

Agency Name:	Department Of Mental Health		
Agency Code:	J120	Section:	35



Fiscal Year FY 2025-2026

Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS <i>(FORM B1)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
	<input type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS <i>(FORM B2)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS <i>(FORM C)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting funding for Capital Projects.
	<input type="checkbox"/>	Not requesting any changes.

PROVISOS <i>(FORM D)</i>	For FY 2025-2026, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Robert Bank, MD	(803) 898-8339	Robert.Bank@scdmh.org
SECONDARY CONTACT:	Lee Bodie	(803) 210-0918	Robert.Bodie@scdmh.org

I have reviewed and approved the enclosed FY 2025-2026 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

SIGN/DATE: TYPE/PRINT NAME:	<u>Agency Director</u>	<u>Board or Commission Chair</u>

This form must be signed by the agency head – not a delegate.

Agency Name:	Department Of Mental Health
Agency Code:	J120
Section:	35

BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	B1 - Recurring	State Mandated Programs	20,762,000	0	0	0	20,762,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Olmstead Efforts	3,054,000	0	0	0	3,054,000	0.00	0.00	0.00	0.00	0.00
3	B1 - Recurring	Inpatient Services - Hospital Bed Capacity	12,400,000	0	0	0	12,400,000	0.00	0.00	0.00	0.00	0.00
4	B1 - Recurring	Community Support	4,800,000	0	0	0	4,800,000	0.00	0.00	0.00	0.00	0.00
5	C - Capital	Inpatient Services Capital Needs	10,670,000	0	0	0	10,670,000	0.00	0.00	0.00	0.00	0.00
TOTALS			51,686,000	0	0	0	51,686,000	0.00	0.00	0.00	0.00	0.00

Agency Name:	Department Of Mental Health		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	State Mandated Programs
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$20,762,000 Federal: \$0 Other: \$0 Total: \$20,762,000
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
	<input type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS	1.1.7 Services will be received by residents that require them.
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	The primary recipient of the funds would be the agency and the agency's contractor(s)
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

Background:

SC Department of Mental Health (SCDMH) is statutorily mandated to provide the State of South Carolina's forensic programming and to operate the Sexually Violent Predator Treatment Program (SVPTP). SVPTP has seen increased demands for evaluation and treatment every year.

The agency's request details the forecasted cost associated with maintaining the services required by the state below:

- **State of South Carolina's Forensic Programming - \$13,762,000**
- **Sexually Violent Predator Treatment Program - \$2,000,000**
- **Statewide Alternative Transportation Program - \$4,500,000**
- **State of South Carolina's Psychiatric Residential Treatment Facility (PRTF) - \$500,000**

If this request is not funded, the State of South Carolina is at high risk of litigation from state and federal jurisdictions for failure to meet the constitutional and statutory requirements that protect its citizens. Because SCDMH's provision of forensic services is required by state statute, failure to receive adequate funding puts all of SCDMH's other programs not required by statute at risk, including civil psychiatric hospitals and other inpatient services for adults and children, and community mental health services for adults and children.

State of South Carolina's Forensic Programming - \$13,762,000

SCDMH is statutorily charged by the Supreme Court of South Carolina with responsibility for the care and treatment of individuals found not guilty by reason of insanity (NGRI) adjudicated defendants, regardless of whether the defendants are hospitalized or released to community care. Once hospitalized, SCDMH may not release a defendant to community care without approval of the Chief Administrative Judge [SC Code Ann. 17-24-40(c)]. Demand for evaluation and hospital admission continues to increase, increasing overall program census and associated daily costs. Additional evaluator time is also required to meet that increase in referral rate and the associated statutorily required forensic evaluations that must be completed within statutory timelines. Forensic programming includes:

