

**Department of Behavioral and Developmental Services and Community Services Board
Addendum I
FY2026 AND 2027: Administrative Requirements and Processes and Procedures**

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Appendix E: Administrative Requirements for Accounts Receivables

Background

A. CSB Responsibilities

1. Before the end of the first quarter of FY27, the established small workgroup comprised of Chief Executive Officers (CFO) and Executive Directors (ED) and DBHDS representatives shall meet to revise the current language in this section with key performance indicators that take in consideration but not limited to the following:

1. Clean Claim Rate (CCR)
2. Days in Accounts Receivable (A/R)
3. Initial Denial Rate
4. Monitoring A/R aging
5. Final Denial Write-offs
6. Net collection rates
7. Eligibility conversion rate

8. CSB shall develop and implement systems that are adequate to properly account for and report their client receivables.
9. CSB shall establish and implement receivable collection policy that includes procedures for billing, re-billing, processing denials and write offs. Such procedures should address the frequency of billing, monitoring of denials and frequency of re-billing such denials of client receivables.
10. CSB shall write off client receivable accounts when all collection procedures have been exhausted and categories of such write offs need to be defined in their receivable policy.
11. CSB shall collect minimum prescribed information from clients including their insurance information that aids in collecting receivables.
12. CSB shall strive to consistently pursue client receivables collect its client receivables including Medicaid, Medicare, and third-party insurers and limit the percentage of receivables over 120 days

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The Department of Medical Assistance Services, in cooperation with DBHDS, shall (i) develop and implement a targeted review process to assess the extent to which CSBs are billing for Medicaid-eligible services they provide, (ii) determine if additional technical assistance and training, in coordination with Medicaid managed care organizations, is needed on appropriate Medicaid billing and claiming practices to relevant CSB staff, and (iii) evaluate the feasibility of a central billing entity, similar to the Federally Qualified Health Centers, that would handle all Medicaid claims for the entire system. The Department shall report the results of these targeted reviews, any technical assistance or training provided in response, and on the feasibility of central billing to the Chairs of the House Appropriations and Senate Finance and Appropriations Committees by December 1, 2024.

DBHDS currently looks at the client receivables as part of our CSB reviews, and the data collected shows that some of the CSBs are not billing or processing denials timely. These changes will allow DBHDS to identify causes for these issues and educate CSBs how they can increase collections in the long run. This would also allow DBHDS to have more visibility to the client receivables and deliver specific recommendations to resolve issues. This will also allow CSBs to identify problem areas more closely and the training and resources needed to rectify issues.

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(excluding self-pay) to 15% or less of the total AR (excluding self-pay) unless actively collecting on those accounts.

B. Department Responsibilities

1. ~~Before the end of the first quarter of FY27, Department shall convene meeting with the established small workgroup comprised of CFOs and EDs to revise the current language in this section with key performance indicators that take in consideration but not limited to the following: Clean Claim Rate (CCR)~~

2. Days in Accounts Receivable (A/R)

3. Initial Denial Rate

4. Monitoring A/R aging

5. Final Denial Write-offs

6. Net collection rates

7. Eligibility conversion rate

8. The Department shall attend the established VACSB State Steering Committee meetings that address issues around collecting receivables.

9. The Department shall attend VARO (Virginia Association of Reimbursement Officers) conference that address issues around collecting receivables.

10. The Department shall consult with the CSB Executive Director and/or Chief Executive Officer in advance of sharing data with the General Assembly, Behavioral Health Commission, JLARC or posting on any public facing dashboards.

C. Reporting Requirements

CSB shall report total client receivables, including accounts aged 30 days, 31-60 days, 61-90 days, 91-120, 120 days and over, by payor type, to DBHDS Finance on a quarterly basis within 30 days of the close of the quarter using the established DBHDS report template. CSB shall send the reports to sharon.wilson@dbhds.virginia.gov

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Deleted: Eric Billings, Deputy Director of Fiscal Services and Grants Management at eric.billings@dbhds.virginia.gov.

