boards in any manner must be included in individual Board information systems, so that necessary consumer and service information can be extracted by Boards and provided to the Department using the CCS 3. The Department will be extracting performance contract report information about consumers and services from the CCS 3, rather than continuing to receive some separate CARS contract reports containing this information. If a Board does not collect information about all of its consumers and services, including those in regional programs, in its information system, it will not be able to extract and report complete information about its operations to the Department, and the CCS 3 will not be complete.

Therefore, each Board participating in a regional program will admit the consumers that it serves through the regional program to the applicable program area(s) and will maintain CCS 3 data about those consumers in its information system. For performance contract and report (CARS and CCS 3) purposes, each participating Board will maintain and report revenue, expense, cost, consumer, and service information associated with the regional program for each consumer that it serves through that program. If one Board operates a regional program on behalf of other Boards in a region, it admits all consumers for services provided by that regional program, maintains CCS 3 data about these consumers in its information system, and maintains and reports revenue, expense, cost, consumer, and service information for all consumers that it serves through that program.

3. **Regional Program Funding, Contracting, and Reporting:** Depending on the design of a regional program, the Department may disburse the state or federal funds for a regional program to each participating Board or to one Board that operates a regional program or agrees to serve as the fiscal agent for a regional program. Sections 37.2-100, 37.2-504, and 37.2-508 of the *Code of Virginia* define and establish the community services performance contract as the mechanism through which the Department provides state general and federal funds to Boards for community mental health, mental retardation, and substance abuse services and through which Boards report on the use of those funds.
 - a. If the Department disburses regional program funds to each participating Board, each participating Board will follow existing performance contract and report requirements and procedures for that portion of the regional program funded by that participating Board.
 - b. If the Department disburses regional program funds to the Board that operates a regional program on behalf of the other Boards in a region whose consumers receive services from that regional program, the operating Board will follow existing performance contract and report requirements and procedures, as if the regional program were its own program.
 - c. If the Department disburses regional program funds to a Board that has agreed to serve as the fiscal agent (fiscal agent Board) for the regional program, disbursements will be based on, accomplished through, and documented by appropriate procedures contained preferably in an Exhibit D or less preferably in a regional MOA and in electronic data interchange (EDI) transfer records.

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- d. When funds are disbursed to a fiscal agent Board, each participating Board will identify, track, and report regional program funds that it receives and spends as funds for that regional program. Each participating Board, including the fiscal agent Board, will reflect in its CARS reports and CCS 3 extracts only its share of the regional program, in terms of consumers served, services provided, revenues received, expenses made, and costs of the services. Any monitoring, reporting, and accountability related to the fiscal agent Board's handling of the state or federal funds will be accomplished through the performance contract and reports.
 - e. The Department and participating Boards may decide to establish parallel but separate, more detailed reporting, contracting, and management processes for some regional programs, when more information beyond that contained in the performance contract and reports and the CCS 3 is needed to monitor or manage the program. These processes should be documented in procedures contained preferably in an Exhibit D or less preferably in a regional MOA.
 - f. Even when there are separate reporting and monitoring procedures in place, each Board participating in a regional program still must include the relevant consumer, service, revenue, and expense information in its CARS reports and CCS 3 extracts. This will ensure that a Board's information, accumulated through automated processes such as the CARS and the CCS 3, reflects all of its consumer, service, revenue, expense, and cost information, including the regional programs in which it participates.
4. **Regional Program Monitoring and Management:** Monitoring and management activities may be carried out differently, depending on how a particular regional program is structured and operated. Generally, it is desirable for the participating Boards to establish an organization or use an existing one to manage and monitor the operation of a regional program. Procedures for and operations of these monitoring and management activities, such as regional authorization or utilization management committees, should be described preferably in an Exhibit D or in a regional MOA.

Four Regional Program Models

The following models have been developed for Boards and the Department to use in designing, implementing, operating, monitoring, and evaluating regional programs. These models are paradigms that could be altered by mutual agreement among the Boards and the Department as regional circumstances warrant. However, to the greatest extent possible, Boards and the Department should adhere to these models to support and reinforce more consistent approaches to the operation, management, monitoring, and evaluation of regional programs. Boards should review these models and, in consultation with the Department, implement the applicable provisions of the model or models best suited to their particular circumstances, so that the operations of any regional program will be congruent with one of these models.

