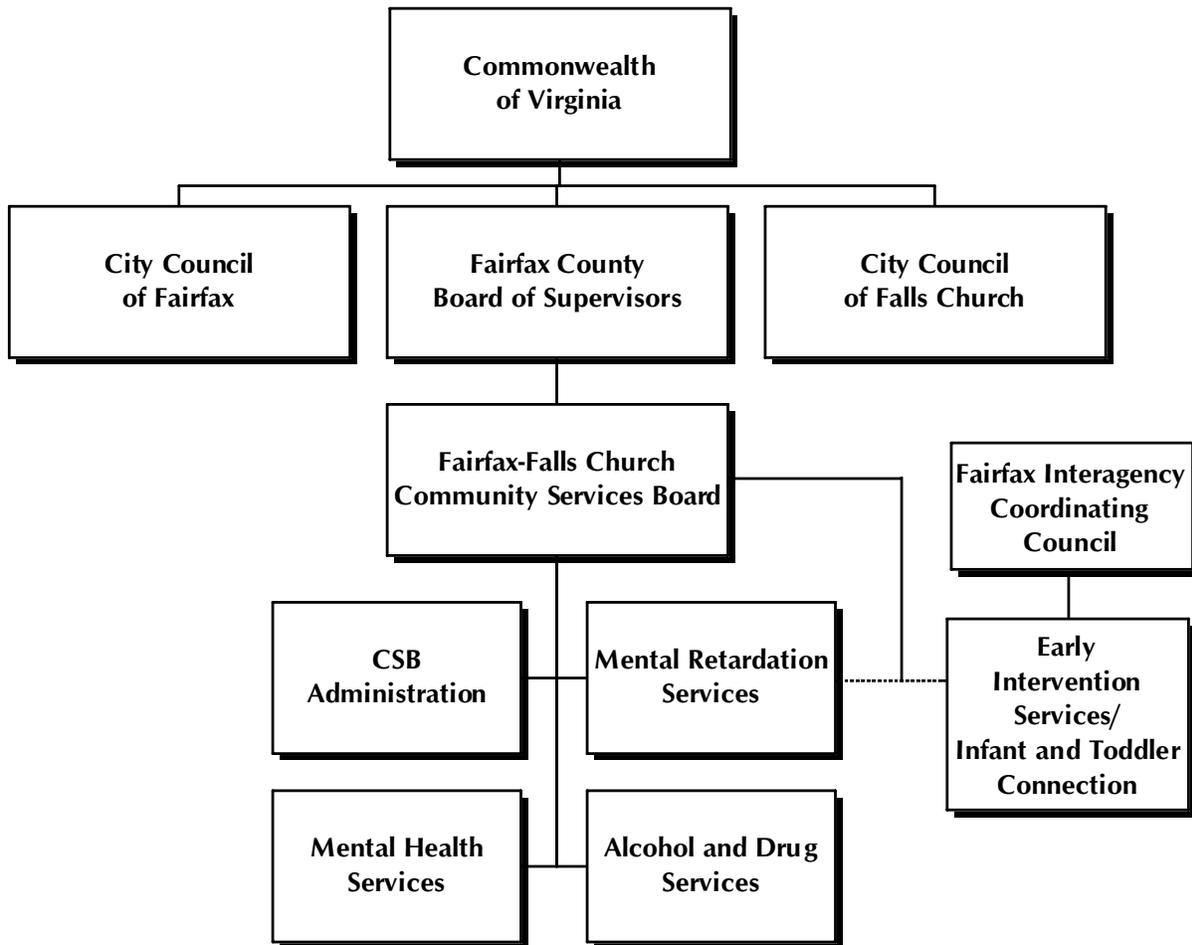


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Community Services Board (CSB) - Overview



Mission

The mission of the Fairfax-Falls Church Community Services Board (CSB) is to:

- ◆ Serve Fairfax-Falls Church residents with, or at risk of, severe and persistent mental illness or acute psychiatric/emotional distress; mental retardation; alcohol or drug abuse or dependency; or cognitive developmental delays;
- ◆ Empower and support the people we serve to live self-determined, productive and valued lives within our community; and
- ◆ Identify, develop and offer programs on prevention, intervention, treatment, rehabilitation, residential and other support services in a personalized, flexible manner appropriate to the needs of each individual and family whom we serve.