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~~Appendix F: Regional Program Operations Operating Principles~~

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A regional program can be a highly effective way to allocate and manage resources, coordinate the delivery and manage the utilization of high cost or low incidence services, and promote the development of services where economies of scale and effort could assist in the diversion of individuals from admission to state facilities.

A regional program is funded by the Department through the community services board or behavioral health authority, hereafter referred to as the CSB, and operated explicitly to provide services to individuals who receive services from the CSBs participating in the program. A regional program may be managed by the participating CSBs or by one CSB, have single or multiple service sites, and provide one or more types of service. A regional program also may include self contained, single purpose programs (e.g., providing one type of core service, usually residential) operated by one CSB for the benefit of other CSBs or programs contracted by one CSB that serve individuals from other CSBs.

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Each individual receiving services provided through a regional program must be identified as being served by a particular CSB. That CSB will be responsible for contracting for and reporting on the individuals that it serves and the services that it provides; and each individual will access services through and have his or her individualized services plan managed by that particular CSB.

Regional Program Operating Principles

The regional program operating principles provide guidance for CSBs to implement and manage identified regional programs and to account for services provided by the programs. The principles also provide guidance for the Department to monitor regional programs on a more consistent basis.

1. Regional Program Funding: Depending on the design of a regional program, the Department may disburse state and/or federal funds for a regional program to each participating CSB or to one CSB that operates a regional program or agrees to serve as the fiscal agent for a regional program. All regional programs shall be included in the performance contract and reflected in required reports.

- a. If the Department disburses regional program funds to each participating CSB, each participating CSB shall follow existing performance contract and report requirements and procedures for that portion of the regional program funded by that CSB.
- b. If the Department disburses regional program funds to a CSB that operates a regional program on behalf of the other CSBs in a region, the operating CSB shall follow existing performance contract and report requirements and procedures, as if the regional program were its own program.
- c. If the Department disburses regional program funds to a CSB that has agreed to serve as the fiscal agent (fiscal agent CSB) for the regional program, disbursements will be based on, accomplished through, and documented by appropriate procedures, developed and implemented by the region.
- d. When funds are disbursed to a fiscal agent CSB, each participating CSB shall identify, track, and report regional program funds that it receives and spends as funds for that regional program. Each participating CSB, including the fiscal agent CSB, shall reflect in its financial and program reports only its share of the regional program, in terms of individuals served, services provided, funds received, expenses made, and costs of the services. Any monitoring and reporting of and accountability for the fiscal agent CSB's handling of state or federal funds for a regional program shall be accomplished through the performance contract and reports. Alternately, if the participating CSBs elect, each CSB may perform these functions for its share of the regional program.

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- e. When funds are disbursed to a fiscal agent CSB that pays a contract agency to deliver regional program services, the fiscal agent CSB and participating CSBs may elect to establish an arrangement in which the fiscal agent CSB reports all of the funds and expenditures in the fiscal report while the participating CSBs and the fiscal agent CSB report information about the program service delivery. Alternately, if the participating CSBs elect, the fiscal agent CSB may admit the individuals served by other participating CSBs and, for purposes of this regional program, treat those individuals as its own for documentation and reporting purposes.
2. Regional programs should receive the same state funding increases as regular CSB grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.
- a.
- 3. Financial Reporting:** All funds, expenses, and costs for a regional program shall be reported to the Department only once; they may be reported by individual CSBs, the CSB that serves as the fiscal agent, or both, depending on how the regional program is designed and operates. For example, the fiscal agent CSB might report the revenues and expenses for a regional program provided by a contract agency, and a CSB that refers individuals it serves to that regional program may report the service and cost information related to those individuals.
- 4. Consumer Reporting:** Each individual who receives services through a regional program shall be reported to the Department only once for a particular service. However, an individual who receives services from more than one CSB should be reported by each CSB that provides a service to that individual. For example, if an individual receives outpatient mental health services from one CSB and residential crisis stabilization services from a second CSB operating that program on behalf of a region, the individual would be admitted to each CSB and each CSB would report information about the individual and the service it provided to the individual.
- 5. Service Reporting:** Each service provided by a regional program shall be reported only once, either by the CSB providing or contracting for the service or the CSB that referred individuals it served to the regional program operated or contracted by another CSB or by the region.
- 6. Contracted Regional Programs:** When the case management CSB refers an individual to a regional program that is operated by a contract agency and paid for by the regional program's fiscal agent CSB, the case management CSB shall report the service and cost information, and funding and expense information. Alternately, if the participating CSBs elect, the fiscal agent CSB could admit the individual for this service and report information about the individual receiving services, services, costs, funds, and expenses itself; in this situation, the case management CSB would report nothing about this service.

