

The South Carolina Department of Mental Health

FY 2018-19 Budget Hearing

South Carolina House of Representatives

Ways and Means

Healthcare Subcommittee

January 23, 2018

FY2018-19 Budget Hearing

Summary of Contents

Title Page	1
Agency Attendees	3
Agency Information	4
Agency Highlights	8
Current Year “New” Funding.....	18
FY2018-19 Budget Requests	19
Recurring Budget Requests	22
Non-Recurring Budget Requests	38
Capital Budget Requests	42
Proviso Requests	49
Meeting Future Challenges	50

Agency Attendees

- John H. Magill, MSW, State Director
- Debbie Blalock, M.Ed., LPCS, CPM, Deputy Director, Community Mental Health Services
- Versie Bellamy, RN, MN, Deputy Director, Inpatient Services
- Robert Bank, M.D., Medical Director
- Mark Binkley, Esq., Deputy Director, Administrative Services
- Kimberly Rudd, M.D., Medical Director, Inpatient Services
- Dave Schaefer, Director, Financial Services
- Noelle Wriston, Director, Budget and Planning, Financial Services
- Stewart Cooner, MHA, Director, Special Programs/Telepsychiatry

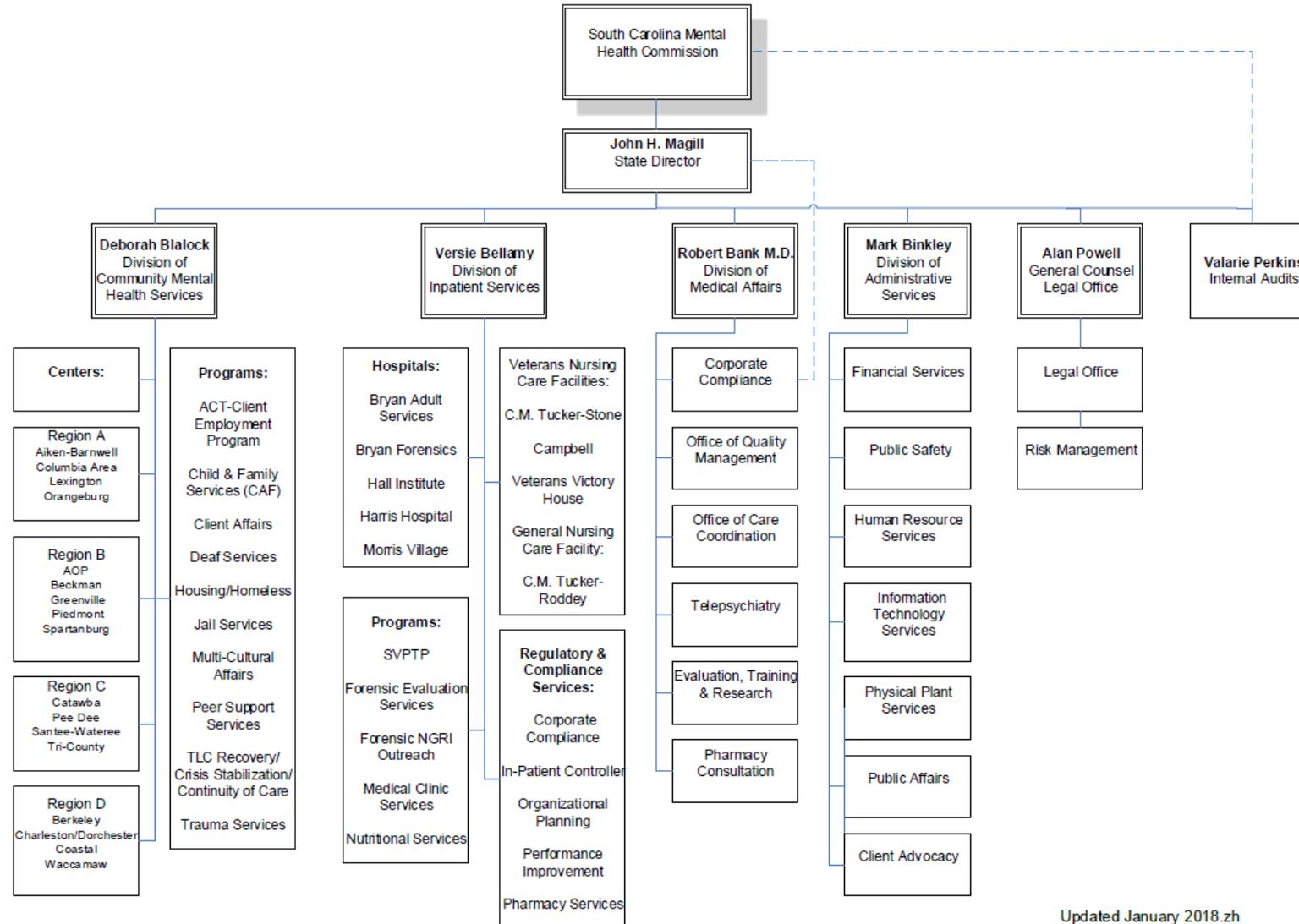
Agency Information

- The South Carolina Department of Mental Health's (SCDMH) mission is to support the recovery of people with mental illnesses, giving priority to adults with serious and persistent mental illness and to children and adolescents with serious emotional disturbances.
- The SCDMH system...
 - Comprises 17 community-based, outpatient mental health centers, each with clinics and satellite offices, which serve all 46 counties – a total of approximately 60 outpatient sites;
 - Provides services to approximately 100,000 patients per year, approximately 30,000 of whom are children;
 - Operates several licensed hospitals, serving adults, children and adolescents, and addictive disease;
 - Operates four nursing homes, including three for veterans;
 - Includes operation of an inpatient Forensics hospital and an outpatient program;
 - Includes operation of a Sexually Violent Predator Treatment Program.
- SCDMH is one of the largest healthcare systems in South Carolina.

