

South Carolina Department of Mental Health
FY2016 Budget Discussions

South Carolina House of Representatives
Ways and Means Committee
Healthcare Subcommittee

January 21, 2015
Presented by John H. Magill, State Director

Section 1.

South Carolina Department of Mental Health

Key Agency Representatives

John H. Magill, State Director

Geoff Mason, Deputy Director, Community Mental Health Services

Versie Bellamy, Deputy Director, Inpatient Services

Robert Bank, M.D., Medical Director

Mark Binkley, Esq., Deputy Director, Administrative Services

Alan Powell, Esq., General Counsel

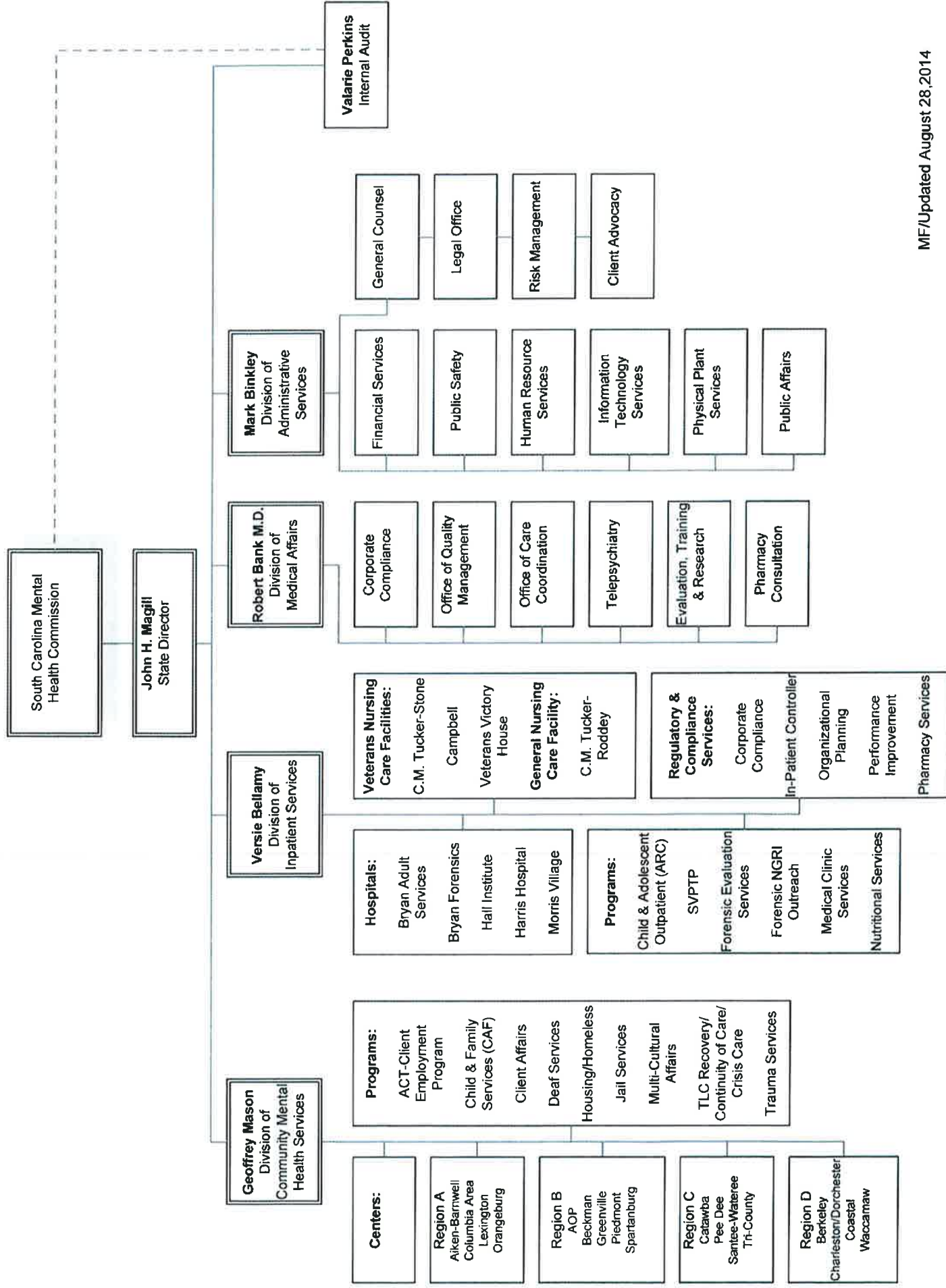
Kimberly Rudd, M.D., DIS Medical Director

Dave Schaefer, Director, Financial Service

Rochelle Caton, Director, Office of Client Advocacy/Legislative Liaison (898-8570, 201-8683,
rrc57@scdmh.org)

Section 2.

S.C. Department of Mental Health | Health Organizational Chart



Section 3.

FY2014 Accountability Report Summary

Mission and Values

The South Carolina Department of Mental Health's (SCDMH, the Department) mission is to support the recovery of people with mental illnesses. Its priority is serving adults and children affected by serious mental illnesses and significant emotional disorders.

We are committed to eliminating stigma, promoting recovery, achieving our goals in collaboration with all stakeholders, and in assuring the highest quality of culturally competent services possible. Each person who receives our services will be treated with respect and dignity, and will be a partner in achieving recovery.

We believe that people are best served in or near their own homes or the community of their choice. We commit to the availability of a full and flexible array of coordinated services in every community across the state, and to services that are provided in a healthy environment. We believe in services that build upon critical local supports: family, friends, faith communities, healthcare providers, and other community services that offer employment, learning, leisure pursuits, and other human or clinical supports.