Focus

The CSB was created in 1969 and is comprised of 16 members; 14 appointed by the Fairfax County Board of Supervisors and one each appointed by the Council of the City of Fairfax and the Council of the City of Falls Church. The CSB is established under the Code of Virginia; however, under a Memorandum of Agreement between the CSB and the County, the CSB carries out its roles and responsibilities under the Administrative Policy Board type of structure and observes County rules and regulations regarding financial management,

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personnel management and purchasing activities. The CSB operates direct client services and contracts with outside entities for the provision of client services.

There are several factors that impact the type, level and cost of services provided by the CSB. These include: demographic changes, number of uninsured or underinsured residents, business costs, availability of affordable housing, regulatory changes in state and federally sponsored pharmacy programs, and policy and funding decisions. In terms of demographic changes, population growth has increased demand for CSB services and increasing diversity has generated a need for more culturally competent services. In addition, the County's population is aging, and parents who have been caring for their young and middle-aged adult children with serious mental illness or mental retardation will find it increasingly difficult to provide sufficient care as they age. As a result, there will be a greater demand for mental health and mental retardation residential facilities and resources. Similar factors have impacted the demand for substance abuse treatment services. In addition, there are growing numbers of individuals that have other conditions which exacerbate the substance use disorder and increase client vulnerability, such as pregnancy, women with children, persons who are homeless, and persons with HIV/HCV. In fact, the growing numbers of individuals with co-occurring mental health and substance use disorders challenge the service delivery system to develop and implement integrated treatment models which have proven to be more effective. The Infant and Toddler Connection is also experiencing an increase in demand as the number of eligible children has increased by 11 percent per year since 2000.

In addition to changes in the demographic population, the growing number of uninsured or underinsured individuals is also placing pressure on the CSB. While Fairfax County is one of the most affluent localities in the nation, 35 percent of its population has an annual income less than \$25,000. In March 2000, eight percent of households, or more than 80,000 residents, lacked health insurance coverage. By 2010, this number is projected to reach 132,000 persons. As a result, there will be an increase in the number of persons who seek and need publicly-funded care. Delays in treatment commencement and the exacerbation of conditions are likely to result. In recent years, there has been a rise in the number of people seeking mental health or substance abuse treatment who have concurrent medical problems that impact general well-being and complicate psychiatric care or recovery efforts.

THINKING STRATEGICALLY

Strategic issues for the Department include:

- Providing an array of services that are comprehensive and effective and meet demands for service;
- Maximizing stakeholder involvement in planning the service delivery system;
- Providing infrastructure to support service delivery; and
- Securing funding to support quality programs.

All vendors in the health care arena – public and private – are faced with increased costs of doing business that frequently exceed the official rate of inflation. This is a result of the pressure to properly compensate qualified health care staff, higher staffing ratios needed to serve persons with higher acuity levels, and increased overhead costs related to mandated accountability standards and the maintenance and renovation of aging facilities. For example, in the mental health service area, there is a national and state trend of private sector psychiatric inpatient units either downsizing or closing. In the Northern Virginia region, three hospitals have closed their psychiatric units, with a loss of 51 private inpatient psychiatric beds. It is anticipated that another 44 adult beds may close. While bed availability has diminished, demand has increased. In FY 2005, the region experienced a 93 percent increase in the number of state funded private psychiatric admissions. The shortage of inpatient beds and intensive community services impacts all facets of the service delivery system and results in people who need inpatient care getting sicker in the community and becoming more at risk. The CSB has been a leader in the regional effort to address this crisis through the development of programs that are funded through state funds.