Agency Information

- SCDMH has more than 800 portals of access across the State of South Carolina, including:
 - the hospitals, nursing homes, and clinics as described in the previous slide;
 - more than 20 specialized clinical service sites (DMH offices that provide some type of clinical care, but do not offer a full array of services found in a center or clinic);
 - more than 20 South Carolina hospitals with Telepsychiatry services;
 - more than 140 community sites (non-DMH entities or businesses where DMH staff regularly and routinely provide clinical services); and
 - more than 640 school-based service program sites.

Agency Information



Agency Information

- SCDMH Senior Management
 - John H. Magill, MSW, State Director
 - Debbie Blalock, M.Ed., LPCS, CPM, Deputy Director, Community Mental Health Services
 - Versie Bellamy, RN, MN, 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., Medical Director, Inpatient Services
 - Dave Schaefer, Director, Financial Services
- SCDMH Legislative Liaison
 - Rochelle Caton, Esq., Director, Office of Client Advocacy/Legislative Liaison
(898-8570, 201-8683, rochelle.caton@scdmh.org)

Agency Highlights

- Shortening the length of time that criminal defendants wait for admission to the Department's secure forensic hospital is the Agency's current number one priority. By law, criminal defendants found incompetent to stand trial due to a mental illness must go through a commitment process to a SCDMH hospital. Because of a significant increase in commitment orders, the length of time that defendants must wait for admission substantially increased. As a result, in June, 2016, the Department made reducing the wait time for forensic admissions its first priority and developed a multi-faceted Action Plan. That Plan, which is ongoing, is showing promising results.
 - The inpatient waitlist currently has decreased approximately 82% since May 2016 from over 100 to 20 as of January 2, 2018.

Agency Highlights

- Thanks to the support of the Governor and the General Assembly, SCDMH has continued to increase access to community mental health services.
 - In almost all of our mental health centers, patients in crisis can see a Mental Health Professional on the day they walk in, and wait times for appointments with counselors and psychiatrists have been dramatically reduced. In FY17, client access to services within designated appointment times was almost 100%.
 - Having the ability to see patients more quickly also allows us to serve more patients each year. The number of patients served has consistently risen over the years; in FY17 we treated almost 83,000 patients, an increase of over two percent since FY14.
 - Since FY15, our counselors have significantly increased collaboration with patients in developing and documenting their treatment plans. This helps to engage patients, ensure patients' compliance with plans of care, and improve treatment outcomes. Between FY16 and FY17, our rate of collaborative documentation increased by 3.75%.

Agency Highlights

- SCDMH's telepsychiatry programs have provided more than 76,000 psychiatric services.
 - As of January 2018, SCDMH's innovative and award winning Emergency Department Telepsychiatry Program has provided more than 37,000 psychiatric evaluations and recommendations in emergency departments across South Carolina. The Program was developed to meet the critical shortage of psychiatrists in South Carolina's underserved areas, and assist hospital emergency rooms by providing appropriate treatment to persons in a behavioral crisis, using real-time, state-of-the-art video-and-voice technology that connects SCDMH psychiatrists to hospital emergency departments throughout the state.
 - Built on the success of telepsychiatry services to emergency departments, SCDMH has equipped its hospitals, mental health centers, and clinics to provide psychiatric treatment services to its patients via telepsychiatry. Since August 2013, the Community Telepsychiatry Program has provided more than 39,000 psychiatric treatment services to SCDMH patients throughout South Carolina.

Agency Highlights

- In September 2015, SCDMH received a major youth suicide prevention grant of \$736,000 per year for five years from the Substance Abuse and Mental Health Services Administration (SAMHSA). The award supports the SC Youth Suicide Prevention Initiative (SCYSPI), an intensive, community-based effort with the goal of reducing suicide among youths and young adults, aged 10 to 24, by 20% statewide by 2025.
 - Using various multi-media platforms, SCYSPI has made great strides in meeting its outreach and awareness goal of 300,000 individuals by year five, having reached more than 100,000 individuals across the state in 2016-2017 alone.
 - SCYSPI offers trainings in suicide prevention to multi-disciplinary audiences and community members. To date, the Initiative has trained over 7000 individuals.
 - Bamberg Job Corps, the only Job Corps in South Carolina, has adopted the SCYSPI Model Policy and Protocol at its Lowcountry center to enhance its capacity to effectively serve its participants. The collaboration between SCYSPI and SC Job Corp has drawn attention from the Job Corps National office.
 - SCYSPI's school program is currently imbedded in 24 school districts.
 - SCYSPI has begun implementation of the ZERO Suicide model in Medical and Mental Health Care settings throughout South Carolina. The foundational belief of ZERO Suicide is that suicide deaths for individuals under care within health care systems are preventable. SCYSPI is currently piloting the ZEROsuicide approach in the DMH inpatient hospitals and 6 DMH mental health centers: Anderson-Oconee-Pickens, Lexington, Berkeley, Beckman, Spartanburg, and Santee-Wateree, with the goal of eventual Agency-wide implementation.