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1. Operating Board-Funded Regional Program Model

1. The Board that operates a regional program receives state and sometimes other funds from the Department for the program. This operating Board provides the services, projects the total consumers served, units of service, static capacity, revenues, expenses, and cost for the regional program in its performance contract and contract revision(s), and reports total actual consumers served, units of service(s) delivered, revenues, expenses, and cost(s) in its performance contract reports (CARS) and Community Consumer Submission 3 (CCS 3) extracts. Other Boards, which refer consumers to the regional program for services, project and report nothing for the regional program in their contracts, CARS reports, or CCS 3 extracts.
2. The operating Board admits consumers receiving services from the regional program to the applicable program area (all MH, MR, or SA services) and develops individualized services plans (ISPs) for them for service(s) provided by the regional program. When consumers complete receiving all services from the regional program, they are discharged from the applicable program area by the operating Board, unless they are consumers of and are receiving other services in that program area from that operating Board. If consumers also are receiving services from the operating Board in another program area, the Board admits them to that program area. The operating Board provides appropriate information about the services provided and other clinical information to the Board that referred the consumer to the regional program for clinical record keeping purposes at the referring Board.
3. The operating Board ensures that the appropriate information about consumers and services in the regional program is entered into its information system, so that the information can be extracted by the CCS 3 and reported in the CCS 3 and applicable CARS reports. Thus, for performance contract and reporting purposes, individuals receiving services from a regional program operated by that Board are consumers of that operating Board.
4. Each of the other Boards whose consumers receive services from this regional program admits those consumers to the applicable program area and provides a service, such as case management, consumer monitoring, or another appropriate service, but not in the service(s) provided by the regional program. Thus, consumers receiving services from a regional program will appear in the CCS 3 extracts for two Boards and will be reflected in the CARS reports for two Boards (unless they are consumers only of the operating Board), but not for the same service(s).
5. If the other Boards whose consumers receive services from this regional program provide additional funds to the operating Board to supplement the funds that the operating Board receives from the Department for the regional program, these other Boards show the revenues and expenses for this supplement on the financial forms in their performance contracts, contract revisions, and reports. However, these other Boards do not show any services provided, consumers served, or costs for the regional program's services on the service forms in their contracts, revisions, or reports. These other Boards include an explanation on the Financial Comments page of the difference between the expenses on the financial forms and the costs on the service forms. The operating Board shows the services provided, consumers served, and total costs (including costs supported by supplements from the other Boards) for the regional program's services on its service forms, but it does not show any revenues or expenses associated with the supplements on the financial pages in its contract, contract revision(s), and reports. The operating Board includes an explanation of the difference between the expenses on the financial forms and the costs on the service forms on the Financial Comments page.
6. All of the Boards, to the extent practicable, determine individual Board allocations of the state and sometimes other funds received from the Department, based on service utilization or an agreed-upon formula.

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7. Regional programs should receive the same state funding increases as regular Board grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.

Boxwood (Rappahannock-Rapidan CSB) and New Hope (Valley CSB) are examples of this model.

This model also could be adapted by a region to handle its LIPOS services, if one Board receives all of the LIPOS funds, admits all of the consumers receiving LIPOS services, and pays all of the LIPOS providers. This adaptation should be negotiated with the Department by the participating Boards and must be reflected in a description of the modified model attached to each Board's contract.