The lack of affordable housing in the County continues to present a major barrier to consumers who have completed treatment and are trying to live independently. Consequently, psychiatric hospitals and intensive mental health and substance abuse treatment programs are unable to discharge clients to more appropriate levels of care. This unnecessarily increases the cost of serving clients and prevents others from entering

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treatment. In addition, the lack of affordable housing contributes to homelessness and impacts the ability of CSB consumers to live independently in the community. The CSB is forced to spend funds intended for treatment on housing. At present, for example, more than 600 adults are waiting for mental health residential services and 300 adults are waiting for substance abuse residential care. These lists will grow much longer unless Medicaid and/or state general funds are available in sufficient amounts.

Finally, the ability of the CSB system of public and private providers to meet the needs of Fairfax County residents will be significantly impacted by funding and policy decisions made at the federal and state levels. For instance, the increasing dependence on Medicaid funding means that any changes in policy or funding for this program, positive or negative, will have an immediate effect throughout this community. There have been proposals to reduce Medicaid payments to states, which could result in reduced Medicaid funding from states to localities. Medicaid is a critical funding stream and any reduction would affect the CSB's capacity to provide services. A related concern is the inadequate reimbursement provided to all providers, including the CSB, by insurance companies and Medicaid for behavioral health care. This factor has a major impact on the ability of private providers to maintain quality services and serve those most in need. In particular, the inadequate Medicaid rates are having a damaging impact on non-profit agencies, especially those who provide services under the Mental Retardation Medicaid Waiver program. For example, since the inception of the program in 1991, rates have only increased by approximately 4 percent. In addition, there is no rate differential for Northern Virginia although costs to provide services in this region are significantly higher than in other regions of the State, in some instances as much as 34 percent higher.

On the positive side, staff are working closely with families, consumers, advocates and private partners to improve services and to seek efficiency and effectiveness in service provision. The CSB staff are examining and implementing evidenced-based and best practices throughout all disability areas. There is ongoing assessment of the feasibility of pursuing CARF accreditation for additional CSB programs. Ongoing program evaluation is essential for continuous quality improvement activities, and the CSB is committed to maintaining quality services. Revenue maximization efforts have been significant and successful, and the agency hopes to review and improve services, in partnership with all stakeholders through the strategic planning process. Over the next several years the CSB will pursue the implementation of the Electronic Health Record, a national initiative. This step, in concert with improved management of CSB knowledge through the use of appropriate technology approaches, will improve the efficiency and effectiveness of service delivery. Improved availability of data for decision making, outcome measures that focus on both treatment effectiveness and consumer perception of service, and availability of consumer information are instrumental to positive outcomes for consumers.

A major effort is underway on identifying integrated and streamlined methods for assessing and treating individuals with co-occurring disorders such as mental illness and substance abuse or mental retardation and mental illness.

As directed by the Board of Supervisors, CSB staff have developed an alternative service option for serving special education graduates in order to reduce and contain County costs for Day Support and Employment services. Input has also been incorporated from the Human Services Council, the Community Services Board, vendors, and community advocacy groups. In spring 2006, Mental Retardation Services anticipates implementing a self-directed option for an initial group of ten participants, which will allow the consumers and their families greater involvement and flexibility in designing their individual service plans. Additionally, the incorporation of informal service providers will enhance service delivery and help to reduce and contain costs.

CSB staff also continue to implement recommendations from the two previous studies on special education graduates, completed in 2002 and 2004, to achieve program efficiencies and maximize non-County revenues. In FY 2005, these efforts yielded approximately \$482,000 in cost avoidance savings, primarily through advocacy efforts and maximization of Medicaid Waiver slots and rate increases. For FY 2006, that figure is estimated to grow to \$1.1 million. Beginning in FY 2007, the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) is anticipated to assume funding responsibility for community day support services for 33 persons residing at the Northern Virginia Training Center (NVTC) that

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the CSB is currently covering. In addition, several cost savings initiatives, such as a redesigned contract for Day Support services, which introduces a new self-directed option for consumers and their families (mentioned above), limits administrative expenses, and encourages flexible service options; and increased utilization of more cost effective service delivery models, will generate significant results. Lastly, support for additional state resources in Mental Retardation Services have been announced, although the impact on Fairfax County is not yet known.