Agency Highlights

- With funds appropriated by the SC General Assembly in FY15, FY16, and FY17, DMH has continued to expand school-based programs. SCDMH School-based Services are now available in 641 schools across South Carolina.
- Parcel sales of the Bull Street property have continued. The Buyer has continued to remain ahead of the minimum payment schedule required in the Agreement.
 - The Commission has authorized the agency to use the initial sale proceeds to increase additional affordable housing for patients in the community. A funding solicitation was issued by MMO in July 2017 to establish a Qualified Provider List of affordable housing developers to partner with SCDMH to expand housing options for clients across the state. There are now four developers on the QPL and offers from additional developers will be considered at designated times specified in the solicitation for inclusion on the QPL.

Agency Highlights

- SCDMH is actively engaged in year three of its Cooperative Agreement to Benefit Homeless Individuals for SC (CABHI-SC). The \$1.8 Million per year, three-year SAMHSA grant, awarded in late 2015, serves individuals who are chronically homeless and have a serious mental illness and has expanded partnerships with a number of organizations, including: Palmetto Health, the University of South Carolina, the United Way of the Midlands, and the South Carolina Interagency Council on Homelessness.
 - Palmetto Health is operating an Assertive Community Treatment (ACT) team in Columbia, which provides mental health services to homeless individuals wherever they are, and encourages them to accept available services.
 - CABHI-SC is funding five grant-supported positions at Greenville Mental Health Center to expand its existing ACT-Like team to a full fidelity ACT team that will serve an additional 34 chronically homeless patients by the end of the Grant.
 - As of January 2018, the two CABHI-SC treatment sites at Palmetto Health and Greenville Mental Health Center are serving a combined total of 71 clients and are committed to serving a total of 109 people by the end of the Grant.
 - In addition to funding ACT teams, CABHI-SC also funds four SSI/SSDI Outreach, Access, and Recovery (SOAR) benefits specialists throughout South Carolina. As of January 2018, these specialists have received decisions on a combined total of 64 applications to connect people with disabilities to SSI/SSDI income supports in order to support their recovery. For initial applications, these specialists have a combined approval rate of 75% with an average decision time of 80 days.
 - The South Carolina Interagency Council on Homelessness has expanded and includes representation from eight state agencies: DMH, DAODAS, Department of Corrections, Department of Education, HHS, SC Housing, DSS, and DHEC. The Council meets every other month and focuses on achieving better statewide coordination among stakeholders to address homelessness and behavioral health issues.

Agency Highlights

- SCDMH has received a \$1 Million appropriation to develop crisis stabilization centers in communities.
 - The Charleston community, through a funding partnership comprising local hospitals, the Charleston-Dorchester Community Mental Health Center, law enforcement and others, has opened a 10-12 bed center.
 - Discussions are ongoing in Spartanburg, Anderson, and Greenville with local community stakeholders, including hospitals, law enforcement, county councils and local alcohol and drug agencies to look at the future development of crisis stabilization centers.
- SCDMH has also entered into agreements with community hospitals to embed mental health professionals to assist EDs in meeting the needs of psychiatric patients. SCDMH currently has this type of partnership in multiple community hospitals.
- The Joint Bond Review Committee and the State Fiscal Accountability Authority gave Phase II approval for a new Santee-Wateree Mental Health Center in June, 2016. The bidding process is complete and the construction contract was awarded in April. Notice to proceed was issued on April 28, the preconstruction conference was held May 4, and the contract completion date is May 2018. The project remains on schedule. The new building will allow the Center to provide comprehensive mental health services under one roof in a state-of-the-art facility. SCDMH is dedicated to supporting and retaining excellent staff.

Agency Highlights

- Six of DMH's Nurses were recognized April 22 as Palmetto Gold Nurses. Lakeshia Cannon, RN; Tammy Cleveland, RN, MBA; Michele Dreher, MSN; Sherry S Hall, RN; Mary S Raaf, Nurse Practitioner; and Jonathan Worth, RN, were honored as Registered Nurses who exemplify excellence in nursing practice and commitment to the nursing profession in South Carolina.
- On April 12, Heather Smith received the Victims' Rights Week 2017 Distinguished Humanitarian Award from the SC Victim Assistance Network. Smith, who is a Chief Mental Health Counselor at SCDMH's Metropolitan Children's Advocacy Center (formerly known as the Assessment and Resource Center), was nominated by the 11th Circuit Solicitors Office for her "lifelong devotion to treating, supporting, and uplifting survivors of child abuse."
- SCDMH has partnered with multiple organizations to coordinate and sponsor training for professionals not only in its own organization, but also associated groups, to share information and best practice updates:
 - In late March, more than 400 professionals participated in the second statewide Cultural and Linguistic Competency Summit, designed to increase professionals' and individuals' capacity to effectively address cultural differences among diverse children and families in South Carolina.
 - On April 27 and 28, nearly 500 professionals attended the 2017 Southeastern School Behavioral Health Conference, the goal of which was Moving Toward Exemplary and High Impact School Behavioral Health.

Agency Highlights

- Like many healthcare providers, SCDMH is faced with enormous challenges in recruiting and retaining all of the healthcare professionals it needs, including competing with other public and private healthcare providers for a limited supply of psychiatrists, nurses, and counselors. The Department is pursuing a number of new measures to reach prospective employees, including dedicating recruiting staff to attend job fairs, expanding the Department's presence on social media, and placing job announcements in professional publications. The Agency's Human Resources office is also streamlining the hiring process with the goal of significantly shortening the time between receiving job applications and being able to offer positions.