2. All Participating Boards-Funded Regional Program Model

1. Each Board that participates in, meaning whose consumers receive services from, a regional program that is operated by one of those Boards receives state and sometimes other funds from the Department for that program. Each participating Board may supplement this amount with other funds available to it if the funds received from the Department are not sufficient to cover the regional program's expenses. Each participating Board uses those funds to purchase services from the regional program for its consumers, projects the consumers served, units of service(s), static capacity, revenues, expenses, and cost for the regional program in its performance contract and contract revision(s) and reports actual consumers served, units of service(s) delivered, revenues, expenses, and costs in its performance contract reports (CARS) and Community Consumer Submission 3 (CCS 3) extracts only for its consumers.
2. The regional program operated by one of the participating Boards functions like a contract agency provider. All of the consumer, service, static capacity, revenue, expense, and cost information for the whole program is maintained separately and is not included in the contract, contract revision(s), reports (CARS), and CCS 3 extracts of the Board operating the program. The participating Boards, including the Board operating the regional program, include only the parts of this information that apply to their consumers in their contracts, contract revisions, reports, and extracts. The regional program is licensed by the Department, when applicable, and develops and maintains individualized services plans (ISPs) for consumers that it serves.
3. Each participating Board admits consumers receiving services from the regional program to the applicable program area (all MH, MR, or SA services) for the services provided by the regional program. The services provided by the regional program are listed in the ISPs maintained by the participating Boards for these consumers. When consumers complete receiving all services from the regional program, they are discharged from the applicable program area by the participating Board, unless they continue to receive other services in that program area from that participating Board. The regional program provides appropriate information about the services provided and other clinical information to the Board who referred the consumer to the regional program, just as any contract agency provider would provide such information to the contracting Board.
4. Each participating Board, including the Board operating the regional program, ensures that the appropriate information about its consumers and their services is entered into its information system, so that the information can be extracted by the CCS 3 and reported in the CCS 3 submissions and applicable CARS reports for that participating Board.
5. Regional programs should receive the same state funding increases as regular Board grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.

The Laurels, operated by Cumberland Mountain Community Services, is an example of this model.

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3. Fiscal Agent Board-Funded Regional Program Model

1. One Board receives state and sometimes other funds from the Department and acts as the fiscal agent for a regional program, such as a reinvestment or restructuring project. The Department disburses the regional allocation to the fiscal agent Board on behalf of all Boards participating in the regional program.
2. The fiscal agent Board, in collaboration with the other participating Boards, develops agreed-upon procedures that describe how the Boards implement the regional program and jointly manage the use of these funds on a regional basis. The procedures also establish and describe how unused funds can be reallocated among the participating Boards to ensure the greatest possible utilization of the funds. These procedures should be documented, preferably in an Exhibit D or less preferably in a regional memorandum of agreement (MOA).
3. The fiscal agent Board receives the semi-monthly payments of funds from the Department for the regional program. The fiscal agent Board disburses the regional program funds to individual Boards, including itself when applicable, in accordance with the procedures in paragraph 2. The fiscal agent Board displays such disbursements on a Transfer In/Out line of the applicable revenue page in its final performance contract revision and its reports. The other Boards receiving the transferred funds show the receipt of these funds on the same line. Boards provide more detailed information about these transfers on the Financial Comments pages of contract revisions and reports.
4. Each Board implementing a regional program accounts for and reports the revenues and expenses associated with that program in its final performance contract revision and CARS reports. The fiscal agent Board displays the total amount of the allocation as a revenue and all Transfers Out in its CARS reports, but it only displays in its reports the expenses for any regional program that it implements.
5. As an alternative to paragraphs 1 through 4 for some kinds of programs, such as a Regional Discharge Assistance Project, and with the concurrence of the Department, instead of one Board acting as a fiscal agent, all Boards participating in that program establish a regional mechanism for managing the use of the regional program funds. The Boards decide through this regional management mechanism how the total amount of funds for the program should be allocated among them on some logical basis (e.g., approved regional discharge assistance project ISPs). The region informs the Department of the allocations, and the Department adjusts the allocation of each participating Board and disburses these allocations directly to the participating Boards. Those Boards agree to monitor and adjust allocations among themselves during the fiscal year through this regional management mechanism to ensure the complete utilization of these regional program funds, in accordance with procedures in paragraph 2.
6. Each Board implementing a regional program ensures that appropriate information about its consumers and their services is entered into its information system, so that the CCS 3 can extract the information and report it in the CCS 3 submissions and applicable CARS reports.
7. Regional programs should receive the same state funding increases as regular Board grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.

Most reinvestment and restructuring projects and programs are examples of this model. A variation of this model, the Fiscal Agent Board-Funded Regional Local Inpatient POS Program Model, can be used to implement and manage regional local acute psychiatric inpatient bed purchases.