We will be an agency worthy of the highest level of public trust. We will provide treatment environments that are safe and therapeutic, and work environments which inspire and promote innovation and creativity. We will hire, train, support and retain staff who are culturally and linguistically competent, who are committed to the recovery philosophy, and who value continuous learning and research. We will provide services efficiently and effectively, and will strive always to provide interventions that are scientifically proven to support recovery.

We believe that people with mental illnesses, trauma victims, and others who experience severe emotional distress, are often the object of misunderstanding and stigmatizing attitudes. Therefore we will build formal partnerships with the state's educational leadership and institutions, including both K-12 and institutions of higher learning, to enhance curriculum content on mental health. We will work with employers, sister agencies, and public media to combat prejudice born of ignorance about mental illnesses. And we will expect our own staff to be leaders in the anti-stigma campaign.

Discussion and Analysis

SCDMH has existed since 1828, and has served over four million South Carolinians during that period (1828-2013) providing almost 150 million bed days. We are proud to continue to meet the behavioral health needs of our citizens. The department continues its efforts to maintain quality services and evidenced-based best practices.

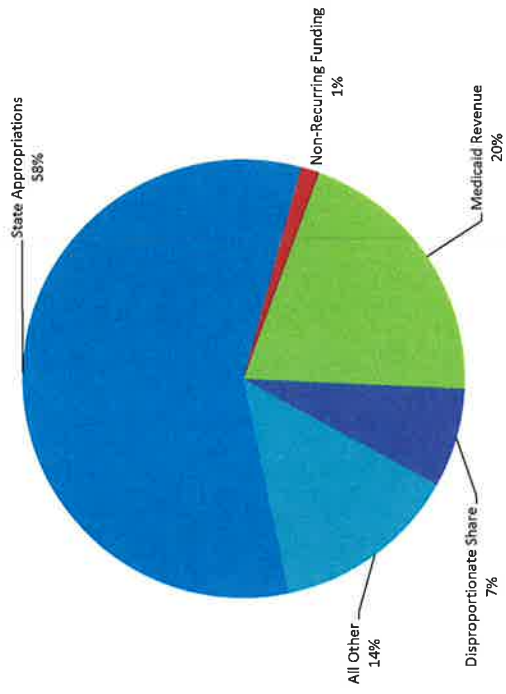
In support of its mission, the Department has: engaged in public relations initiatives; engaged resources to address the significant changes occurring across the healthcare field; focused on recruitment and retention of staff; established new alliances with other healthcare providers; maintained training opportunities; focused on school-based services; assisted clients with job placement and housing; expanded the use of telepsychiatry; and initiated other activities of which those named above are only a few.

Summary

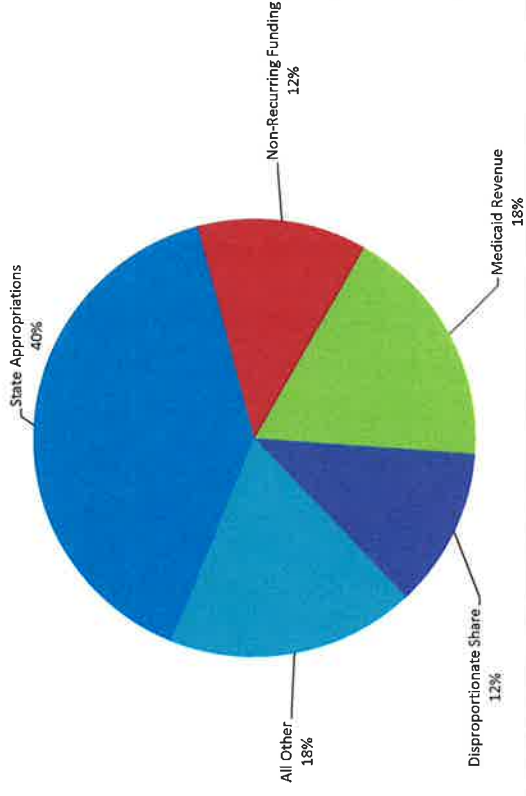
For a more complete overview of the activities of the South Carolina Department of Mental Health in FY2014, see the Fiscal Year 2013-14 Accountability Report.

Section 4.