Agency Highlights

- Each of SCDMH's 17 community mental health centers is accredited by CARF International, an independent, nonprofit accreditor of human service providers. In addition, Morris Village Treatment Center, the Agency's inpatient drug and alcohol hospital, is also accredited by CARF International.
- SCDMH's psychiatric hospitals are accredited by The Joint Commission, which aims to improve healthcare by evaluating healthcare providers and inspiring them to excel in the provision of safe, effective care of the highest quality and value.
- Each of SCDMH's four nursing homes is licensed by SCDHEC and certified by CMS. Three of the four nursing homes (530 beds) serve veterans exclusively and are certified by the Department of Veterans Affairs. The Tucker Nursing Care Facilities (Roddey-General Nursing Home and Stone-Veterans Nursing Home) are nationally accredited by The Joint Commission (TJC) and represent two of only 10 Nursing homes in South Carolina with this distinction. *There are 195 nursing homes in the State of South Carolina.

Current Year “New” Funding

- Forensics Annualization \$5,490,659
 - Use: SCDMH is utilizing the funds to address the increasing number of criminal defendants being committed by Courts of General Sessions, to support an increase in bed days, and to support expenses associated with supervised step-down placements in the community.
- Forensics New Funds \$4,740,243
 - Use: SCDMH is utilizing the funds to continue expansion of its forensic services, including the cost associated with the addition of 32 beds on Lodge E (11,680 bed days).
- Sexually Violent Predator Program \$950,460
 - Use: SCDMH is utilizing the funds to support the increased contractual costs resulting from the increasing census of the program.
- School-Based Services \$500,000
 - Use: SCDMH utilized the funds to increase by 20 the number of clinical counselors who provide services in public schools.

FY2018-19 Budget Requests

Recurring Budget Requests

Supported Community Housing Expansion	\$ 4,452,017
Child and Adolescent Intensive Community and Residential Services	2,000,000
Public Safety Officers Recruitment/Retention	1,633,756
First Episode Psychosis (FEP) Programs	800,000
School-Based Services	250,000
Crisis Stabilization	500,000
Inpatient Clinical and Medical Services – Salary Adjustment	1,094,026
Inpatient Clinical and Medical Services – CRCF Adjustment	91,000
Contractual Adjustment – Inpatient Services	1,362,527
Sexually Violent Predators Program	512,728
Information Technology	2,274,378
Contract Monitoring Unit	400,000
Annualization – Central Office	270,000
Annualization – Division of Administrative Services	300,000
Annualization – Other Support Areas	1,852,294
Long-Term Care – Vaccinations	<u>53,200</u>
Total Recurring Budget Requests	<u>\$17,845,926</u>

FY2018-19 Budget Requests

Non-Recurring Budget Requests

Community Mental Health Services – Outpatient Electronic Medical Record	\$4,500,000
Inpatient Medical Equipment and Vehicle Replacement	895,245
Record Scanning Project	500,000
Long-Term Care	<u>308,282</u>
Total Non-Recurring Budget Requests	<u><u>\$6,203,527</u></u>

FY2018-19 Budget Requests

Capital Budget Requests

NE Campus Electrical Distribution System Renovations	\$ 3,600,000
Catawba Mental Health Center Construction	12,430,000
Community Buildings Deferred Maintenance	3,000,000
Anderson-Oconee-Pickens Mental Health Center Construction	12,430,000
Columbia Area MHC Phase III Construction	4,000,000
Campbell Veterans Nursing Home Renovations	3,940,000
Tucker Center (Roddey Flooring, Laundry & Nurse Call Renovations)	<u>2,000,000</u>
Total Capital Budget Requests	<u>\$41,400,000</u>

