

Department of Planning and Budget 2016 Fiscal Impact Statement

1. Bill Number: SB683

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. Patron: Miller

3. Committee: Education and Health

4. Title: Training centers; communications with individuals.

5. Summary: Provides that if an individual has submitted a letter to a training center director stating that he does not wish to leave the facility, community services board staff or Department of Behavioral Health and Developmental Services (DBHDS) staff, employees, agents, or affiliates are prohibited from contacting such individual or his authorized representative, except by writing, regarding a community placement more than once every six months, unless the facility is scheduled to close within six months of the contact.

6. Budget Amendment Necessary: See 8. below

7. Fiscal Impact Estimates: Indeterminate

8. Fiscal Implications: The bill stipulates that DBHDS, Community Services Boards (CSB), or any agents or affiliates of either entity cannot contact an individual or their authorized representative more than once every six months, with this exception of written correspondence, regarding community placement from a training center if the individual has submitted a letter to the training center director stating that they do not wish to leave the training center.

This requirement will likely slow down the process of discharging individuals from DBHDS training centers resulting in a delay to the closing of Southwest Virginia Training Center (SWVTC) and Central Virginia Training Center (CVTC). Maintaining training centers for a longer period of time will require an appropriation of state dollars for matching federal Medicaid and for capital improvements to continue operating the facilities.

Specific costs include additional capital outlay funding for life safety and to maintain the safety and integrity of buildings; lost general fund savings as a result of maintaining training center operations; and ongoing operations costs. The current average annual cost is \$301,663 per training center resident and will rise as each facility reduces in census.

The assumption of delayed closings is based on the experience of the department for an individual's preference to favor community options once they have participated in the process to understand the services available to them. Of the individuals that were discharged from Southside Virginia Training Center, nine percent made the choice to receive services

from another training center. Of the individuals discharged from Northern Virginia Training Center, only two percent made the choice to receive services from another training center.

Capital Outlay Costs

Any capital costs would be limited to those essential to the safety of patients and staff and to maintain the buildings in use. The greatest potential costs would be at CVTC.

CVTC has a number of maintenance projects that would need to be completed if the Lower Rapidan section of the campus were to remain open beyond its June 2020 scheduled closure. The projects include the replacement of the chilled water and domestic water lines, renovation of the chiller plant serving the Lower Rapidan area, and the completion of the temporary road and parking area. In addition, it would be necessary to reconfigure water, electrical, and communications systems. The price tag for the deferred maintenance and improvements is estimated at between \$3 and \$5 million over the next several years.

On-going Operations Costs

Delays in training center closures will result in lost general fund savings. HB/SB 29 includes the assumption of additional savings at SWVTC and CVTC in FY 2016. It is possible that some individuals who would have otherwise discharged in FY 2016 choose to delay as a result of this legislation, which could impact a portion of the \$2.6 million in new general fund savings assumed for this fiscal year and have a ripple effect into the next biennium.

If community transitions and projected savings in FY 2016 are not impacted, the following table shows the new savings assumed in HB/SB 30 that could be affected if discharges are delayed once the bill goes into effect.

	FY 2017	FY 2018
CVTC	\$2,111,478	\$3,675,535
SWVTC	\$777,955	\$1,361,422
Total	\$2,889,433	\$5,036,957

Because the rate at which the bill would slow discharges from the training centers is unknown, the amount of lost savings is indeterminate. The loss of projected savings from facility downsizing and closure will continue to compound in the subsequent biennium as discharges are delayed.

9. Specific Agency or Political Subdivisions Affected: Department of Behavioral Health and Developmental Services, Community Services Boards

10. Technical Amendment Necessary: No.