CSB continues to further maximize non-County funding sources, particularly Medicaid reimbursement. In fact, additional Medicaid revenue of \$1.5 million will be realized in FY 2006 to offset additional expenditures related to 17 new grant positions that will provide much needed services in Mental Health, Mental Retardation and Early Intervention. An additional grant merit position, fully funded by Medicaid revenues, will be added in FY 2007 to provide case management services to the June 2006 Special Education graduates. The addition of these positions maximizes the recovery of state Medicaid dollars for Mental Health, Mental Retardation and Early Intervention services.

During this past year the CSB implemented Jail Diversion and Diversion to Detox Services in partnership with the Fairfax County Police Department and the Office of the Sheriff. The program has two components. First, an intensive case management team provides wrap around services to persons with mental illness who commit minor offenses that police officers divert from arrest to mental health assessment and treatment. Sheriff deputies and police officers from Fairfax and all surrounding jurisdictions receive special Crisis Intervention Training to assist the diversion effort. Second, Alcohol and Drug Services staff is deployed, at the request of the Police and community, to assess and divert persons from incarceration to detoxification treatment.

Budget and Staff Resources

Agency Summary				
Category	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan
Authorized Positions/Staff Years				
Regular	879/ 867.35	887/ 875.85	887/ 876.35	887/ 876.35
Grant	75/ 71.5	75/ 71.5	88/ 85.75	89/ 86.75

Expenditures:				
Personnel Services	\$68,440,907	\$71,866,406	\$73,699,783	\$78,761,594
Operating Expenses	52,406,706	54,917,092	59,323,658	57,207,415
Subtotal	\$120,847,613	\$126,783,498	\$133,023,441	\$135,969,009
Less:				
Recovered Costs	(\$291,402)	(\$139,853)	(\$470,586)	(\$145,310)
Total Expenditures	\$120,556,211	\$126,643,645	\$132,552,855	\$135,823,699

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Community Services Board (CSB) - Overview

Summary by Program Area				
Category	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan
CSB Program Area Expenditures				
CSB Administration	\$3,718,758	\$3,793,859	\$4,185,098	\$3,915,392
Mental Health Services ¹	51,986,731	54,674,952	57,788,927	59,712,638
Mental Retardation Services	34,706,549	37,614,089	38,017,143	38,896,503
Alcohol and Drug Services	26,361,794	26,804,749	28,390,283	28,550,972
Early Intervention Services	3,782,379	3,755,996	4,171,404	4,748,194
Total Expenditures	\$120,556,211	\$126,643,645	\$132,552,855	\$135,823,699
Non-County Revenue by Source				
Fairfax City	\$1,281,008	\$1,335,963	\$1,335,963	\$1,370,565
Falls Church City	580,624	605,533	605,533	621,216
State DMHMRSAS	14,738,851	14,745,585	16,668,691	15,694,221
State Other	155,088	180,234	161,268	141,138
Federal Block Grant	4,787,148	4,748,813	4,827,100	4,737,424
Federal Other	1,974,718	1,491,704	2,237,703	1,480,763
Medicaid Waiver	1,699,662	1,592,531	1,592,531	1,533,586
Medicaid Option	5,912,177	5,477,599	6,595,237	7,487,555
Program/Client Fees	4,500,178	3,929,673	4,053,884	5,072,457
CSA Pooled Funds	1,377,538	1,483,346	1,483,346	1,302,029
Miscellaneous	96,450	75,443	75,443	75,443
Fund Balance	1,385,490	0	1,938,935	0
Total Revenue	\$38,488,932	\$35,666,424	\$41,575,634	\$39,516,397
County Transfer to CSB	\$82,067,279	\$90,977,221	\$90,977,221	\$96,307,302
County Transfer as a Percentage of Total CSB Expenditures:	68.1%	71.8%	68.6%	70.9%

¹ Please note that in order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of \$1,600 has been reflected as an increase to FY 2005 expenditures in Mental Health Services to accurately record expenditure accrual. The audit adjustment has been included in the FY 2005 Comprehensive Annual Financial Report (CAFR). Details of the FY 2005 audit adjustment will be included in the FY 2006 Third Quarter Package.