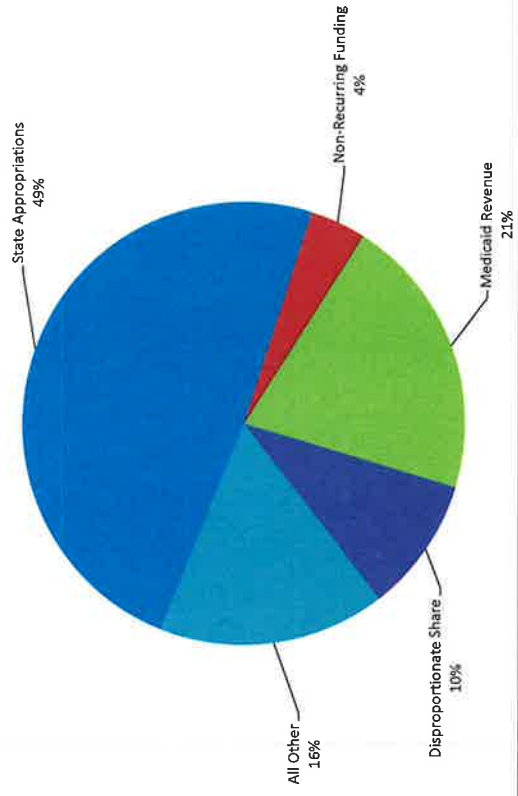
SCDMH - Sources of Revenue - FY 2008



SCDMH - Sources of Revenue - FY 2012



SCDMH - Sources of Revenue - FY 2014



Analysis of DMH State Appropriations

FY 13 - FY 15

	FY 13	FY 14	FY 15	CHANGE	PERCENT
Beginning State Appropriations	132,955,977	154,818,557	176,463,720		
SUSTAINABILITY					
Sustainability	7,000,000	8,256,120	10,500,000	25,756,120	
TOTAL	7,000,000	8,256,120	10,500,000	25,756,120	43%
MANDATED PROGRAMS					
SVPP Funding	7,363,341	1,406,533		8,769,874	
Forensics Inpatient Services		1,200,000		1,200,000	
TOTAL	7,363,341	2,606,533	-	9,969,874	17%
NEW INITIATIVES					
Center to Center Telepsychiatry	200,000		250,000	450,000	
Emergency Room Avoidance	500,000			500,000	
Uncompensated Patient Medical Care	750,000			750,000	
TOTAL	1,450,000	-	250,000	1,700,000	3%
PROGRAM EXPANSION					
School Based Services		1,000,000	1,000,000	2,000,000	
Telepsychiatry	500,000	500,000	500,000	1,500,000	
Community Residences	305,000			305,000	
Adult & Youth-In Transition	600,000			600,000	
Assessment and Resource Center			200,000	200,000	
TOTAL	1,405,000	1,500,000	1,700,000	4,605,000	8%
PASS-THROUGH FUNDING					
CASA/Family Services	200,000			200,000	
Dental Lifeline Network	45,000			45,000	
Gateway House	200,000	50,000		250,000	
Law Enforcement Training		85,000		85,000	
Team Advocacy	50,000			50,000	
TOTAL	495,000	135,000	-	630,000	1%
CAPITAL NEEDS					
Debt Services - Patient Fee Replacement		3,500,000		3,500,000	
TOTAL	-	3,500,000	-	3,500,000	6%
VETERANS LONG TERM CARE					
Nursing Homes - Operating		4,500,000		4,500,000	
TOTAL	-	4,500,000	-	4,500,000	8%
OTHER					
Pay Plan Allocation	2,965,091		2,419,335	5,384,426	
Health Insurance Allocation	1,038,464	1,153,305	1,249,205	3,440,974	
Retirement Allocation	962,153			962,153	
Permanent Transfers	(816,469)	(5,795)		(822,264)	
TOTAL	4,149,239	1,147,510	3,668,540	8,965,289	15%
Ending State Appropriations	154,818,557	176,463,720	192,582,260		
Total Appropriation Change				59,626,283	

SC Department of Mental Health

Total Funds Appropriations/Authorization and Expenditure Comparison

	FY 2011 - 12		FY 2012 - 13		FY 2013 - 14		FY 2014 - 15	
	Appropriations	Expenditures	Appropriations	Expenditures	Appropriations	Expenditures	Appropriations	Expenditures
General Funds - Recurring	\$ 132,955,977	\$ 132,967,535	\$ 154,818,557	\$ 154,780,281	\$ 176,463,720	\$ 176,381,598	\$ 192,582,260	\$ 192,582,260
General Funds - Non Recurring	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,000
Federal Funds	\$ 22,957,742	\$ 12,034,332	\$ 15,865,121	\$ 9,697,592	\$ 15,865,121	\$ 8,363,644	\$ 15,865,121	\$ 15,865,121
Earmarked Funds	\$ 223,395,158	\$ 184,134,111	\$ 219,611,349	\$ 173,311,490	\$ 216,356,451	\$ 167,630,405	\$ 216,356,451	\$ 216,356,451
Total Funds	\$ 379,308,877	\$ 329,135,978	\$ 390,295,027	\$ 337,789,364	\$ 408,685,292	\$ 352,375,648	\$ 424,970,832	\$ 424,970,832

Section 5.

