

**National Alliance on Mental Illness of Virginia (NAMI)
Testimony to the Senate Finance Health and Human Resources Subcommittee
January 26, 2009**

Governor Kaine proposes closing the Commonwealth Center for Children and Adolescents (CCCA) in Staunton (by June 30, 2009) and the adolescent unit at Southwestern Virginia Mental Health Institute (SWVMHI) in Marion (by March 1, 2009). This action will eliminate all of the Commonwealth's public inpatient psychiatric services for children (844 children and adolescents served in FY08).

Questions remain about:

- the principle of reinvestment into the community
- how or whether certain children will be served by the private sector
- the Commonwealth's role as safety net provider
- the proposed \$2.1 million in funding

Community Reinvestment

- During the last three gubernatorial administrations, Virginia policy makers have repeatedly committed themselves to strengthening its community-based system of care in part by transferring funds to the *community* mental health system when those funds are freed up by the closure of a mental health facility. In fact, protecting these funds was, until now, the cornerstone of Virginia's mental health reform.
- Only part of the funds freed up by the closure of these two units will be allocated for purchasing beds from private providers and beyond that, no additional funds will be reinvested into the community to strengthen or develop services for children and adolescents.
- **Closing public acute care facilities without investing in community-based services does not move Virginia closer to a comprehensive community-based system of care.**
- No new services are being proposed to expand greatly needed mental health services for children and adolescents.

Operational Costs	Savings/General Fund
Facility closure – SWVMHI	(\$1,400,000)
Facility closure – CCCA	(\$8,300,000)
Local provider bed purchases	\$2,100,000
FY 2010 net savings	\$7,600,000

How or whether certain children will be served by the private sector

The challenge of “unwilling” facilities must be addressed if this proposal is to be carried out with success.

- At the present time much of the **private sector is currently unable or unwilling** to serve many children who are admitted to CCCA/SWVMHI: those who are court-involved, those with severe aggression, those with complex co-occurring medical or developmental conditions, and other children with very special and complex situations.
- Local psychiatric hospitals have the right to refuse to admit specific individuals even under Temporary Detention Orders, thereby becoming “unwilling” facilities for those particular admissions.

- Many children served in the private sector have health insurance but exhaust their benefits during inpatient stays. When this occurs but hospital-based care is still needed, CCCA often steps in as the safety net provider and the child is transferred there to carry out his/her care. It is unclear how this problem will be resolved within the private sector. Is there a way to ensure care when benefits are exhausted, even if the child does not meet continued stay criteria? Will the proposed funding cover children in these scenarios? Will the private sector take on the role of “safety net”?
- If private providers are able to become “willing” providers, it will be critical to ensure that the care is adequate, safe, appropriate, and meeting the needs of children/adolescents.

Elimination of Publicly Supported Safety Net for Children and Adolescents

- The Commonwealth of Virginia has historically assumed responsibility for ensuring that a psychiatric in-patient safety net exists for youth and adults in need who are experiencing acute psychiatric emergencies and are at risk of harming themselves or others.
- In order to fulfill this safety net role, Virginia has operated CCCA and the adolescent unit at SWVMHI.
- **If CCCA and the children’s unit at SWVMHI are closed, will that mean that Virginia has abdicated its role and responsibility for ensuring that a publicly funded psychiatric safety net exists for children and adolescents?**

Proposed \$2.1 million for Private Bed Purchase is Inadequate

- The proposed \$2.1 million a year is inadequate to pay for the needed number of private beds. The intent is for that money to cover the children who are uninsured and currently served by the state, but it is not clear whether that includes those who technically may be insured but who have exhausted their benefits or do not meet continued stay criteria. CCCA often serves as a critical safety net for children who do have insurance but their benefits have been exhausted.
- The proposed \$2.1 million does not address the need for specialized services such as secure facilities to serve children in the custody of the juvenile justice system or children with complex or co-occurring medical or developmental disorders.
- **The administration has said that in calculating the proposed allocation, it assumed the current Medicaid rate (\$625 per day) for an average length of stay (LOS) of 10 days, based on the average LOS for adults in inpatient settings. However the average LOS for children at CCCA is 21 days, calling into question the adequacy of the proposed funding for private bed purchases.**

Long-term Vision

- If and when hospital closure is considered appropriate, there must be full-reinvestment into the community to help strengthen the community-based system of care
- A viable and definitive plan that addresses the concerns raised from the proposal
- Services provided by both private and public sector to meet the needs effectively
- Retention of “safety net” by the public sector to ensure that children receive services when the private sector is unable or unwilling.
- Community-based system of care that is comprehensive, responsive and flexible to the needs of youth and their families, available in the least restrictive setting preferably close to home or the child’s social, emotional, and family supports
- Stakeholder involvement throughout the planning and implementation process to ensure the best results possible

Thank you for all you have done in the past. Please continue your support!

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