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7. **Transfers of Resources Among CSBs:** CSBs may transfer state, local, and federal funds to each other to pay for services that they purchase from each other.

8. **Regional Administrative and Management Expenses:** CSBs and the Department have provider and local or state authority roles that involve non-direct services tasks such as utilization management and regional authorization committees. These roles incur additional administrative and management expenses for the programs. CSBs shall report these expenses as part of their costs of delivering regional services. The Department shall factor in and accept reasonable administrative and management expenses as allowable costs in regional programs in accordance with the DBHDS Federal and State Indirect Cost Rate Policy.

9. **Local Supplements:** If a CSB participating in a regional program supplements the allocation of state and/or federal funds received by the CSB operating that program through transferring resources to the operating CSB, the participating CSB shall show the transfer as an expense on financial forms but not as a cost on service forms in its performance contract and reports. Then, the participating CSB will avoid displaying an unrealistically low service cost in its reports for the regional program and double counting individuals served by and service units delivered in the regional program, since the operating CSB already reports this information.

10. **Balances:** Unexpended balances of current or previous fiscal year regional program funds should not be retained by the participating CSBs to which the regional fiscal agent CSB or the Department disbursed the funds, unless this is approved by the region for purposes that are consistent with the legislative intent of the Appropriation Act item that provided the funds. Otherwise, the balances should be available for redistribution during the fiscal year among participating CSBs to ensure maximum utilization of these funds. CSBs shall follow Appendix C of this Addendum. Each region shall establish procedures for monitoring expenditures of regional program funds, and redistributing those unexpended balances to ensure that uses of those funds are consistent with the legislative intent of the Appropriation Act item that provided the funds.

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11. **Issue Resolution:** Regional program funding issues, such as the amount, sources, or adequacy of funding for the program, the distribution of state allocations for the regional program among participating CSBs, and financial participation of each CSB whose individuals receive services from the regional program, should be resolved at the regional level among CSBs participating in the program, with the Department providing information or assistance as needed or required.

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Regional Program Models

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

1. Operating CSB-Funded Regional Program Model

1. The CSB that operates a regional program receives state and/or federal from the Department for the program. The operating CSB provides the services, projects the total funding and cost for the regional program in its performance contract and contract revision(s), and reports all data on total actual individuals served, units of service(s) delivered, ~~Community Consumer Submission 3 (CCS 3) extracts and reports~~ funding, expenses, costs, and static capacities ~~in its CARS~~. Other CSBs, which refer individuals to the regional program for services, ~~project and report nothing for the regional program in their contracts for the program service or financial data, CARS reports, or CCS 3 extracts.~~
2. The operating CSB admits individuals receiving services from the regional program to the applicable program area (all MH, DV, or SA services) and develops individualized services plans (ISPs) for them for service(s) provided by the regional program. When individuals complete receiving all services from the regional program, they are discharged from the applicable program area by the operating CSB, unless they are receiving other services in that program area from that operating CSB. If individuals are also receiving services from the operating CSB in another program area, the CSB admits them to that program area. The operating CSB provides appropriate information about the services provided and other clinical information to the CSB that referred the individual to the regional program for clinical record keeping purposes at the referring CSB.
3. The operating CSB is responsible for ensuring that all data is accurately maintained ~~in that the appropriate information about individuals and services in the regional program is entered into its information system, so that the information can be extracted by the CCS 3 and reported in the CCS 3 and applicable CARS reports. Thus, for performance contract and reporting purposes, on individuals receiving services from a regional program operated by that CSB, are reported by that operating CSB.~~
4. Each of the other CSBs with individuals receiving services from this regional program admits those individuals to the applicable program area and provides a service, such as case management, consumer monitoring, or another appropriate service, but not in service(s)