- Treatment of individuals in a secured setting who are deemed not guilty by reason of insanity (NGRI) and are civilly committed to SCDMH's forensic hospital
- Treatment of adults and juveniles found not competent to stand trial and ordered for competency restoration by the circuit or family courts, to be provided either in a secured inpatient setting, jail-based program, or outpatient setting
- Treatment for individuals civilly committed who are not competent and not restorable by the probate courts as referred from the circuit courts
- Evaluations of adults and juveniles for competency to stand trial
- Evaluations of adults and juveniles for criminal responsibility and capacity to conform
- Statewide monitoring of compliance with release orders for NGRI individuals in the community who have been discharged from SCDMH inpatient hospitals for the time-period consistent with the maximum penalty considered for their crime

Consistent with nationwide trends, demand for statutorily mandated forensic services in South Carolina continues to increase, resulting in a growing delay in admissions. Other states are facing costly litigation over forensic treatment delays. SCDMH has been under court monitoring of its forensic delays in admission for over 20 years and has been particularly challenged to meet the 40% increase in demand for forensic assessments since the pandemic. To meet these increased demands, SCDMH proposes to expand forensic capacity by increasing community jail-based competency restoration programming, additional beds for forensic inpatient commitments, and increased cost for medically fragile Forensic patients to receive necessary treatments/care.

If the agency's request is not funded or funded partially, the agency will be required to continually reduce capacity in non-statutorily mandated programs throughout the agency including but not limited to reductions in civil committed hospitalization and community-based programs.

Sexually Violent Predator Treatment Program - \$2,000,000

The Sexually Violent Predator (SVP) Act in the South Carolina Code of Laws Annotated §§ 44-48-10 *et seq.* The SVP Act applies to 1) a person who has been convicted of, and served their criminal sentence for, a sexually violent offense; and 2) likely to reengage in acts of sexual violence if not confined in a secure facility for long-term control, care, and treatment. Persons committed under the Act are confined to the South Carolina Department of Mental Health's custody, often for decades. The program is located on the grounds of the SC Department of Corrections. The SVPTP is operated by an independent contractor.

There has been a dramatic increase in referrals for SVPTP evaluation for potential commitment to the program (more than doubled from FY22 to FY23). The annualization represented in this request is the amount associated with the continued operation and growth of this program. These are legally mandated services and there are no options for reducing capacity. There are strict evaluation timelines that must be met per the statute, or the agency could face contempt of court.

Alternative Transportation - \$4,500,000

SCDMH was provided nonrecurring funding from the General Assembly in FY24-25 to expand the pilot program statewide to transport non-violent adult psychiatric patients who are the subject of an involuntary psychiatric emergency admission. Transport is provided by a private contractor utilizing specially equipped unmarked vehicles and drivers with mental health training wearing professional civilian attire.

SCDMH requests recurring funds to continue the current program statewide and to support ongoing operating expenses. To date, approximately 2,500 transports have been completed utilizing this program. The program does not replace the need for law enforcement to provide some patient transports, however, the program has proven to significantly reduce the number of law enforcement transports and provides a more appropriate means of transportation that alleviates the stigma and reduces patient anxiety and stress for those non-violent patients who have committed no crime.

State of South Carolina's Psychiatric Residential Treatment Facility (PRTF) - \$500,000

The PRTF will be primarily designed to safely and securely treat juveniles committed to the Department of Juvenile Justice (DJJ) who have been determined pursuant to [S.C. Code Ann. Section 63-19-1450] to have a mental illness requiring transfer to SCDMH for treatment, and whose needs require a period of treatment in a psychiatric residential treatment facility, but whose needs cannot be met in a private facility. The requested funds account for recurring operating expenses based on rates in contractor operator rates, a scaled plan to reach full occupancy, and projected revenue.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Mental Health		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Olmstead Efforts
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$3,054,000 Federal: \$0 Other: \$0 Total: \$3,054,000
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input checked="" type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input checked="" type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input checked="" type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	1.2.2, 1.3.1 Services will be received by patients that require them. All funds will be monitored for their proper disbursement and utilization.
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

	SCDMH gives priority to adults, children, and their families affected by serious mental illnesses and significant emotional disorders. The agency is committed to eliminating stigma and promoting the philosophy of recovery, to achieving our goals in
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RECIPIENTS OF FUNDS

collaboration with all stakeholders, and to assuring the highest quality of culturally competent services possible. The requested funds are expended by the Department for the benefit of individual patients by providing needed mental health services.