Major Program Areas

SECTION 35

J12-DEPT OF MENTAL HEALTH

I. GENERAL ADMIN

II. PROGRAMS & SERVICES

A. COMMUNITY MENT HLTH

1. MENTAL HEALTH CTRS
2. PROJECTS & GRANTS

B. INPATIENT BEHAV HLTH

1. PSYCHIATRIC REHAB
2. BRYAN PSYCH HOSP
3. HALL PSYCH INSTIT
4. MORRIS VILLAGE
5. HARRIS PSYCH HOSP

C. TUCKER/DOWDY-

D. SUPPORT SERVICES

1. ADMINISTRATIVE SRVCS
2. PUBLIC SAFETY DIV

E. VETERANS SERVICES

1. STONE PAVILION
2. CAMPBELL VETS HOME
3. VETS' VICTORY HOUSE

F. SEXUAL PREDATOR

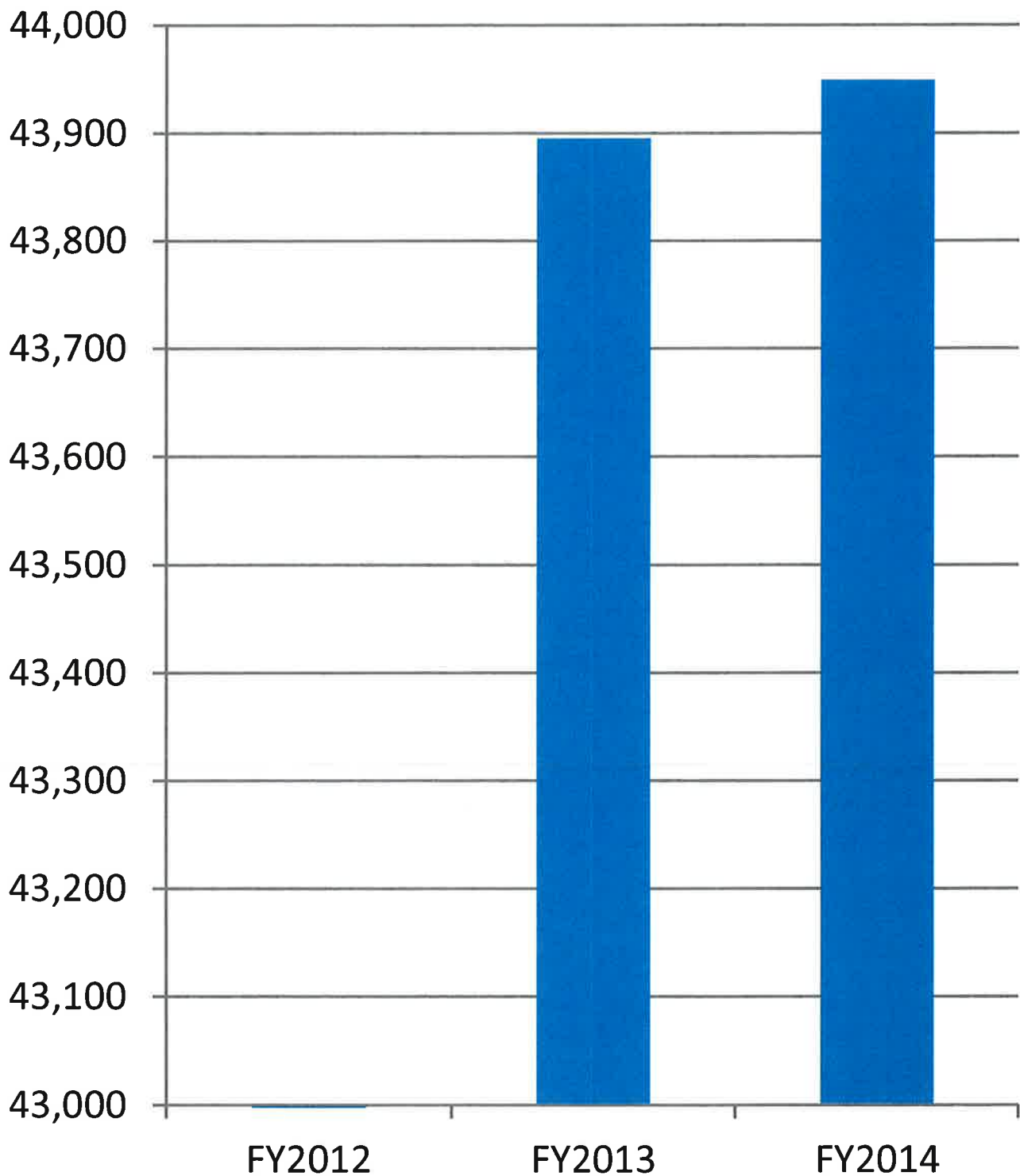
III. EMPLOYEE BENEFITS

C. STATE EMP CONTRIB

Section 6.