Recurring Budget Requests

- Supported Community Housing Expansion \$4,452,017
 - Justification: The requested funds would expand the supported community housing options for long-term, chronically ill patients who have presented as discharge challenges at Bryan Psychiatric Hospital and Harris Psychiatric Hospital.
 - This initiative will provide appropriate staff support and treatment to patients who have been unsuccessful in remaining in more independent community residential settings, have demonstrated an unhealthy reliance on the inpatient system to meet treatment needs, and/or have behaviors which most private residential providers are unwilling to tolerate.
 - The result will be increased hospital discharges for this challenging population and longer, hopefully permanent, community tenure for these individuals.
 - Successful discharges of long-term patients will also result in additional inpatient capacity as lower lengths of stay and bed turnover will result in increased bed availability for new patients in need of hospitalization.
 - Methodology: The request for funding is based on an estimate of the total funds required to support the scope of this program.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Child and Adolescent Intensive Community and Residential Services \$2,000,000
 - Justification: State recurring funds are needed to increase the available array of intensive community mental health services and short-term therapeutic residential services for adolescents with a mental illness who are at high risk for institutionalization. Examples would be children and adolescents with a mental illness who have come into contact with the juvenile justice system and/or hospital emergency departments.
 - At one time available service options under the State's Medicaid Plan included Intensive Family Services, such as Multi-Systemic Therapy (MST), Therapeutic Foster Care (TFC), and Temporary De-escalation Care (TDC – Respite care), and prior to 2008, therapeutic group homes.
 - Changes in the Medicaid plan impacting these services were in most cases to “unbundle” the multiple clinical interventions which made up a particular intensive “wrap” service, and require that each intervention be separately documented and billed. Such a change increased the amount of administrative time clinical staff had to spend documenting, and resulted in substantially lowering the overall level of reimbursement to private community providers of these intensive wrap services, often below the cost to provide the previous level of services to the adolescent patient and their family.
 - With the changes, the availability of intensive wrap services and respite services to children and adolescents by quality private providers has largely disappeared. Even when intensive community “wrap” services are appropriate for a particular youth, institutional care, such as in a Psychiatric Residential Treatment Facility (PRTF) or hospital is now frequently the only available option. Unfortunately even access to PRTFs for adolescents in State care or custody has become increasingly limited, especially for juvenile justice involved youth.
 - The requested funds would enable DMH to initially add four (4) MST teams in year one, bringing the current total to nine (9), and to expand by an additional two (2) teams in year two as earned revenue begins to reduce the amount of State funds needed to sustain an existing MST team.
 - The requested funds would also enable the agency to serve an estimated 40 to 50 youth annually in a therapeutic group home setting, based on an average length of stay of 3 to 4 months.
 - Methodology: The request for funding is based on an estimate of the total funds required to support the scope of this program.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Public Safety Officers Recruitment/Retention \$1,633,756
 - Justification: Over 90% of the patients in the agency's three (3) hospitals are there involuntarily, admitted because they were posing a risk of harm to themselves or others. The DMH Office of Public Safety provides necessary security at the agency's inpatient facilities, including responding to emergencies on patient units. Because of the nature of the patients treated, DMH Public Safety employs certified law enforcement officers.
 - Certified Public Safety Officers are also required when transporting patients who have outstanding criminal charges, as well as when transporting residents of the Department's Sexually Violent Predator Program.
 - The salaries paid by the Department to its Public Safety Officers have increasingly lagged behind the salaries being paid by other State agencies which employ certified officers, as well as the salaries offered by local law enforcement agencies. This has resulted in high turnover of SCDMH Public Safety Officers and a high number of vacant positions. In order to meet its critical responsibilities, the Department incurs significant overtime costs for Public Safety Officers.
 - The requested funds will enable the Department to increase Public Safety salaries close to the average paid by other State agencies, thereby aiding in recruitment and retention, and reducing overtime.
 - Methodology: The request for funding is based on an estimate of the total funds required to meet this obligation.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- First Episode Psychosis (FEP) Programs \$800,000
 - Justification: Funds will support two (2) evidence-based programs for individuals who have experienced the early onset of a psychotic disorder, such as Schizophrenia.
 - The first symptoms of psychotic disorders typically manifest in individuals between the ages of 16 and 25. Young adults are a challenging population to engage and stay in treatment. FEP programs are 2 year intensive programs with small caseloads using a person-centered team approach. Also known as “Coordinated Specialty Care,” FEP programs are aimed at guiding young adults experiencing psychosis (and their families) toward mental, physical and functional health.
 - Studies have shown that Coordinated Specialty Care programs improve treatment engagement and adherence and substantially reduce the likelihood that patients’ psychotic disorders will lead to long-term disability. The majority of patients are able to stay in school or remain employed, and remain connected to family, friends and social supports. Correspondingly, patient’s use of emergency services, such as hospital Emergency Departments and calls to law enforcement is significantly reduced.
 - Despite the clear benefits of these programs for patients and for reducing long-term care costs, neither public nor private insurance currently reimburse many of the services provided by Coordinated Specialty Care programs.
 - Methodology: The request for funding is based on an estimate of the total funds required to meet this obligation.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- School-Based Services \$250,000
 - Justification: SCDMH school based mental health services improve access to needed mental health services for children and their families. These positive outcomes for the student and their families also positively correlate to a decreased risk for violence in the school and community.
 - Methodology: The request for funding is based on an estimate of the total funds required to expand the scope of this program, which is estimated to be \$25,000 per school-based counselor.
 - Potential Offsets: Several school districts allocate funds to the program as a contribution to the expenses incurred to operate the program. However, such funding is not guaranteed and is therefore not considered a match, only an offset to expenses incurred by the Department. Many services will generate additional Medicaid revenue to the agency.

Recurring Budget Requests

- Crisis Stabilization

\$500,000

- Justification: The requested funds would enable the agency to continue to partner with local hospitals and other community officials to increase residential crisis stabilization programs beyond the four (4) currently in existence or in the planning stages. Such programs help divert individuals in a psychiatric crisis who can be safely cared for outside of a hospital from emergency departments.
- Methodology: The request for funding is based on an estimate of the total funds required to meet this obligation.
- Potential Offsets: No potential offsets.

