

GUIDELINES FOR THE USE OF MENTAL HEALTH INITIATIVE (MHI) FUNDS

I. Background

The Mental Health Initiative (MHI) Fund was established by the General Assembly in FY 2000 to create a dedicated source of funding (\$4,125,000) for mental health and substance abuse services for children and adolescents with serious emotional disturbances (SED) who are not mandated for the Comprehensive Services Act (CSA). In FY 2002, the General Assembly added additional funding (\$2,000,000) to the MHI Fund, created in prior years. The increased allocation provides for a total of \$6,125,000 in MHI funding. Specific language from the Appropriation Act states:

“Out of this appropriation shall be provided from the general fund \$6,125,000 the first year and \$6,125,000 the second year for mental health services for children and adolescents with serious emotional disturbances and related disorders. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall provide these funds to community services boards through the annual Performance Contract. These funds shall be used exclusively for children and adolescents, not mandated for services under the Comprehensive Services Act for At-Risk Youth, who are identified and assessed through the Family and Assessment Planning Teams and approved by the Community Policy and Management Teams of the localities. The Department shall provide these funds to the community services boards based on an individualized plan of care methodology.”

As these funds have been the subject of considerable discussion among state and local agencies involving troubled youth and their families, this document is intended to provide clarity for localities on the intent of the funds and guidance regarding their appropriate use. Although these funds are designed to address some of the gaps in funding for services for non-CSA mandated children and adolescents, in addition to this dedicated source of funding, a collaborative, interagency approach with creative and innovative treatment strategies will be necessary to serve this challenging population of children and families in need.

II. Principles for The Use of Mental Health Initiative Funds

The following are principles to consider when determining the appropriate use of MHI funds. These principles should be reflected in Community Services Board (CSB) policies and procedures governing the use of MHI funds. The principles are designed to facilitate the consistent use and management of these funds across Virginia in FY 2006 and beyond.

- MHI funds must be used exclusively to serve new, currently unserved children and adolescents or provide additional services to underserved children and adolescents with serious emotional disturbances and related disorders that are not mandated to receive services under the CSA. Children and adolescents must be under 18 years of age at the time services are initiated.
- Services must be based on the individual needs of the child or adolescent and must be included in an individualized services plan. Services must be child-centered, family focused, and community-based. The participation of families is integral in the planning of these services.

- CSBs must develop referral and access protocols that assure effective linkages with key stakeholder agencies and entities in the community (e.g., CSA, social services, schools, and juvenile justice services, detention centers).
- Services should be provided in the least restrictive and most appropriate settings, including homes, schools, pre-schools, community centers, group homes, and juvenile detention centers.
- All available funding sources must be accessed to provide services for these children and adolescents prior to utilizing the MHI funding. These sources include, but are not limited to, CSA non-mandated funding, Medicaid, Children’s Medical Security Insurance Plan, Family Access to Medical Insurance Security, private insurance, and other federal, state, or local funds. Other federal or state funds include: Promoting Safe & Stable Families funds, mental health federal block grant funds, Virginia Juvenile Community Crime Control Act funds, and other state mental health general funds used by CSBs for child and adolescent services.

III. Target Population for Mental Health Initiative Funds

The target population to be exclusively served with MHI funds is children and adolescents with serious emotional disturbance and related disorders who are not mandated for services under the CSA. Serious emotional disturbance in children is defined in DBHDS state board policy as follows:

- (1) A defined serious mental health problem that can be diagnosed under DSM-IV and/or all of the following:
- (2) Problems in personality development and social functioning that have been exhibited over at least one year's time; and
- (3) Problems which are significantly disabling based upon the social functioning of most youngsters their age; and
- (4) Problems that have become more disabling over time; and
- (5) Service needs that require significant intervention by more than one agency.

Related disorders are not defined in the appropriations act language. However, the assumption for the purposes of these guidelines is that the language “related disorders” allows the necessary flexibility to serve children with mental health or co-occurring mental health and substance abuse problems who may not fit the definition above but who, in the opinion of Community Services Board clinical staff, are in need of services that can only be provided with the use of MHI funding.