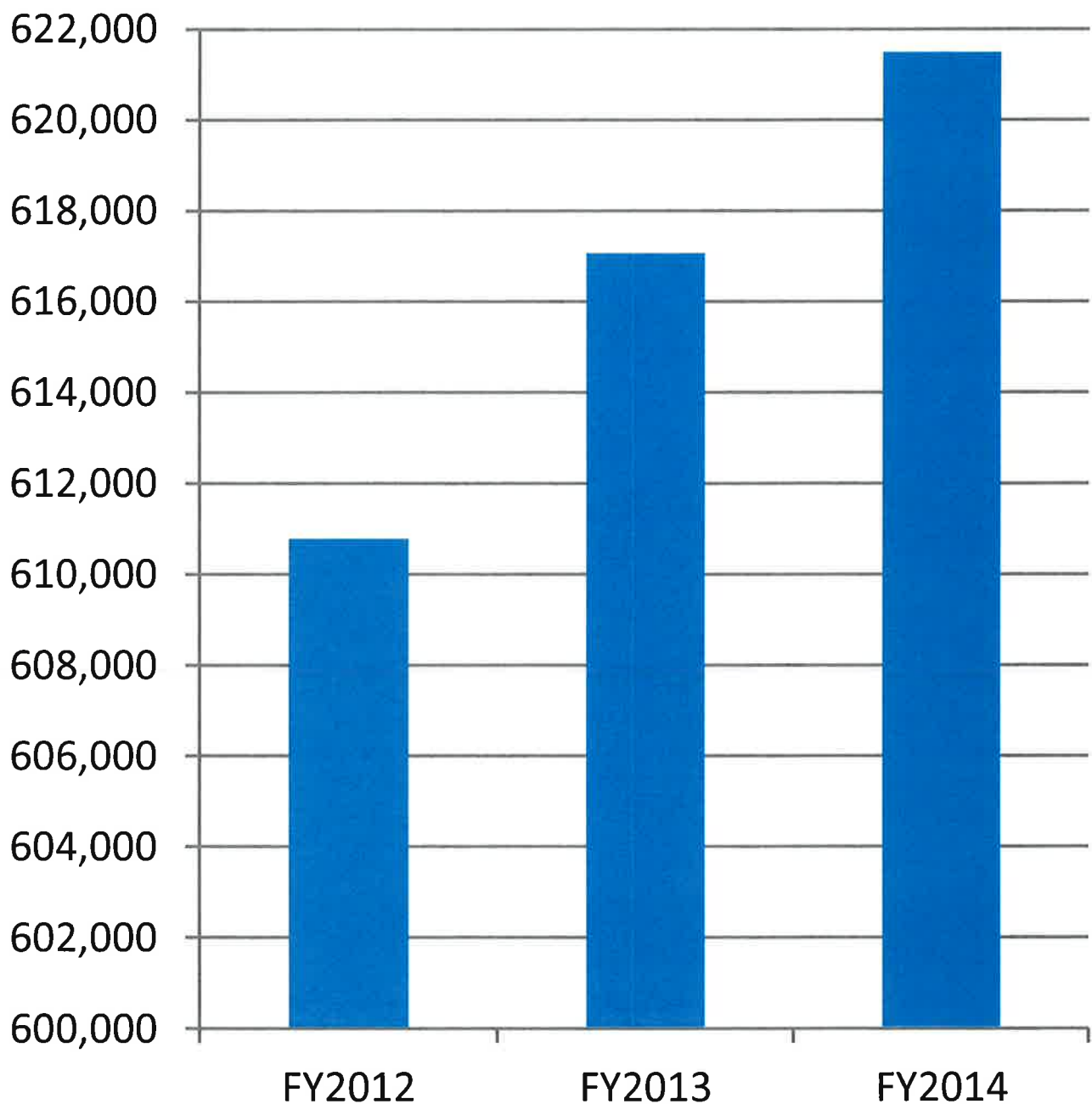
Total CMHC Admissions

(Total for FY2012 was 39,830)



Bill Hours Provided in CMHCs

(Includes H001-H005, H012-H013, H016-H017, H021, H031-H032, H042-H053 Only)



Section 7.

**South Carolina Department of Mental Health
FY2016 Budget Request**

Sustainability of Mental Health Services

\$6,400,000

- This is the fourth year in a multi-year series of requests by the Department aimed at replacing its current reliance on non-recurring funds. The Department's goal is to maintain services to its patients at roughly the same level it was providing in FY 12. In order to do that, SCDMH must replace non-recurring funds from Medicaid cost settlements – which will be ending – with State recurring appropriations.

Forensic Inpatient Services

\$3,200,000

- A legislatively mandated inpatient program is the Department's secure hospital for adult patients committed following adjudication by a Court of General Sessions as being incapable of standing trial due to a mental illness [*S.C. Code Ann. §44-23-430*] or committed to SCDMH following a finding of Not Guilty by Reason of Insanity [*S.C. Code Ann. §17-24-40*].
- Due to increased numbers of commitments, the agency has had difficulty timely admitting individuals committed by the criminal courts, resulting in a growing waiting list.
- To address the waiting list, the agency has opened an additional 40 bed inpatient unit, and funded the cost of the additional unit with non-recurring funds.
- This request is for the funding to continue operation of the additional beds.

School Based Services

\$1,000,000

- DMH school based mental health services improve access to needed mental health services for children and their families.
- The information exchange and collaboration that develops between school teachers, school counselors and administrators and school based mental health staff improves early identification and treatment for children in need; and, for those children and families in need of services, the SBMH program services increase school attendance, reduce discipline referrals and decrease drop-out rates.
- These positive outcomes for the student and their families also positively correlate to a decreased risk for violence in the school and community.

Emergency Department Telepsychiatry Program Sustainability

\$ 500,000

- SCDMH partnered with the Duke Endowment, South Carolina Department of Health and Human Services, the University of South Carolina School of Medicine and the South Carolina Hospital Association to create the SCDMH telepsychiatry program to address the overcrowding of psychiatric patients in local hospital emergency departments ("ED").
- It is a cutting-edge statewide service delivery model that provides remote access for EDs in rural areas of South Carolina to psychiatrists whenever psychiatric consultation services are required. And it is the first of its kind nationally, and has been widely recognized for its effectiveness.
- Because of its success and its promise as a model of cost-effectiveness and efficiency in the future delivery of healthcare, SCDMH has received continuing grant funding for the program from The Duke Endowment. However, it has been understood that eventually grant funding for the program will end.

Information Network Security Required Improvements

\$750,000

- The Division of State Information Technology (DSIT) has promulgated and is promulgating required standards and procedures for improvements to the State's and State agencies Information Network Security, based upon recommendations from the State's consultant, Deloitte and Touche, LLP. Many of the requirements will require additional staff to implement and maintain.
- The additional recurring funding will pay for needed positions to comply with the higher standards and implement the additional policies and procedures required.

Increase in community supportive housing**\$ 400,000**

- DMH has a long history of making efforts to foster more permanent supportive community housing for its patients. Appropriate housing is often the single biggest factor in determining whether a patient with serious psychiatric impairments is able to be successfully discharged or is able to remain successful in their recovery in the community.
- DMH is seeking new funds in each of the next three years to increase community supportive housing for its patients.
- Funds will be used for rental assistance in supported apartments and for transitioning patients into independent living.