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provided by the regional program. Thus, individuals receiving services from a regional program will appear in the data reporting ~~CCS 3 extracts for two CSBs, but not for the same services.~~

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5. ~~If the other CSBs with individuals receiving services from this regional program provide additional funds to the operating CSB to supplement the funds that the operating CSB receives from the Department for the regional program, the other CSBs show the revenues and expenses for this supplement on the financial forms in their performance contracts, contract revisions, and reports. However, the other CSBs do not show any services provided, individuals served, or costs for the regional program's services on the service forms in their contracts, revisions, or reports. These other CSBs include an explanation on the Financial Comments page of the difference between the expenses on the financial forms and the costs on the service forms. The operating CSB shows the services provided, individuals served, and total costs (including costs supported by supplements from the other CSBs) for the regional program's services on its service forms, but it does not show any revenues or expenses associated with the supplements on the financial pages in its contract, contract revision(s), and reports. The operating CSB includes an explanation of the difference between the expenses on the financial forms and the costs on the service forms on the Financial Comments page.~~

6. All of the CSBs, to the extent practicable, determine individual CSB allocations of the state and/or federal ~~and sometimes other funds received from the Department, based on service utilization or an agreed upon formula in collaboration with the Department.~~

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

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~~8. This model also could be adapted by a region to handle its LIPOS services, if one CSB receives all of the LIPOS funds, admits all of the individuals receiving LIPOS services, and pays all of the LIPOS providers. Participating CSBs should negotiate this adaptation with the Department.~~

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2. All Participating CSBs-Funded Regional Program Model

1. Each CSB that participates and receives state and/or federal ~~sometimes other funds from the Department for the regional program, Each participating CSB may supplement this amount with other funds available to it if the funds received from the Department are not sufficient to cover the regional program's expenses. Each participating CSB uses those funds to purchase services from the regional program for the individuals it serves, projects the funding and cost for the regional program in its performance contract and reports actual individuals served and units of service(s) delivered, funding, expenses, costs, and static capacities in its performance contract reports (CARS) only for the individuals it serves.~~

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2. The regional program operated by one of the participating CSBs functions like a contract agency provider. All of the individual, service, static capacity, funding, expense, and cost information for the whole program is maintained separately and is not included in the contract, contract revision(s), program and financial reports ~~(CARS), and CCS 3 extracts of the CSB~~

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~~operating the program. The participating CSBs, including the CSB operating the program, include only the parts of this information that apply to the individuals it serves in their contracts, contract revisions, reports, and extracts. The regional program is licensed by the Department, when applicable, and develops and maintains individualized services plans (ISPs) for individuals that it serves.~~

~~3. Each participating CSB admits individuals receiving services from the regional program to the applicable program area (all MH, DV, or SA services) for the services provided by the regional program. The services provided by the regional program are listed in the ISPs maintained by the participating CSBs for these individuals. When individuals complete receiving all services from the regional program, they are discharged from the applicable program area by the participating CSB, unless they continue to receive other services in that program area from that participating CSB. The regional program provides appropriate information about the services provided and other clinical information to the CSB that referred the individual to the program, as any contract agency would provide such information to the contracting CSB.~~

~~4. Each participating CSB, including the CSB operating the regional program, ensures that the appropriate information about the individuals it serves and their services is entered into its information system, so that the information can be extracted by the CCS 3 and reported in the CCS 3 submissions and applicable CARS reports for that participating CSB.~~

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~~5. Regional programs should receive the same state funding increases as regular CSB grant-funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.~~

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3. Fiscal Agent CSB-Funded Regional Program Model

~~1. One CSB receives state and/or federal ~~sometimes other~~ funds from the Department and acts as the fiscal agent for a regional program. The Department disburses the regional allocation to the fiscal agent CSB on behalf of all CSBs participating in the regional program.~~