The overall recipients of the funds allocated will be FTEs through salaries and fringe, as well as contractors and vendors the agency works with to provide services to our patients.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

In January 2022, the US Department of Justice ("DOJ") notified South Carolina that it was investigating an allegation that the state violated the Americans with Disabilities Act ("ADA") by unnecessarily housing patients in Community Residential Care facilities. The state, including SCDMH, cooperated with the DOJ's investigation by providing relevant data and information to the DOJ. In July 2023, the DOJ issued a report finding evidence that South Carolina violated the ADA. DMH disputes the finding by the DOJ, however, the DOJ's report provided SCDMH with an opportunity to improve patient care and avoid a legal dispute. The parties have engaged in negotiations to settle the matter. The details of the ongoing negotiations are confidential, but the negotiation has been positive. SCDMH supports increasing services for patients to assist in increased independent living within the community.

The agency's request demonstrates the proposed settlement's items to-date detailed below:

- **Assertive Community Treatment (ACT)** - \$1,100,000
- **Second Mobile Crisis teams statewide** - \$817,000
- **Housing coordinators** - \$557,000
- **Peer-Support Staff** - \$400,000
- **Second Peer-Support Living Room** - \$180,000

If the agency's requests below are not funded, the probability of litigation is extremely probable and could result in higher costs to the state.

Assertive Community Treatment (ACT) - \$1,100,000

ACT is an assertive and intensive mental health service that facilitates independence, community living, psychological rehabilitation, and recovery for individuals through a multi-disciplinary and team-based approach.

Second Mobile Crisis Teams Statewide - \$817,000

Over the course of three years, every mental health center in South Carolina must have a second Mobile Crisis Team to respond to psychiatric crises. The program requires redundancy to address simultaneous psychiatric emergencies. This is the first of three reoccurring requests.

Housing Coordinators - \$557,000

SCDMH must have a dedicated housing coordinator at every mental health center to assist patients with finding affordable housing in the least restrictive setting based on their level of care and need.

Peer-Support Staff - \$400,000

SCDMH must have two Certified Peer Support Specialists (CPSS) at every mental health center, in addition to the specialists on the ACT teams, to better serve the needs of the serious mentally ill (SMI) population. CPSSs are people with lived experience who have "walked the walk" of a recovery journey. Clinical staff heavily rely upon CPSSs to engage staff who otherwise may never adhere to treatment recommendations. Patients who are successfully engaged in care are less likely to present to emergency departments (EDs), hospitals, or in the criminal justice system.

Second Peer-Support Living Room - \$180,000

The Living Room Model is designed to de-escalate mental health crises in a house-like facility staffed with mental health professionals and peer support specialists who can address the needs of the individual in crisis. This model serves individuals who are referred from places such as emergency departments.

JUSTIFICATION OF REQUEST

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Mental Health		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	3
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Inpatient Services - Hospital Bed Capacity
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$12,400,000 Federal: \$0 Other: \$0 Total: \$12,400,000
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Services will be available to people in need.</p> <p>1.1.3</p> <p>Inpatient psychiatric services will be available when needed.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	<p>SCDMH gives priority to adults, children, and their families affected by serious mental illnesses and significant emotional disorders. It is committed to eliminating stigma and promoting the philosophy of recovery, to achieving our goals in collaboration with all</p>
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FUNDS

stakeholders, and to assuring the highest quality of culturally competent services possible. The requested funds are expended by the Department for the benefit of individual patients by providing needed mental health services.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

Background:

SC Department of Mental Health (SCDMH) operates the State of South Carolina's psychiatric hospital system which includes G. Werber Bryan Psychiatric Hospital (BPH) and Patrick B. Harris Psychiatric Hospital (Harris). Over the past several years, SCDMH has utilized non-recurring cash reserves to fund the current operations of these hospitals while it audited the processes and procedures used to operate them.