Recurring Budget Requests

- Inpatient Clinical/Medical Services – Salary Adjustment \$1,094,026
 - Justification: This request supports: G. Werber Bryan Psychiatric Hospital Adult and Child and Adolescent Programs, Patrick B. Harris Psychiatric Hospital, Morris Village, Roddey Pavilion (Nursing Home), Stone Pavilion (Veterans Nursing Home), and Nutritional Services.
 - The South Carolina Department of Mental Health is committed to providing outstanding inpatient services to residents of this state and training to the staff. Providing the requested funding will support recruitment and retention for direct care and clinical support workers for the care delivery of high risk populations and environments to maintain effective care delivery and to maintain safety and meet regulatory standards. Clinical support workers (food service, custodial and nursing aides) are crucial to meeting and maintaining these standards.
 - Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Inpatient Clinical/Medical Services – CRCF Adjustment \$91,000
 - Justification: This request supports: G. Werber Bryan Psychiatric Hospital Adult and Forensic Programs, Patrick B. Harris Psychiatric Hospital, and Morris Village.
 - Granting funding of this request would provide for bridge funds to facilitate efficiency of patient discharge and movement of patients across the system to improve movement and to create capacity for other citizens awaiting treatment.
 - Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Contractual Adjustment – Inpatient Services \$1,362,527
 - Justification: This request represents the financial impact of the South Carolina Department of Mental Health’s efforts to adequately fund program operations with recurring state appropriations.
 - The requested amount represents expected contractual obligations in FY2019 related to CPI adjustments for the Department’s forensics program and veterans’ nursing homes.
 - Methodology: This request is based on an approximation of FY2019 contractual obligations.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Sexually Violent Predator Program \$512,728
 - Justification: The census of the program is steadily increasing, and additional funding is being requested to offset the increased costs anticipated to treat the expanding population.
 - Methodology: The request is based on an estimate of the cost per year to provide services to 12 additional residents (one added per month) for the associated number of bed days at the rate of \$216.89 per bed day.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Information Technology

\$2,274,378

- Justification: The requested funds will replace one-time funds and provide additional recurring funds to support the Department's operations, including its expanding telepsychiatry network, its Inpatient Services and Community Mental Health Services electronic health records, information technology support, and its network infrastructure support, including contractual services maintenance, software product costs, training, and funds associated with vacant and requested Information Technology staff positions.
 - This request is considered in the Department's annual information technology and security plans. This request includes consultation with the Department of Administration in its development.
- Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
- Potential Offsets: No potential offsets.

Recurring Budget Requests

- Contract Monitoring Unit \$400,000
 - Justification: The South Carolina Department of Mental Health is establishing a clinical contract monitoring office to monitor the contractual requirements of the large operations contracts the agency has established for the operation of State Veterans Nursing Homes and other inpatient programs.
 - Methodology: Based on estimated expenditures to employ an attorney, a registered nurse, a social worker, and an administrative professional. This estimate includes fringe. This estimate also includes accommodations for other operational expenditures.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Central Office - Annualization \$270,000
 - Justification: This request represents the financial impact of the South Carolina Department of Mental Health's efforts to adequately fund program operations with recurring state appropriations, and to maintain services at current levels.
 - The requested amount represents FY2018 annualizations for Medical Director and Quality Management and includes the expenses associated with a 3.5 FTEs.
 - Methodology: This request is based on FY2018 expenditures and funding amounts.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Division of Administrative Services - Annualization \$300,000
 - Justification: This request represents the financial impact of the South Carolina Department of Mental Health's efforts to adequately fund program operations with recurring state appropriations, and to maintain services at current levels.
 - The requested amount represents FY2018 annualizations for Human Resources.
 - Methodology: This request is based on FY2018 expenditures and funding amounts.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Other Support Areas - Annualization \$1,852,294
 - Justification: This request represents the financial impact of the South Carolina Department of Mental Health's efforts to adequately fund program operations with recurring state appropriations, and to maintain services at current levels.
 - The requested amount represents FY2018 annualizations for Care Coordination, Deaf Services, IPS/Employment Program, Alzheimer's Association, and Psychiatric Residential Treatment Facility (PRTF) placements.
 - Methodology: This request is based on FY2018 expenditures and funding amounts.
 - Potential Offsets: No potential offsets.

Recurring Budget Requests

- Long-Term Care – Vaccinations \$53,200
 - Justification: Funds are requested for expenses associated with vaccinations for shingles (Zostovax) at Roddey Pavilion at C.M. Tucker Nursing Care Center, and Stone Pavilion at C.M. Tucker Nursing Care Center.
 - Roddey Pavilion - \$35,200
 - Stone Pavilion - \$18,000
 - Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
 - Potential Offsets: No potential offsets.

Non-Recurring Budget Requests

- Community Mental Health Services – Outpatient EHR \$4,500,000
 - Justification: The requested funds would be used for the procurement of an integrated software solution for SCDMH's Community Mental Health Centers (CMHC) that will either augment or replace SCDMH's current billing and electronic medical records software applications and any services associated therewith.
 - A new EHR will ensure that SCDMH will avoid Medicare penalties and maintain eligibility for Federal grants.
 - A new EHR will also maximize billing which will increase earned revenues.
 - This upgrade will allow SCDMH to share clinical information with clinical partners and report quality measures accurately to Managed Care Organizations (MCO).
 - Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation. This initial request will fund the first stage of the full implementation of this system. Additional non-recurring funds may be requested in future years as the system is implemented in its entirety.
 - Potential Offsets: No potential offsets.

Non-Recurring Budget Requests

- Inpatient Medical Equipment and Vehicle Replacement \$895,245
 - Justification: Inpatient Medical Equipment (\$808,445) and Vehicle Replacement (\$86,800).
 - The requested funds would provide for the procurement of the following inpatient medical equipment: Specialty Clinics (Station Sterilizer; Retinoscope; Powersource; Rechargeable Base); Nutritional Services (Retherm Refrigerator/Cart; Refrigerated Tables; Roll-In Cooler; Insulated Truck Refrigerator Box; 100 Gal Cook Chill Kettle; Walk-in Cooler; Walk-in Cooler Doors, Ice Machine, Truck with Box and Refrigerator Unit/Liftgate); BPH C&A (Patient Furniture); HPH (Computers; Vehicle; Patient Furniture); and Morris Village (Patient Beds).
 - The funds would also provide for the replacement of vehicles: laundry vehicle and a second vehicle at Roddey Pavilion and a vehicle at Veterans Victory House.
 - Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
 - Potential Offsets: No potential offsets.