IV. Appropriate Services to be Supported by Mental Health Initiative Funds

- CSBs must follow the DBHDS Core Services Taxonomy (currently version 7.1) categories and subcategories in providing, contracting for and reporting these services. However, some flexibility exists in consultation with the OCFS to assure that the needs of individual children are met.
- Services that are most appropriate for use of these funds include: emergency, local inpatient, outpatient, intensive in-home, therapeutic day treatment, alternative day support (including specialized after school and summer camp, behavior aide, or other wrap-around services), and highly intensive, intensive, supervised family support services (including therapeutic foster care or residential respite care).
- Given the population to be served, children and adolescents with serious emotional disturbances, services need to be appropriately intensive and comprehensive. Prevention and early intervention services are not appropriate uses of these funds.

- In general, services should have the purpose of keeping children in their homes and communities and preserving families whenever possible.
- All expenditures should be linked to an individualized service plan for an individual child. Expenditures may be for something that is needed by more than one child, providing it can be linked to the individualized service plan of each child.
- CSBs may use MHI funds to support personnel used to provide services to children and families. For example, the funds may be used to create a position dedicated to serving the non-CSA mandated population of children in the community; however, as stated above, each service provided should be linked to an individualized service plan for an individual child.
- **MHI funds may not be used for residential care services or for CSA-mandated populations. In addition, MHI funding may not be used to purchase furniture, supplies or computers.**

V. Funding Allocation Procedures

DBHDS will provide the MHI funds to CSBs through the community services performance contract process. The funds are restricted; CSBs must account for and report the receipt and expenditure of these funds separately. CSBs will report on the use of these funds through performance contract reports and the Community Consumer Submission, adhering to the current Core Services Taxonomy 7.1 descriptions and classifications of services.

DBHDS will distribute the funds in the regular semi-monthly electronic funds transfers, beginning with the July 1 payment of each state fiscal year. DBHDS will continue to allocate existing funds to each CSB in the same amounts as FY 2004. CSBs will take all necessary actions to ensure the complete use of their allocations of these funds.

DBHDS allocated the original appropriation using the CSA formula. DBHDS applied the CSA formula to the \$4,125,000 original allocation to establish an amount for each city and county. In FY 2005, the increased appropriation of \$2,000,000 was uniformly allocated to each CSB resulting in an additional \$50,000.00 in each CSBs funding amount. CSB allocations of MHI funding are attached to this document. While this approach has remained consistent across the intervening years, DBHDS recognizes that there have been some inconsistencies or misunderstandings about how these dollars can be used. DBHDS has used the CSA formula only to calculate individual CSB allocations. DBHDS is not authorized to allocate state or federal funds to individual cities and counties; it allocates and disburses funds only to CSBs. While each CSB allocation consists of amounts identified for each city or county, these allocations represent pools of funds that CSBs may use across their service areas to provide services. If a CSB wishes to retain any current funding protocol that reserves or allocates amounts of funds to individual localities, the protocol must contain guidelines for tracking utilization of dollars and re-allocating those funds if expenditure patterns result in projected balances. A CSB can use funds in its allocation to serve any non-mandated child or adolescent in its service area, as long as the preceding requirements are satisfied.

VI. Mental Health Initiative Fund Protocol

Because flexibility and interagency collaboration are necessary when using these funds, each CSB must work collaboratively with its local FAPT(s) and CPMT(s) to establish a MHI Fund Protocol to specifically outline how these funds will be used to serve the non-CSA mandated population in the CSB's catchment areas. The CSB shall seek input and guidance in the formulation of the protocol from other CSA member agencies.

The MHI Fund Protocol shall at minimum:

- 1) Clearly articulate the target population to be served within the SED, non-CSA mandated population;
- 2) Establish defined protocols and procedures for accessing services, ensuring that all key stakeholder agencies have a method to link into services;
- 3) Clearly articulate the kinds or types of services to be provided; and
- 4) Provide for a mechanism for regular review and reporting of MHI expenditures.

Although MHI funds are provided to local CSBs for services, each CSB must ensure that the FAPT(s) and CPMT(s) have had the opportunity to give input to and review its protocol for MHI funds. A copy of the plan should be kept on file at the CSB and be provided to the Office of Child and Family Services.

VII. Accountability and Reporting Requirements for Mental Health Initiative Funds

- The CSB will maintain an open/enrolled case and case record on all children receiving MHI-funded services.
- DBHDS will establish a mechanism for regular review and reporting of MHI expenditures. This information will be reported through the Community Consumer Submission (CCS) by designating the child with a 915 code.
- CSBs should ensure that all funds are obligated by June 30th of each year, with all funds being expended by September 30th of each year.