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3.a. Fiscal Agent Board-Funded Regional Local Inpatient POS Program Model

1. One Board agrees to act as the fiscal agent for the regional Local Inpatient Purchase of Services (LIPOS) program. The Department disburses the regional LIPOS allocation to the fiscal agent Board on behalf of all of the Boards participating in the regional LIPOS program.
2. The fiscal agent Board, in collaboration with all of the participating Boards and with consultation from the Department, develops procedures that describe how the Boards will implement the regional LIPOS program and jointly manage the use of these funds on a regional basis. The procedures include regional utilization management mechanisms, such as regional authorization committees (RACs) and regional procurements of beds through contracts with private providers. Such contracts may reserve blocks of beds for use by the region or purchase beds or bed days on an as available basis. The procedures also establish and describe how unused funds can be reallocated among the participating Boards to ensure the greatest possible utilization of the funds. These procedures should be documented, preferably in an Exhibit D or less preferably in a regional memorandum of agreement (MOA).
3. The fiscal agent Board receives the semi-monthly payments of funds from the Department for the regional LIPOS program. The fiscal agent Board disburses regional LIPOS funds to individual Boards or uses such funds itself to pay for the costs of local inpatient hospitalizations that have been approved by a regional review and authorization body established by and described in the procedures in paragraph 2. The fiscal agent Board displays such disbursements on a Transfer In/Out line of the Mental Health Revenue page in its final performance contract revision and reports, and the Board receiving the transferred funds shows the receipt of these funds on the same line. Boards provide more detailed information about these transfers on the Financial Comments page of contract revisions and reports.
4. The Board that purchases local inpatient services accounts for and reports the revenues and expenses associated with its LIPOS in its final performance contract revision and CARS reports. The fiscal agent Board displays the total amount of the allocation as a revenue and all Transfers Out in its CARS reports, but it displays in its reports only the expenses for its own LIPOS.
5. The Board that purchases the local inpatient services ensures that appropriate information about consumers, services, and costs is entered into its management information system, so that the CCS 3 can extract the information and report it in the CCS 3 submissions and applicable CARS reports.
6. Regional programs should receive the same state funding increases as regular Board grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.

The Region 4 Acute Care Project and the Local Inpatient Purchases of Services programs are examples of this model.

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4. Fiscal Agent Board-Funded Contract Agency Regional Program Model

1. One Board receives state and sometimes other funds from the Department and acts as the fiscal agent for a regional program that is contracted by this fiscal agent Board to a public or private agency. The Department disburses the regional allocation to the fiscal agent Board on behalf of all Boards participating in the contracted regional program.
2. The fiscal agent Board contracts with and provides set monthly payments to a regional program provided by a public or private contract agency on behalf of all of the Boards participating in this regional program. The contract may purchase a pre-set amount of specified services from the contract agency and pay the agency a predetermined cost, whether or not the participating Boards use the services.
3. Each participating Board referring one of its consumers to this contracted regional program admits the consumer, enrolls him in the regional program service, and refers him to the contract agency. The contract agency provides information to the referring (case management) Board, and that Board maintains information about the consumer and the service units in its information system, where the CCS 3 can extract the information.
4. The fiscal agent Board provides program cost information to each referring Board, based on its use of the regional program, and the referring Board enters this information in the cost column of the program services form (pages AP-1 through AP-3) but does not enter any revenue or expenditure information in its performance contract report (CARS). The fiscal agent Board enters the revenue and expenditure information associated with the regional program on the financial forms in its performance contract report, but it enters consumer, service, and cost information on the program services form only for the consumers that it referred to the regional program. Each Board will explain the differences between the financial and program service forms in its performance contract report on the Financial Comments page. The Department will reconcile the differences among the participating Boards' reports using these comments. Because of the difficulty in calculating the program cost information for each participating Board, program cost information would only need to be included in end of the fiscal year performance contract (CARS) reports.
5. All of the participating Boards, to the extent practicable, determine individual Board allocations of the state and sometimes other funds received from the Department, based on service utilization or an agreed-upon formula.
6. Regional programs should receive the same state funding increases as regular Board grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.

The crisis stabilization program operated by Rubicon in Region 4 is an example of this model. The main features of this model could be used to reflect services that one Board purchases from another Board. However, as the Regional Program Definition at the beginning of this exhibit notes, this individual Board program would not be a regional program. Unlike the model described above, both Boards would input the applicable consumer, service, and financial information, which would then be extracted by the CCS 3.

This model also could be adapted by a region to handle its LIPOS services, if one Board acts as the fiscal agent and pays all of the LIPOS providers. This adaptation should be negotiated with the Department by the participating Boards and must be reflected in a description of the modified model attached to each Board's contract.

FY 2008 Community Services Performance Contract

Exhibit K: Joint Agreements

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

N/A