FY 2007 Funding Adjustments

The following funding adjustments from the FY 2006 Revised Budget Plan are necessary to support the FY 2007 program:

- ◆ **Employee Compensation** **\$4,210,531**
 A net increase of \$4,210,531 is attributable to an additional \$4,155,975 in Personnel Services for salary adjustments necessary to support the County's compensation program, funding of \$60,013 to support an increase in the shift differential rate to \$0.90 for the evening shift and \$1.30 for the midnight shift, as well as an increase in holiday pay to compensate employees according to their actual holiday shift hours worked; partially offset by an increase of \$5,457 in Recovered Costs for reimbursed mental health salaries.

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- ◆ **Medicaid Grant Positions** **\$1,521,213**

An increase of \$1,521,213 in Personnel Services is associated with the establishment of 18/18.0 SYE grant positions to provide services to Medicaid eligible consumers. These expenses are completely offset by additional Medicaid revenue and fully maximize the recovery of state Medicaid dollars for Mental Health, Mental Retardation, and Early Intervention services. In particular, 7/7.0 SYE grant positions are established in Mental Health Services, 8/8.0 SYE grant positions are established in the Early Intervention Services and 3/3.0 SYE positions are established in Mental Retardation Services, including a case manager associated with the June 2006 Special Education graduates. Please note that all of the aforementioned positions, except the case manager in Mental Retardation Services, are established in FY 2006 and an FY 2006 funding adjustment will be made during the *FY 2006 Third Quarter Review*.

- ◆ **Contract Rate Adjustments** **\$792,314**

An increase of \$792,314 in Operating Expenses supports a 2.59 percent contract rate increase for providers of contracted mental health, mental retardation, alcohol and drug abuse treatment, and early intervention services.

- ◆ **Intergovernmental Charges and Other Operating Requirements** **(\$303,796)**

A net decrease of \$303,796 in Operating Expenses is comprised of a \$140,031 decrease in intergovernmental charges, including increases of \$83,994 in Department of Vehicle Services charges based on anticipated charges for fuel, vehicle replacement, and maintenance costs, and \$46,700 in Information Technology charges based on the agency's historical usage, offset by a decrease of \$270,725 in FASTRAN charges based on the agency's historical utilization; a \$181,317 decrease in Mental Health Services due to realigned state funding for initiative funds for children with serious emotional disturbance; and an additional \$17,552 for an increase in the automobile mileage reimbursement rate to \$0.445 per mile.

- ◆ **Carryover Adjustments** **(\$1,215,159)**

A net decrease of \$1,215,159 is due to encumbered funding of \$938,935, unencumbered funding of \$500,000 associated the new Jail Diversion Program, cash deferral of \$106,957 during the *FY 2005 Carryover Review*, offset by a decrease of \$330,733 in Recovered Costs.

- ◆ **Grant Adjustments** **(\$1,734,259)**

A net decrease of \$1,734,259 is due primarily to the carryover of unexpended grant balances, partially offset by increases of \$119,124 for the Infant and Toddler Connection Part C grant and \$45,558 in the Mental Health Violent Offenders (VASAVOR) grant, and a decrease of \$64,025 due to the expiration of the Get Real About Tobacco Grant in Alcohol and Drug Services.

Changes to FY 2006 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2006 Revised Budget Plan since passage of the FY 2006 Adopted Budget Plan. Included are all adjustments made as part of the FY 2005 Carryover Review and all other approved changes through December 31, 2005:

- ◆ **Carryover Adjustments** **\$5,909,210**

As part of the *FY 2005 Carryover Review*, a net increase of \$5,909,210 is attributable to the carryover of \$938,935 in encumbered funding, \$500,000 in unencumbered carryover to support the County's Jail Diversion program, \$459,296 for the automated carryover of unexpended grant balances in order to continue the workload associated with numerous ongoing grant programs and projects, and \$4,010,979 is associated with various administrative adjustments.