Total: \$12,250,000

Capital Requests

Santee-Wateree Mental Health Center Construction	\$ 3,347,048
Anderson-Oconee-Pickens Mental Health Center Construction	9,592,000
Catawba Mental Health Center Construction	10,580,000
Community Buildings Deferred Maintenance	3,385,000
Inpatient & Support Buildings Deferred Maintenance	5,237,057
Columbia Area Mental Health Center Phase III	3,500,000
Campbell VA Nursing Home Renovations	962,500
	<u>\$36,603,605</u>

One-Time Requests

Physical Plant Replacement of Vehicles	\$ 349,127
Inpatient Electronic Medical Record	2,743,451
Information Network Security Improvements	<u>1,045,000</u>
	<u>\$ 4,137,578</u>

Section 8.

Proviso Requests

35.3 DMH: Alzheimer's Funding

- Summary: Of the funds appropriated to the Department of Mental Health for Community Mental Health Centers, \$778,706 must be used for contractual services to provide respite care and diagnostic services to those who qualify as determined by the Alzheimer's Disease and Related Disorders Association.
- Action: Amend
- Reason: The Alzheimer's Association believed it more efficient to distribute these funds for respite assistance for caregivers through the Area Agencies on Aging. Therefore, it was agreed that: Contractor may subcontract with the Lt. Governor's Office on Aging for the purposes of Respite Assistance Program administration and service delivery through the Area Agencies on Aging and that if Contractor determines to subcontract said administration and service delivery, Contractor agrees to abide by certain specific terms outlined in the contract between SCDMH and the South Carolina Chapter of the Alzheimer's Association dated July 1, 2014, which is renewed annually. These specific terms include two reporting provisions: (1) requiring of the Lt. Governor's Office on Aging quarterly reports aggregating the following data - number of vouchers issued, gender, race, service, county of origin of recipient with the total number of recipients, and the total amount of SCDMH funds allocated during the respective quarter. Contractor will then aggregate all data from the Lt. Governor's Office on Aging/Area Agencies on Aging and provide a summary report to SCDMH; and (2) conducting an annual survey of families participating in the program in order to determine overall satisfaction with the program and any impact of the program on their caregiving situation.

The Alzheimer's Association has determined that due to said transition, it is only able to survey a small sample of caregivers to determine outcomes and has requested that said sample satisfy its reporting requirements in FY2016. It may, in future years, be able to survey all participants, or a random, sample, of all participants.