The agency's request details the forecasted cost associated with maintaining the services requested by the state below:

- ***Patrick B. Harris Psychiatric Hospital*** - \$7,000,000
- ***G. Werber Bryan Psychiatric Hospital*** - \$5,400,000

If this request is not funded the agency will continue to operate but will be required to reduce functioning to meet budgetary limitations.

Patrick B. Harris Psychiatric Hospital - \$7,000,000

Harris provides inpatient psychiatric services to adults. Harris is licensed by the South Carolina Department of Public Health, accredited by The Joint Commission, and certified by Centers for Medicare and Medicaid Services. Patients are admitted primarily from the thirteen counties of the upstate of SC with referral from community mental health centers. The majority of patients are civil involuntary admissions. Harris offers a continuum of care from acute services designed to return patients to community treatment, to long-term treatment with referral to other community resources (e.g., apartments, community care homes, or nursing homes).

G. Werber Bryan Psychiatric Hospital - \$5,400,000

G. Werber Bryan Psychiatric Hospital (BPH) provides inpatient psychiatric and forensic treatment and evaluation services to adults, and psychiatric and substance use disorder treatment to children and adolescents. BPH has three campuses that provide 24-hour assessment, evidence-based treatment, and evaluation of individuals experiencing a mental health disorder. BPH offers a continuum of care from acute services designed to return adult patients admitted from throughout the state with referrals from community mental health centers. Most patients are civil involuntary admissions.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Mental Health		
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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	4
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Community Support
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Provide a brief, descriptive title for this request.

AMOUNT	General: \$4,800,000 Federal: \$0 Other: \$0 Total: \$4,800,000
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input checked="" type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input checked="" type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	1.2.2, 1.3.1 SCDMH tracks every community bed day procured and has an established procedure in place to ensure compliance with policies. The Department has an established qualified provider list (QPL) and closely monitors with which contractor is utilizing funding.
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF	SCDMH gives priority to adults, children, and their families affected by serious mental illnesses and significant emotional disorders. It is committed to eliminating stigma and promoting the philosophy of recovery, to achieving our goals in collaboration with all
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stakeholders, and to assuring the highest quality of culturally competent services possible. The requested funds are expended by the Department for the benefit of individual patients by providing needed mental health services.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

Background:

South Carolina Department of Mental Health (SCDMH) Community Mental Health Centers provide a wide array of intensive mental health services to children, adolescents, adults, and families with severe symptoms of mental illness, substance abuse (dual diagnosis) and/or emotional distress who are residents of South Carolina with a facility serving every county through the state. Following a thorough assessment, treatment plans are tailored to meet the needs of each individual patient. Services may include individual, group, and family therapy with a trained therapist, psychiatric medical assessments with a psychiatrist or nurse practitioner, supportive nursing services, crisis intervention, and care coordination.

The agency’s request details the forecasted cost associated with maintaining the services requested by the state below:

- **Community Hospital Bed Days - \$2,000,000**
- **Columbia Crisis Stabilization Unit - \$1,000,000**
- **Out of Home Placements - \$1,000,000**
- **Berkeley and Orangeburg County Jail Based Programs - \$800,000**

Community Hospital Bed Days - \$2,000,000

SCDMH requests the above additional recurring funds to pay for indigent patients’ psychiatric bed days in private community hospitals. This gives acute psychiatric patients the ability to stay in their community while alleviating stress in emergency departments and increasing their capacity to serve other patients. It also provides more rapid access to treatment and more appropriate care for psychiatric patients.

The requested funds are used to contract with community and private hospitals statewide to pay for indigent patients’ psychiatric hospital admissions. The funding has been very beneficial in enabling community and private hospitals to increase the number of indigent patients they are admitting, benefiting both the patients and the hospital emergency departments around the State where such patients are often held awaiting the acceptance into an available psychiatric hospital bed. If the request isn’t funded the agency will continue operating the programing at the FY25 level of recurring funding.

Columbia Crisis Stabilization Unit - \$1,000,000

Crisis Stabilization Units (CSUs) are short-term residential psychiatric programs where non-violent persons in a behavioral crisis can be cared for and safely assessed, generally as a more appropriate and less expensive alternative to a hospital emergency department or inpatient psychiatric hospital unit. The Columbia Crisis Stabilization Unit has been developed utilizing one-time appropriated funding with the anticipation of serving 100 patients monthly or 1,200 patients annually. The recurring funding is for the operational cost associated with the function of a 24-hour facility.