- ◆ **Out of Cycle Medicaid Grant Position Adjustments** **\$0**

In order to maximize the recovery of state Medicaid dollars and provide much needed services, 17/17.0 SYE new grant positions, fully funded by Medicaid, are added. An FY 2006 funding adjustment will be made during the *FY 2006 Third Quarter Review*.

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FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 106, Fairfax-Falls Church
Community Services Board

	FY 2005 Actual	FY 2006 Adopted Budget Plan	FY 2006 Revised Budget Plan	FY 2007 Advertised Budget Plan
Beginning Balance	\$4,283,368	\$120,758	\$2,897,878	\$958,943
Revenue:				
Local Jurisdictions:				
Fairfax City	\$1,281,008	\$1,335,963	\$1,335,963	\$1,370,565
Falls Church City	580,624	605,533	605,533	621,216
Subtotal - Local	\$1,861,632	\$1,941,496	\$1,941,496	\$1,991,781
State:				
State DMHMRSAS ¹	\$14,738,851	\$14,745,585	\$16,668,691	\$15,694,221
State Other	155,088	180,234	161,268	141,138
Subtotal - State	\$14,893,939	\$14,925,819	\$16,829,959	\$15,835,359
Federal:				
Block Grant	\$4,787,148	\$4,748,813	\$4,827,100	\$4,737,424
Direct/Other Federal	1,974,718	1,491,704	2,237,703	1,480,763
Subtotal - Federal	\$6,761,866	\$6,240,517	\$7,064,803	\$6,218,187
Fees:				
Medicaid Waiver	\$1,699,662	\$1,592,531	\$1,592,531	\$1,533,586
Medicaid Option	5,912,177	5,477,599	6,595,237	7,487,555
Program/Client Fees	4,500,178	3,929,673	4,053,884	5,072,457
CSA Pooled Funds	1,377,538	1,483,346	1,483,346	1,302,029
Subtotal - Fees	\$13,489,555	\$12,483,149	\$13,724,998	\$15,395,627
Other:				
Miscellaneous	\$96,450	\$75,443	\$75,443	\$75,443
Subtotal - Other	\$96,450	\$75,443	\$75,443	\$75,443
Total Revenue	\$37,103,442	\$35,666,424	\$39,636,699	\$39,516,397
Transfers In:				
General Fund (001)	\$82,067,279	\$90,977,221	\$90,977,221	\$96,307,302
Total Transfers In	\$82,067,279	\$90,977,221	\$90,977,221	\$96,307,302
Total Available	\$123,454,089	\$126,764,403	\$133,511,798	\$136,782,642
Expenditures:				
CSB Administration	\$3,718,758	\$3,793,859	\$4,185,098	\$3,915,392
Mental Health Services ²	51,986,731	54,674,952	57,788,927	59,712,638
Mental Retardation Services	34,706,549	37,614,089	38,017,143	38,896,503
Alcohol and Drug Services	26,361,794	26,804,749	28,390,283	28,550,972
Early Intervention Services	3,782,379	3,755,996	4,171,404	4,748,194
Total Expenditures	\$120,556,211	\$126,643,645	\$132,552,855	\$135,823,699
Total Disbursements	\$120,556,211	\$126,643,645	\$132,552,855	\$135,823,699
Available Balance	\$2,897,878	\$120,758	\$958,943	\$958,943

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¹ This total does not include all of the state funds allocated to the Fairfax-Falls Church Community Services Board (CSB) that are used to provide services to CSB clients. In FY 2007, an estimated \$13.1 million in state funds will support \$26.21 million in community Medicaid services paid directly by the State to private providers. In addition, the above total does not include state support for atypical medications required by patients discharged from state mental health facilities to CSB-supported programs. In FY 2007, an estimated \$2.8 million in state funds will provide for these expensive medications for CSB clients.

² In order to account for expenditures in the proper fiscal year, an audit adjustment in the amount of \$1,600 has been reflected as an increase to FY 2005 expenditures to accurately record expenditure accrual. The audit adjustment has been included in the FY 2005 Comprehensive Annual Financial Report (CAFR). Details of the FY 2005 audit adjustment will be included in the FY 2006 Third Quarter Package.