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~~2. The fiscal agent CSB, in collaboration with the other participating CSBs, develops agreed-upon procedures that describe how the CSBs implement the regional program and jointly manage the use of these funds on a regional basis. The procedures also establish and describe how unused funds can be reallocated among the participating CSBs to ensure the greatest possible utilization of the funds. These procedures should be documented in a regional memorandum of agreement (MOA) that is available for review by the Department.~~

~~3. The fiscal agent CSB receives the semi-monthly payments of funds from the Department for the regional program. The fiscal agent CSB disburses the regional program funds to individual CSBs, including itself when applicable, in accordance with the procedures in paragraph 2. The fiscal agent CSB displays such disbursements on a Transfer In/Out line of the applicable resources page in its final performance contract revision and its reports. The other CSBs~~

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receiving the transferred funds show the receipt of these funds on the same line. CSBs provide more detailed information about these transfers on the Financial Comments pages of contract revisions and reports.

4. Each CSB implementing a regional program accounts for and reports the funds and expenses associated with the program in its final performance contract revision and CARS reports. The fiscal agent CSB displays the total amount of the allocation as funding and all Transfers Out in its financial CARS reports, but it only displays in its reports the expenses for any regional program that it implements.

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5. As an alternative to items 1 through 4 above for certain programs, such as the Discharge Assistance Program, and with the concurrence of the Department, instead of one CSB acting as a fiscal agent, all CSBs participating in that program establish a regional mechanism for managing the use of the regional program funds. The CSBs decide through this regional management mechanism how the total amount of funds for the program should be allocated among them on some logical basis (e.g., approved regional discharge assistance program ISPs). The region informs the Department of the allocations, and the Department adjusts the allocation of each participating CSB and disburses these allocations directly to the participating CSBs. Those CSBs agree to monitor and adjust allocations among themselves during the fiscal year through this regional management mechanism to ensure the complete utilization of these regional program funds, in accordance with the MOA in item 2 above.

6. Each CSB implementing a regional program ensures that appropriate information about the individuals it serves and their services is entered into its information system, so that the CCS 3 can extract the information and report it in the CCS 3 submissions and applicable CARS reports.

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

A variation of this model, the Fiscal Agent CSB-Funded Regional Local Inpatient POS Program Model, can be used to implement and manage regional local acute psychiatric inpatient bed purchases.

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

1. One CSB agrees to act as the fiscal agent for the regional Local Inpatient Purchase of Services (LIPOS) program. The Department disburses the regional LIPOS allocation to the fiscal agent CSB on behalf of all of the CSBs participating in the regional LIPOS program.

2. The fiscal agent CSB, in collaboration with all of the participating CSBs and with consultation from the Department, develops procedures that describe how the CSBs will implement the regional LIPOS program and jointly manage the use of these funds on a regional basis. The procedures include regional utilization management mechanisms, such as regional

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authorization committees (RACs) and regional procurements of beds through contracts with private providers. Such contracts may reserve blocks of beds for use by the region or purchase beds or bed days on an as available basis. The procedures also establish and describe how unused funds can be reallocated among the participating CSBs to ensure the greatest possible utilization of the funds. These procedures should be documented in a regional memorandum of agreement (MOA) that is available for review by the Department.

3. The fiscal agent CSB receives the semi-monthly payments of funds from the Department for the regional LIPOS program. The fiscal agent CSB disburses regional LIPOS funds to individual CSBs or uses such funds itself to pay for the costs of local inpatient hospitalizations that have been approved by a regional review and authorization body established by and described in the MOA in item 2 of this section. The fiscal agent CSB displays such disbursements on a Transfer In/Out line of the mental health resources page in its final performance contract revision and reports, and the CSB receiving the transferred funds shows the receipt of these funds on the same line. CSBs provide more detailed information about these transfers on the Financial Comments page of contract revisions and reports.

4. The CSB that purchases local inpatient services accounts for and reports the funds and expenses associated with its LIPOS in its final performance contract revision and financial reports. The fiscal agent CSB displays the total amount of the allocation as funds and all Transfers Out in its CARS reports, but it displays in its reports only the expenses for its own LIPOS.

5. The CSB that purchases the local inpatient services ensures that appropriate information about individuals, services, and costs is entered into its management information system, so that the CCS 3 can extract the information and report it in the CCS 3 submissions and applicable CARS reports.