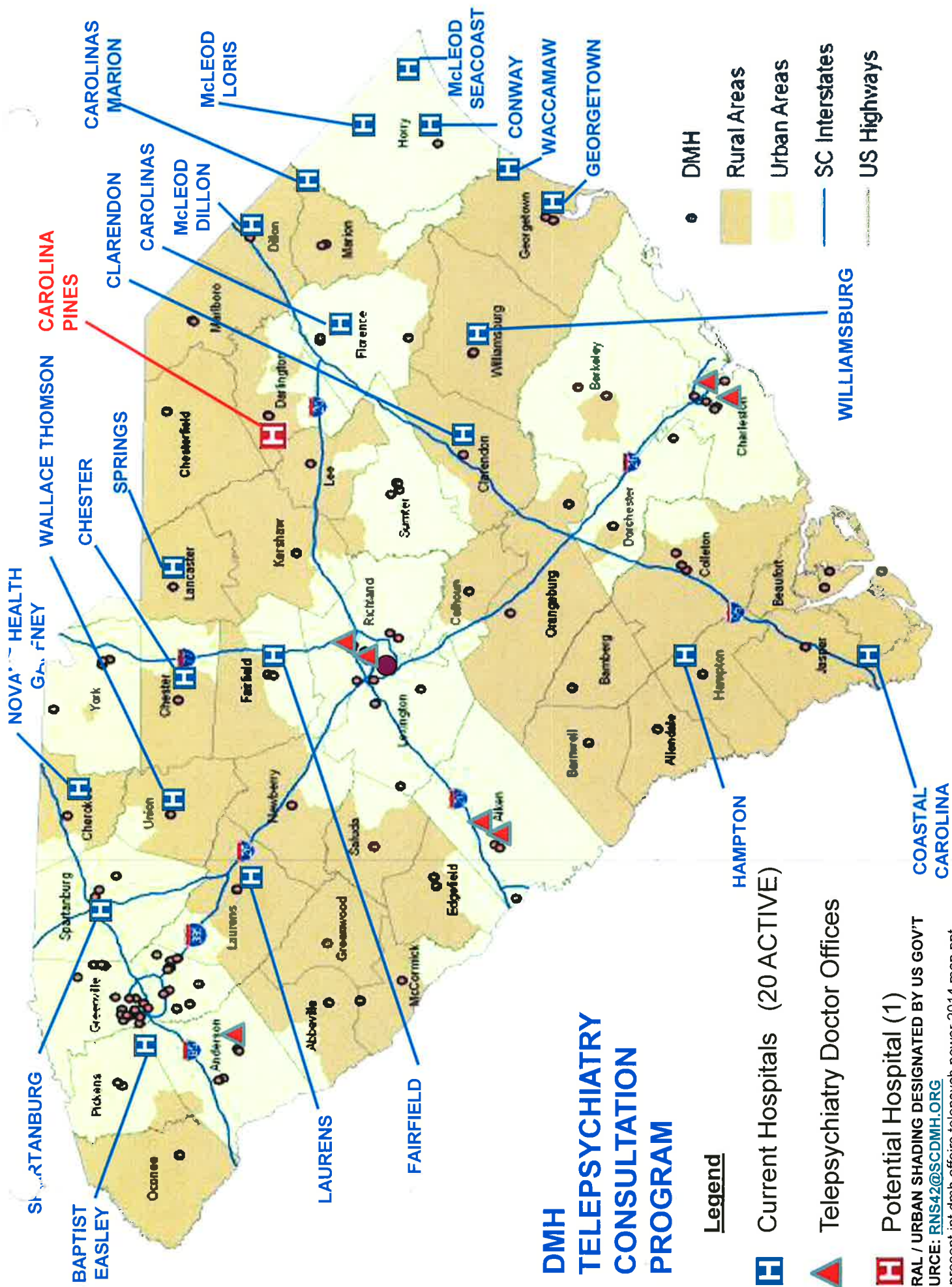
35.4 DMH: McCormick Satellite Clinic

- Summary: The Department of Mental Health shall be authorized to redirect certain funds previously allocated to the Williams Building Cooperative Ministries Homeless Shelter for use with the establishment of a satellite community mental health clinic in McCormick County.
- Action: Delete
- Reason: The prospective project (McCormick County Community Mental Health Clinic) is an outdated construction effort and is no longer feasible. Any residual funds associated with this proviso will be held in account until such project is deemed reasonable and feasible, or until such time as the Department is authorized to redirect the use of said funds to some other effort.

35.9 DMH: Veterans Nursing Home Study

- Summary: The Department of Mental Health shall prepare a report evaluating the need for additional veterans' nursing homes in the State.
- Action: Delete
- Reason: As of FY2016, the only deliverable associated with this proviso will have been remitted as required.

Section 9.



DMH TELEPSYCHIATRY CONSULTATION PROGRAM

Legend

H Current Hospitals (20 ACTIVE)

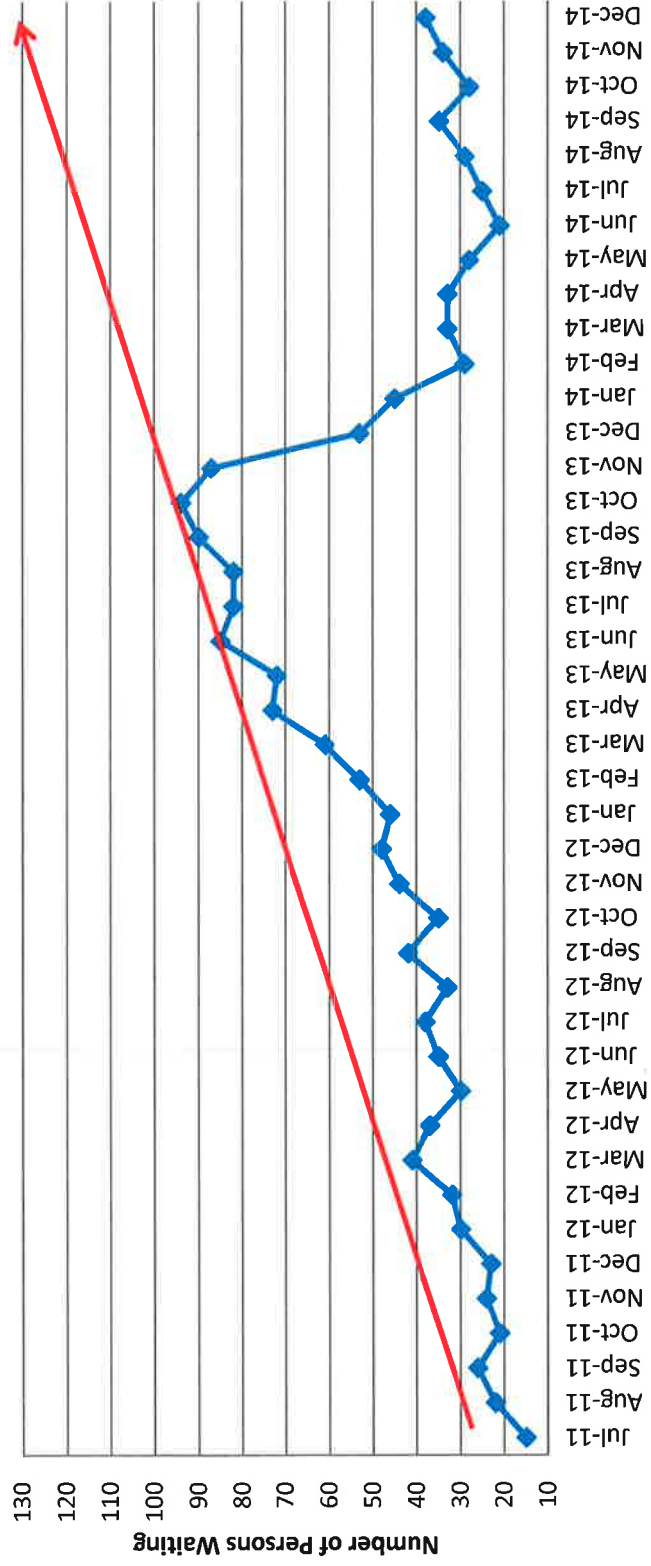
▲ Telepsychiatry Doctor Offices

H Potential Hospital (1)

RURAL / URBAN SHADING DESIGNATED BY US GOV'T
SOURCE: RNS42@SCDMH.ORG
file present int dmh affairs telepsych power 2014 map.ppt
LAST UPDATE 11/13/2014