Out of Home Placement - \$1,000,000

An out of home placement refers to a situation where a child or adolescent is removed from his or her home and placed in a treatment setting. These placements include a Psychiatric Residential Treatment Facility or Group Home for youth with severe emotional issues that cannot be addressed in the community. The Department spends approximately \$1 million annually on these services from non-recurring sources.

Berkeley and Orangeburg County Jail Based Programs - \$800,000

The Department is requesting recurring funding to replace the non-recurring funds received over the past several fiscal years used to support the pilot program between the Berkeley Community Mental Health Center and the Berkeley County Sheriff’s Department Hill-Finklea Detention Center. Some individuals who are incarcerated have a diagnosable serious mental illness. The Berkeley program demonstrates that increased access to care decreases safety concerns and recidivism post release from the detention center. The agency is seeking to continue the program in Berkeley County and continue the second program in Orangeburg County.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

Agency Name:	Department Of Mental Health		
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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	5
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Inpatient Services Capital Needs
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Provide a brief, descriptive title for this request.

AMOUNT	\$10,670,000
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How much is requested for this project in FY FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	<p>Harris - Anti-Ligature Bathroom Renovations – CPIP Year FY24 and #2</p> <p>CFSH – Campus Electrical Distribution System – CPIP Year FY24 and #1</p> <p>CFSH – Bldg 29 Makeup Air Unit Replacement – CPIP Year FY24 and #49</p> <p>Morris Village – Underground Chilled Water Piping – CPIP Year FY24 and #31</p> <p>Morris Village – Sidewalks and Drainage – CPIP Year FY24 and #25</p> <p><u>Roddey Piping and Flooring Replacement Ward 134 – CPIP Year FY24 and #46</u></p>
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Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	JBRC and SFAA approval is required for this project
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	All Funds shall be from the agency Deferred Maintenance Fund. There will be an expected savings impact on the Operating fund, including maintenance and utility costs.
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

Harris Anti-ligature Bathroom Renovations - \$3,600,000	<p>This will be a phased project completed over several years as funding allows. Renovations in Lodges A, J, and K to meet Joint Commission ligature-resistant standards. Includes replacement of all trim and hardware that contain potential attachment points, including sinks, showers, toilets, and door hardware.</p> <p>The 2015 Joint Commission for Hospital Accreditation report cited Harris Psychiatric Hospital for multiple ligature risks in Lodges A, J, and K. To eliminate these risks, it will</p>
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SUMMARY

require the change out of hinges, lights, locks, sinks in the bathrooms, and other potential attachment points on bedroom doors. The Lodges are all occupied and require work to be completed utilizing a phased approach. This project would fund renovations to the Acute Pods in five Lodges, totaling 12 bathrooms and over 50 doors. The Hospital Risk Management staff has approved a prototype bathroom, and funding has been identified to complete the work. Continued risk to patient safety and loss of accreditation.

Crafts Farrow Campus Electrical Distribution System - \$1,200,000

This is a three-phase project to have Dominion take over and refeed the primary power to each campus, eliminating the switchgear that is over 50 years old and is a single point of failure for three medical facilities and a large support facility. The phases will address the secondary power for the Bryan/Hall/Morris Village, Crafts Farrow State Hospital, and the McLendon building to be fed directly from the new Dominion power lines and transformers, eliminating the dependence on a 50-year-old switchgear.

These buildings are medical treatment facilities and support buildings that treat Psychiatric and Drug and Alcohol Addiction patients. The stability of the power grid to these facilities is critical due to the nature of the treatment. The patients reside on these campuses 24/7/365 to receive the treatment they need. Loss of power would result in loss of environmental control, security, lights, and communications. This could result in loss of life. While the campus has generators for lights and security, it is not sustainable for long periods. Should the switchgear fail, it could be days before primary power could be re-established to the facilities.