Non-Recurring Budget Requests

- Record Scanning Project

\$500,000

- Justification: This request would provide an annual amount to sustain a project to replace the agency's paper medical records and other important records with electronic versions. The funds would pay for scanning, software licenses, and storage of document images for Human Resources, Division of Inpatient Services, Financial Services, and the Community Mental Health Centers.
- Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
- Potential Offsets: No potential offsets.

Non-Recurring Budget Requests

- Long-Term Care

\$308,282

- Justification: Funds are requested for one-time expenses associated with the following:
 - Roddey Pavilion - Physical Therapy/Occupational Therapy/Recreational Therapy equipment, vehicles, furniture and equipment replacement, and dining supplies.
 - Stone Pavilion - Nurse call system upgrade, furniture and equipment replacement.
- Methodology: The request for funding is based on an estimate of the total funds required to meet the financial obligation.
- Potential Offsets: No potential offsets.

Capital Budget Requests

- NE Campus Electrical Distribution System Renovations \$3,600,000
 - Justification: Crafts Farrow State Hospital Campus is located on Farrow Road in Northeast Columbia. Most of the supporting electrical distribution infrastructure is at least 40 years old. The Department of Mental Health owns and maintains the electrical substation, as well as the overhead and underground portions of the distribution system. Many of the existing components including the substation, transformers, wooden poles and the pole mounted switches are in poor condition and need to be replaced. Over 4000 feet of the underground feed cables to Morris Village and G. Werber Bryan Psychiatric Hospital are over 40 years old, have exceeded their useful life and require replacement.
 - Methodology: J12-9751 is in CIP plan year one, priority #2. If no state appropriations are received the project may have to be delayed.
 - Potential Offsets: There are no additional operating costs associated with this request. The likely project option would result in an estimated annual operating cost savings of approximately \$75,000 per year. The expected useful life of the replacement system would be between 30-40 years.

Capital Budget Requests

- Catawba MHC Construction \$12,430,000
 - Justification: Purchase 6 acres of land and construct a 35,000 SF facility in the Rock Hill area to provide mental health services to clients in York County. This request is related to the Department's goal to provide sufficient mental health services in communities to minimize consumers' needs for hospitalization to the greatest extent possible. The building will include space for York Adult Services Program; Catawba Family Center; School Based Mental Health Program; Dual Diagnosis Program; and Administration, Training and Facility Support. This facility will consolidate programs housed in three leased facilities located in Rock Hill. Lease costs for these three facilities is over \$320,000 year. Placing the various programs in one consolidated facility will aid in efficiency of service delivery.
 - The new facility would allow for a more seamless transition between various programs for our clients, as well as, provide more security and safety.
 - Methodology: J12-DMH5 is in CPIP plan year two, priority #2. If no state appropriations are received the project may have to be delayed and would require continuing to work in inefficient/costly facilities and leases and making the necessary deferred maintenance repairs.
 - Potential Offsets: There are no additional operating costs associated with this request. The project would result in an estimated annual operating cost savings of approximately \$320,000 per year. The expected useful life of the replacement facility would be approximately 50 years.

Capital Budget Requests

- Community Buildings Deferred Maintenance \$3,000,000
 - Justification: This project is to address deferred maintenance issues in our community mental health facilities. SCDMH has deferred maintenance issues totaling over \$40 million. This request is to address the most urgent building needs and examples include heating and air conditioning system repairs at Berkeley, Coastal Empire, Orangeburg, and Waccamaw Mental Health Center buildings; interior and exterior repairs at Piedmont, Orangeburg and Tri-County, and fire sprinkler repairs at Coastal Empire. The Department has established an identified fund for deferred maintenance pursuant to Proviso 35.14; however, the agency does not have the ability to self-fund all of its current deferred needs. SCDMH will continue to include its significant priority deferred maintenance requests in its Capital Budget Request submitted to the General Assembly.
 - This work is needed to ensure the buildings are maintained in an adequate condition to enable the staff to carry out their missions. Correcting these deferred maintenance issues will help extend the useful life of the buildings. If not addressed, these issues could result in reduced productivity, more costly repairs, and life safety issues.
 - Methodology: J12-DMH1 is in CPIP plan year one, priority #3. If no state appropriations are received the project may have to be delayed and SCDMH will continue to address the most critical maintenance issues and reacting to emergencies as they arise.
 - Potential Offsets: There are no additional operating costs associated with this request. The expected useful life of the replacement systems will be between 25-30 years.

Capital Budget Requests

- Anderson-Oconee-Pickens MHC Construction \$12,430,000
 - Justification: Construct a 35,000 SF facility on five acres of land currently owned by Anderson County. This request is related to the Department's goal to provide sufficient mental health services in communities to minimize consumers' needs for hospitalization to the greatest extent possible. Anderson County Council has voted and approved the donation of the five acres in a prime county business park location. The current estimated value of the property is \$600,000. The building will include space for Adult Outpatient Services; Child, Adolescent and Family Services; and Administration, Training and Facility Support. This facility will consolidate programs housed in leased facilities in the Anderson area and reduce lease costs by \$135,000/year. Placing the various programs in one consolidated facility will aid in efficiency of service delivery.
 - The current facility is located on leased county land, constructed in the 1960s and is 17,800 SF. The current lease will expire in 2016. It is overcrowded and needs a variety of deferred maintenance work. The new facility would allow for a more seamless transition between various programs, as well as, provide more security and safety and reduce lease costs
 - Methodology: J12-DMH4 is in CIP plan year two, priority #1. If no state appropriations are received the project may have to be delayed and would require continuing to work in inefficient/costly facilities and leases and making the necessary deferred maintenance repairs.
 - Potential Offsets: There are no additional operating costs associated with this request. The project would result in an estimated annual operating cost savings of approximately \$135,000 per year. The expected useful life of the replacement facility would be approximately 50 years.