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

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

1. One CSB receives state and/or federal ~~sometimes other~~ funds from the Department and acts as the fiscal agent for a regional program that is contracted by this fiscal agent CSB to a public or private agency. The Department disburses the regional allocation to the fiscal agent CSB on behalf of all CSB participating in the contracted regional program.

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2. The fiscal agent CSB contracts with and provides set monthly payments to a regional program provided by a public or private contract agency on behalf of all of the CSB participating in this regional program. The contract may purchase a pre-set amount of specified services from the

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~~contract agency and pay the agency a predetermined cost, whether or not the participating CSBs use the services.~~

~~3. Each participating CSB referring one of the individuals it serves to this contracted regional program admits the individual, enrolls him in the regional program service, and refers him to the contract agency. The contract agency provides information to the referring (case management) CSB, and that CSB maintains information about the individual and the service units in its information system, where the CCS 3 can extract the information.~~

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~~4. The fiscal agent CSB provides program cost information to each referring CSB, based on its use of the regional program, and the referring CSB enters this information in the cost column of the program services form (pages AP-1 through AP-4) but does not enter any funding or expenditure information in its performance contract report (CARS). The fiscal agent CSB enters the funding and expenditure information associated with the regional program on the financial forms in its performance contract report, but it enters cost information on the program services form only for the individuals that it referred to the regional program. Each CSB will explain the differences between the financial and program service forms in its performance contract report on the Financial Comments page. The Department will reconcile the differences among the participating CSBs' reports using these comments. Because of the difficulty in calculating the program cost information for each participating CSB, program cost information would only need to be included in end of the fiscal year performance contract (CARS) reports.~~

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~~5. All of the participating CSBs, to the extent practicable, determine individual CSB allocations of the state and sometimes other funds received from the Department, based on service utilization or an agreed-upon formula in collaboration with the Department.~~

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~~6. Regional programs should receive the same state funding increases as regular CSB grant funded activities, such as the salary increases for community services provided from time to time by the General Assembly in the Appropriation Act.~~

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~~This model also could be adapted by a region to handle its LIPOS services, if one CSB acts as the fiscal agent and pays all of the LIPOS providers. This adaptation should be negotiated with the Department by the participating CSBs.~~

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Regional Program Procedures

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A regional program is funded by the Department through the community services board or behavioral health authority, hereafter referred to as the CSB and operated explicitly to provide services to individuals who receive services from the CSBs participating in the program.

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1. Purpose

The CSB may collaborate and act in concert with other CSBs or with other CSBs and state hospitals or training centers, hereafter referred to as state facilities, to operate regional programs, provide or purchase services on a regional basis, conduct regional utilization management, or engage in regional quality improvement efforts. Regional programs include **but limited to** regional discharge assistance programs (RDAP), local inpatient purchases of services (LIPOS), and other programs such as residential or ambulatory crisis stabilization programs. These procedures apply to all regional programs. While this appendix replaces earlier regional memoranda of agreement (MOAs), CSBs, state facilities, private providers participating in the regional partnership, and other parties may still need to develop MOAs to implement specific policies or procedures to operate regional or sub-regional programs or activities. Also, an MOA must be developed if a regional program intends to establish a peer review committee (e.g., a regional utilization review and consultation team) whose records and reviews would be privileged under § 8.01-581.16 of the Code of Virginia. When the CSB receives state **and/or** federal funds from the Department for identified regional programs or activities, it shall adhere to the applicable parts of these procedures, which are subject to all applicable provisions of the community services performance contract. In the event of a conflict between any regional program procedures and any provisions of the contract, provisions of the contract shall **prevail**.