Crafts Farrow Building 29 Makeup Air - \$1,500,000

Building 29 of the CFSH campus is the central kitchen for the Columbia DMH Hospitals, Nursing Homes, a Treatment Center, and other agencies' food service. There are 3 hoods with makeup air attached. When the hoods are running without the makeup air, the building becomes extremely negatively pressured. The existing makeup air system is not conditioned. When the temperatures outside are extreme, the way the existing exhaust hood is designed will dump hot or cold air into the building, depending on the season. By conditioning the makeup air, it will provide a cleaner, safer, and more comfortable place to work.

Morris Village Underground Chilled Water Piping - \$1,650,000

This project will replace the existing underground Chilled Water line feeding from the Bryan Energy Center to the Morris Village campus loop. The Morris Village Underground Chilled Water line was installed in 1975. Over the years, the water treatment has not been consistent, causing issues with the campus's underground piping. While this line has not experienced issues, a high-water table in the location where the pipe runs has caused issues in other lines of similar age supported by the Bryan Energy facility. A rupture of this line would disrupt all of Morris Village until the break could be located and repaired.

Morris Village Sidewalks and Drainage - \$500,000

The Morris Village campus was built in 1977. Over the years, drains have been crushed and repaired, and the sidewalks have settled. This project will address all drainage and safety concerns for the campus sidewalk system, including improved drainage and reduction of trip hazards. When it rains, several pools of water accumulate, causing possible slip or trip hazards. The goal is to provide a safe therapeutic place for patients to recover from their addictions.

Roddey Piping and Flooring Replacement Ward 134 - \$2,220,000

This would be Phase II of a multi-phase project replacing the overhead HVAC and domestic water piping. The project would be phased by Wards. The first phase is Ward 136 and is anticipated to start in late summer 2024. There are 7 Wards to the Roddey building. Along with replacing the HVAC piping the individual room fan coil valves and controls will be moved out to the hall so that it is easier to maintain and less of a maintenance impact or presence for the resident when being serviced.

The Roddey Nursing Home was built in 1983 and the HVAC and domestic water lines are original to the building. Many of the copper lines have leaked and have been patched over time. Many of the pipes have multiple patches/clamps on them to fix the leaks. By replacing the pipes and relocating the valves the facility should have another 30 years of problem-free service with the HVAC and domestic water piping.

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.

FORM D – PROVISO REVISION REQUEST

NUMBER

NEW

Cite the proviso according to the renumbered list (or mark "NEW").

TITLE

Out of Home Placement

Provide the title from the renumbered list or suggest a short title for any new request.

BUDGET PROGRAM

II. Programs and Services, A. Community Mental Health, 2. Projects and Grants

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST

Not applicable

Is this request associated with a budget request you have submitted for FY FY 2025-2026? If so, cite it here.

REQUESTED ACTION

Add

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED

Not applicable

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION

\$900,000 of non-recurring state funding appropriated to Department of Mental Health in FY24 under proviso 118.19 to be utilized for a "state operated group home." The agency has been unsuccessful in identifying any group homes to contract with for the service. The agency requests to utilize this funding to provide out of home placement referrals for the same patient population. An out of home placement refers to a situation where a child or adolescent is removed from their home and placed in a foster care or treatment setting. For DMH, this includes Therapeutic Group Homes for youth with severe emotional issues that because of their family or legal circumstances cannot be treated on an outpatient basis.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

None

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

The Department of Mental Health is authorized to utilize funds previously appropriated in Fiscal Year 2024 under proviso 118.19 for State Operated Group Homes for the purpose of out of home placements. An out of home placement refers to a situation where a child or adolescent is removed from their home and placed in a foster care or treatment setting. This includes Therapeutic Group Homes for youth with severe emotional issues that because of their family or legal circumstances cannot be treated on an outpatient basis.