Capital Budget Requests

- Columbia Area MHC Phase III Construction \$4,000,000
 - Justification: This project is to construct a 25,000 square foot facility on land currently owned by the Department. Columbia Area Mental Health Center's Child & Adolescent (CAF) Program has outgrown its current space in the Phase I Building. The new facility will accommodate the CAF Services Program and the Assessment Resource Center (Now known as the Metropolitan Children and Advocacy Center – Met CAC) and several associated support services. Placing these child-based programs in the same facility will aid in efficiency of service delivery and increase access to care. The building would also enable Columbia Area MHC to relocate programs from temporary leased locations and consolidate those programs on one campus.
 - The Comprehensive Child and Family Behavioral Health Complex would co-locate the Met CAC and CAF services providing a centralized, integrated system of care to provide services to children and their families. Co-location would increase access to crisis intervention services, psychiatric services, and facilitate collaboration between programs, particularly between the Met CAC and our Child Welfare Program that deals with our DSS children. The completion of this project will allow SCDMH to relocate its Adult Clinic Services (ACS) to the centralized campus in the Phase I space occupied by CAF Services. ACS is currently leasing temporary space from Richland County.
 - Methodology: J12-DMH6 is in CPIP plan year two, priority #3. If no state appropriations are received the project may have to be delayed and would require continuing to work in inefficient/costly facilities and leases and making the necessary deferred maintenance repairs.
 - Potential Offsets: There are no additional operating costs associated with this request. The project would result in an estimated annual operating cost savings of approximately \$230,000 per year. The expected useful life of the replacement facility would be approximately 50 years.

Capital Budget Requests

- Campbell Veterans Nursing Home Renovations \$3,940,000
 - Justification: This project is to address deferred maintenance issues at the Campbell State Veterans Nursing Home in Anderson. The work includes renovations to the kitchen to include repair of drain line leaks in the dish room and repair of damage caused by those leaks, replacement of the walk in freezer/refrigerator and serving line equipment; renovations to five group showers to provide more patient privacy; replacing patient room flooring finishes on Unit 5; and re-configuration of resident bathrooms to allow access for patient lifts. Replacement of the emergency power generator – the existing does not have the capacity to support the HVAC chiller system and/or our electric kitchen appliances, which poses a safety concern to residents during an extended outage.
 - The project is needed for enhanced security and to ensure the kitchen facility is capable of providing the necessary meals for the 220 veterans. The work will enable the residents to have a more comfortable home and provide amenities that will make living and dining better.
 - Methodology: J12-DMH7 is in CPIP plan year two, priority #4. If no state appropriations are received the project may have to be delayed and SCDMH will continue to address the most critical maintenance issues and reacting to emergencies as they arise.
 - Potential Offsets: There are no additional operating costs associated with this request. The project would result in an estimated annual operating cost savings of approximately \$25,000 per year. The expected useful life of the replacement systems would be between 25-30 years.

Capital Budget Requests

- Tucker Center (Roddey Flooring, Laundry, Nurse Call Renovations) \$2,000,000
 - Justification: Project is to replace the floor tile and nurse call systems in the Roddey Nursing Home, and to renovate the existing laundry facility shared by Roddey Nursing Home and Stone Veterans Nursing Home. Both facilities are located on the SCDMH owned Tucker Center complex in downtown Columbia.
 - The capacity of the current Tucker Center laundry facility is not large enough to adequately supply Roddey and Stone with clean linens and keep up with patient clothes. Majority of the current laundry is being handled by an outside service and the completion of this project will reduce operating costs. The Roddey Nursing Home flooring is worn and needs replacement and has been documented as an environment of care issue by DHEC during recent inspections. This will provide a more aesthetically pleasing facility for the patients to live in. The current nurse call system does not meet the needs of the Roddey facility. Equipment is original to construction which dates back to the late 1970's. The system is antiquated and not upgradeable.
 - Methodology: J12-DMH7 is in CIP plan year two, priority #5. If no state appropriations are received the project may have to be delayed and SCDMH will continue to outsource laundry services and react to critical maintenance issues as they arise.
 - Potential Offsets: There are no additional operating costs associated with this request. The likely project option would result in an estimated annual operating cost savings of approximately \$25,000 per year. The expected useful life of the replacement systems would be between 20-30 years.

Proviso Requests

- No Proviso Requests

Meeting Future Challenges

- The Current Challenges of Workforce Development, Recruitment and Retention
- The Transition of Long-Term Patients from Hospitalization
- The Forensification of Inpatient Beds
- The Effects of Managed Care Organization Carve-In (MCO Carve-In)
- The Future Challenges of Operating Three New VA State Homes – Staffing Three 108-Bed Nursing Homes
- The Continued Expansion of SCDMH's Telepsychiatry Programs
- The Status of the Sexually Violent Predator Program Management and Operations Outsourcing