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2. Regional Management Group (RMG)

- a. The participating CSBs **and/or** state facilities shall establish an RMG. The executive director of each participating CSB and the director of each participating state facility shall each serve on or appoint one member of the RMG. The **RMG shall manage the regional program and coordinate the use of funding provided for the regional program, review the provision of services offered through the regional program, coordinate and monitor the effective utilization of the services and resources provided through the regional program, and perform other duties that the members mutually agree to carry out.** An RMG may deal with more than one regional program.
- b. Although not members of the RMG, designated staff in the Central Office of the Department shall have access to all documents maintained or used by this group, pursuant to applicable provisions of the performance contract, and may attend and participate in all meetings or other activities of this group.
- c. In order to carry out its duties, the RMG may authorize the employment of one or more regional managers to be paid from funds provided for a regional program and to be employed by a participating CSB. The RMG shall specify the job duties and responsibilities for and supervise the regional manager or managers.

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3. Regional Utilization Review and Consultation Team (RURCT)

- a. The RMG shall establish a RURCT pursuant to § 8.01-581.16 of the Code of Virginia to, where applicable:
 - 1.) review the implementation of the individualized services plans (ISPs) or individualized Discharge Assistance Program plans (IDAPPs) developed through the regional program to ensure that the services are the most appropriate, effective, and efficient services that meet the clinical needs of the individual receiving services and report the results of these reviews to the RMG;

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- 2.) review individuals who have been on the state facility extraordinary barriers to discharge list for more than 30 days to identify or develop community services and funding appropriate to their clinical needs and report the results of these reviews and subsequent related actions to the RMG;
 - 3.) review, at the request of the case management CSB, other individuals who have been determined by state facility treatment teams to be clinically ready for discharge and identify community services and resources that may be available to meet their needs;
 - 4.) facilitate, at the request of the case management CSB, resolution of individual situations that are preventing an individual's timely discharge from a state facility or a private provider participating in the regional partnership or an individual's continued tenure in the community;
 - 5.) identify opportunities for two or more CSBs to work together to develop programs or placements that would permit individuals to be discharged from state facilities or private providers participating in the regional partnership more expeditiously;
 - 6.) promote the most efficient use of scarce and costly services; and
 - 7.) carry out other duties or perform other functions assigned by the RMG.
- b. The RURCT shall consist of representatives from participating CSBs in the region, participating state facilities, private providers participating in the regional partnership, and others who may be appointed by the RMG, such as the regional manager(s) employed pursuant to section II.C. The positions of the representatives who serve on this team shall be identified in local documentation.
 - c. The RURCT shall meet monthly or more frequently, when necessary, for example, depending upon census issues or the number of cases to be reviewed. Minutes shall be recorded at each meeting. Only members of the team and other persons who are identified by the team as essential to the review of an individual's case, including the individual's treatment team and staff directly involved in the provision of services to the individual, may attend meetings. All proceedings, minutes, records, and reports and any information discussed at these meetings shall be maintained confidential and privileged, as provided in § 8.01-581.17 of the Code of Virginia.
 - d. For the regional program, the RURCT or another group designated by the RMG shall maintain current information to identify and track individuals served and services provided through the regional program. This information may be maintained in participating CSB information systems or in a regional data base. For example, for the RDAP, this information shall include the individual's name, social security number or other unique identifier, other unique statewide identifier, legal status, case management CSB, state hospital of origin, discharge date, state re-hospitalization date (if applicable), and the cost of the IDAPP. This team shall maintain automated or paper copies of records for each RDAP-funded IDAPP. Changes in responsibilities of the case management CSB, defined in the core services taxonomy, and the transfer of RDAP funds shall be reported to the Offices of Grants Management and Mental Health Services in the Department as soon as these changes or transfers are known or at least monthly.
 - e. For RDAP, the RURCT shall conduct utilization reviews of ISPs as frequently as needed to ensure continued appropriateness of services and compliance with approved IDAPPs and reviews of quarterly utilization and financial reports and events related to the individual such as re-hospitalization, as appropriate. This utilization review process may result in revisions of IDAPPs or

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adjustment to or redistribution of RDAP funds. This provision does not supersede utilization review and audit processes conducted by the Department pursuant to the performance contract.

- f. Although not members of the RURCT, designated staff in the Central Office of the Department shall have access to all documents, including ISPs or IDAPPs, maintained or used by this body, pursuant to applicable provisions of the performance contract, and may attend and participate in all meetings as non-voting members and in other activities of this team.