Forensic Waiting List

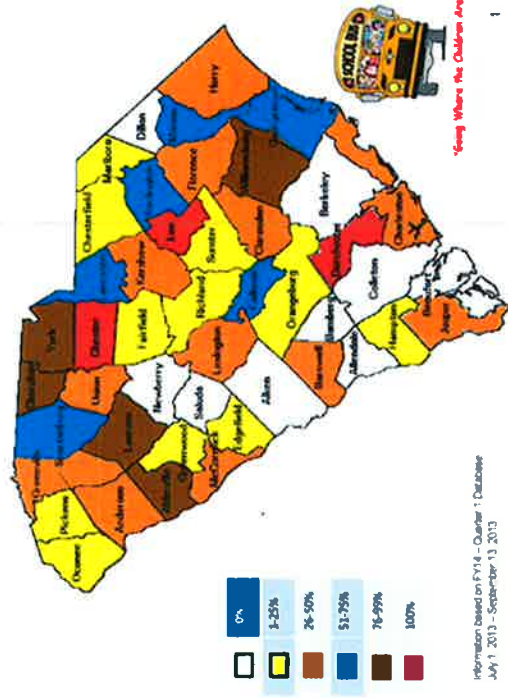
(Red Trend Line Indicates Expectation Without Recurring Funding for New Unit)



School-Based Expansion Comparison

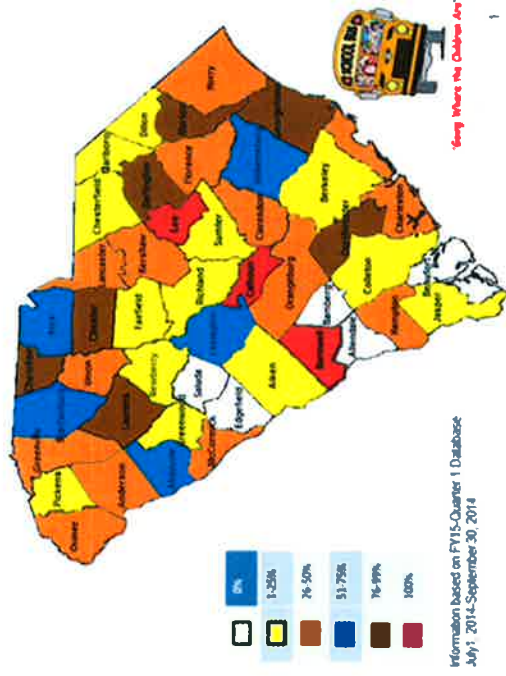
FY14

DMH School-Based Mental Health Program
Percentage of Schools with SB Programs



FY15

DMH School-Based Mental Health Program
Percentage of Schools with SB Programs



School Based Programs by District

District	No. Programs	Hampton 2	3	Kershaw	10
Aiken	5	Jasper	2	Lee	6
Barnwell 19	3	Colleton	1	Sumter	3
Barnwell 45	5	Fairfield	2		
Williston 29	3	Richland 1	15	Cherokee	18
Anderson 4	6	Richland 2	7	Sprtborg 1	10
Anderson 5	7	Greenville	46	Sprtborg 2	14
Oconee	5	Lexington 1	3	Sprtborg 5	12
Pickens	3	Lexington 2	12	Sprtborg 6	3
Abbeville	7	Lexington 3	5	Sprtborg 7	6
Greenwood 51	3	Lexington 4	5	Union	3
Laurens 55	10	Rich/Lex 5	10	Chesterfield	7
Laurens 56	4	Calhoun	2	Marlboro	2
McCormick	2	Orgburg 4	4	Dillon 3	2
Newberry	2	Orgburg 5	5	Georgetown	9
Berkeley	4	Darlington	18	Horry	15
Chester	11	Florence 1	8	Williamsburg	9
Lancaster	8	Florence 3	5	Total=	482
York 1	10	Florence 4	3		
York 2	9	Florence 5	2		
York 3	22	Marion 10	10		
Charleston	23	Clarendon 1	2		
Dorchester 2	22	Clarendon 2	4		
Dorchester 4	5				

School-based programs by MH Center

Aiken-Barnwell	16
Anderson-Oconee-Pickens	21
Beckman	28
Berkeley	4
Catawba	60
Charleston	46
Coastal Empire	6
Columbia Area	24
Greenville	25
Lexington	35
Orangeburg	11
Pee Dee	46
Piedmont	15
Santee-Wateree	25
Spartanburg	66
Tri-County	11
Waccamaw	33
TOTAL SCHOOLS =-	482

SCDMH Housing & Homeless Program Overview

The SCDMH Housing & Homeless Program has funded the development of more than 1,600 housing units across the state for persons with mental illnesses. These units were developed by private nonprofit organizations using state matching funds provided by the SCDMH Housing and Homeless Program, achieving an average leveraging ratio of 1:4 (for every \$1 in State funds invested by SCDMH, an additional \$4 in other state and federal funds are leveraged for the production of affordable housing for persons with mental illnesses).

Referrals are typically made by the local community mental health centers or private providers and screened for eligibility by the nonprofit owners or contracted property managers.

SCDMH also administers HUD Shelter Plus Care programs that provide permanent supportive housing for over 350 clients and their families who are formerly homeless in 14 counties. These programs are implemented through contracts with private nonprofit organizations that operate the programs locally in partnership with community mental health centers or private providers.

SCDMH recently awarded \$1.5 million in state funds to community mental health centers in twelve catchment areas to fund additional permanent supportive housing for at least 150 clients. Funds will be used for rental assistance and related costs, including security deposits, utility costs and deposits, and furnishings. Housing units will be located in integrated community settings.