4. **Operating Procedures for Regional Programs:** These operating procedures establish the parameters for allocating resources for and monitoring continuity of services provided to individuals receiving regional program services. Some of the procedures apply to regional programs generally; others apply to particular regional programs, although they may be able to be adapted to other regional programs.
 - a. Funding for a regional program shall be provided and distributed by the Department to participating CSBs or to a CSB on behalf of the region through their community services performance contracts in accordance with the conditions specified in the contract, often in an Exhibit D.
 - b. Each participating CSB or a CSB on behalf of the region shall receive semi-monthly payments of state funds from the Department for the regional program through its community services performance contract, as long as it satisfies the requirements of this appendix and the performance contract, based upon its total base allocation of previously allotted and approved regional program funds.
 - c. Participating CSBs and state facilities shall develop agreed-upon procedures that describe how they will implement a regional program and jointly manage the use of regional program funds on a regional basis. These procedures shall be reduced to writing and provided to the Department upon request.
 - d. Regional program funds may be used to support the activities of the RMG and RURCT.
 - e. Within the allocation of funds for the regional program, funds may be expended for any combinations of services and supports that assure that the needs of individuals are met in community settings. ISPs or IDAPPs must be updated and submitted, as revisions occur or substitute plans are required, to the RMG for approval according to procedures approved by the RMG.
 - f. Regional program funds used to support ISPs or IDAPPs shall be identified on a fiscal year basis. Amounts may be adjusted by the RMG to reflect the actual costs of care based on the regional program's experience or as deemed appropriate through a regional management and utilization review process.
 - g. The CSB responsible for implementing an individual's regional program ISP or IDAPP shall account for and report the funds and expenses associated with the regional program ISP or IDAPP in its community services performance contract and in its quarterly performance contract reports submitted through to the Department.
 - h. The CSB responsible for implementing an individual's regional program ISP or IDAPP shall ensure that the appropriate information about that individual and his or her services is entered into its management information system so that the information can be through reports to the Department.

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- i. The participating CSBs may use regional program funds to establish and provide regional or sub-regional services when this is possible and would result in increased cost effectiveness and clinical effectiveness.
- j. Operation of a RDAP is governed by the Discharge Assistance Program Manual issued by the Department and provisions of Exhibit C of the performance contract.

5. General Terms and Conditions

- a. CSBs, the Department, and any other parties participating in a regional program agree that they shall comply with all applicable provisions of state and federal law and regulations in implementing any regional programs to which these procedures apply. The CSB and the Department shall comply with or fulfill all provisions or requirements, duties, roles, or responsibilities in the current community services performance contract in their implementation of any regional programs pursuant to these procedures.
- b. Nothing in these procedures shall be construed as authority for the CSB, the Department, or any other participating parties to make commitments that will bind them beyond the scope of these procedures.
- c. Nothing in these procedures is intended to, nor does it create any claim or right on behalf of any individual to any services or benefits from the CSB or the Department.

6. Project Management

- a. The Department shall be responsible for the allocation of regional program state and federal funds and the overall management of the regional program at the state level.
- b. The RMG shall be responsible for overall management of the regional program and coordination of the use of funding provided for the regional program in accordance with these procedures.
- c. The CSB shall be responsible for managing regional program funds it receives in accordance with these regional program procedures.
- d. Payments generated from third party and other sources for any regional program shall be used by the region or CSB to offset the costs of the regional program. The CSB shall collect and utilize all available funds from other appropriate specific sources before using state and federal funds to ensure the most effective use of these state and federal funds. These other sources include Medicare; Medicaid-fee-for service, targeted case management payments, rehabilitation payments, and ID waiver payments; other third-party payors; auxiliary grants; SSI, SSDI, and direct payments by individuals; payments or contributions of other resources from other agencies, such as social services or health departments; and other state, local, or Department funding sources.
- e. The Department may conduct on-going utilization review and analyze utilization and financial information, and events related to individuals served, such as re-hospitalization, to ensure the continued appropriateness of services and to monitor the outcomes of the regional program. The utilization review process may result in adjustment to or reallocation of state general and federal funding allocations for the regional program.