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

FORM D – PROVISO REVISION REQUEST

NUMBER

117.144

*Cite the proviso according to the renumbered list (or mark "NEW").***TITLE**

Behavioral Health Capacity

*Provide the title from the renumbered list or suggest a short title for any new request.***BUDGET PROGRAM**

Not applicable

*Identify the associated budget program(s) by name and budget section.***RELATED BUDGET REQUEST**

Not applicable

*Is this request associated with a budget request you have submitted for FY FY 2025-2026? If so, cite it here.***REQUESTED ACTION**

Delete

*Choose from: Add, Delete, Amend, or Codify.***OTHER AGENCIES AFFECTED**

Not applicable

*Which other agencies would be affected by the recommended action? How?***SUMMARY & EXPLANATION**

Proviso 177.144 (Behavioral Health Capacity) was first enacted in the FY 2022-23 Appropriations Act. Paragraph G, directing the Department to seek additional sources of reimbursement for its treatment of indigent patients, pursue greater efficiencies in its billing and business practices and comply with federal transparency requirements for its hospital charges, is no longer needed.

During the past 4 years the agency initiated and recently completed a major restructuring of its State hospital and nursing home budget practices, enabling it to now monitor and report accurate and current expenditures by facility by expenditure category, as well as to track current billing and revenue. The Department also completed a multi-million-dollar solicitation for a new commercial electronic health record (EHR) to replace its previous outdated version. A major feature of the new EHR is its ability to accurately capture clinicians bill time and efficiently generate claims for reimbursement. The agency's system of monitoring and incentivizing individual clinician's productivity is reviewed periodically for improvement opportunities.

The agency continues to be very active in seeking available grant funding to improve its clinical services, although its federal grants prohibit using grant funds to supplant State funding. As previously reported, absent the State's expansion of Medicaid or Congress's repeal of the IMD exclusion, there are no other available recurring sources of funding for the mental health services the Department provides to its uninsured and under-insured patients.

The Department also complies with all applicable State and federal laws, including the hospital price transparency rules in 45 C.F.R. Part 180, and has an Office of Quality

Management, Regulatory and Compliance Services which, among other functions, monitors the agency's compliance with billing requirements, and investigates complaints of non-compliance.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

FISCAL IMPACT

None

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

Not applicable

Paste existing text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

Agency Name:	Department Of Mental Health		
Agency Code:	J120	Section:	35

FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION CONTINGENCY PLAN

TITLE	Agency Cost Savings and General Fund Reduction Contingency Plan
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AMOUNT	\$9,568,046
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What is the General Fund 3% reduction amount? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS	Dependent on individual action plans for each location.
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How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM / ACTIVITY IMPACT	Varying programs and activities would be impacted across the agency depending on the actions put in place.
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What programs or activities are supported by the General Funds identified?

SUMMARY	Currently the Agency has a reserve cash balance sufficient to weather a 3% General Fund reduction for at least one full fiscal year. The Agency would use the year to detail a strategic action plan resulting in operating expenditure decreases throughout the entire agency, commensurate with the reduction in the General Fund. The strategic plan would include possible reductions within non-mandated programs throughout. Following the implementation of the reduction plan the Agency would closely monitor all measures and ensure compliance.
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Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

See Form F – Reducing Cost and Burden to Businesses and Citizens

**AGENCY COST
SAVINGS PLANS**

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

Agency Name:	Department Of Mental Health		
Agency Code:	J120	Section:	35

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Greater Efficiency and Savings in Processes
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	Variable based on study findings
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply: <table border="1"> <tr> <td><input type="checkbox"/></td> <td>Repeal or revision of regulations.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Reduction of agency fees or fines to businesses or citizens.</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Greater efficiency in agency services or reduction in compliance burden.</td> </tr> <tr> <td><input type="checkbox"/></td> <td>Other</td> </tr> </table>	<input type="checkbox"/>	Repeal or revision of regulations.	<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.	<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.	<input type="checkbox"/>	Other
<input type="checkbox"/>	Repeal or revision of regulations.								
<input type="checkbox"/>	Reduction of agency fees or fines to businesses or citizens.								
<input checked="" type="checkbox"/>	Greater efficiency in agency services or reduction in compliance burden.								
<input type="checkbox"/>	Other								

METHOD OF CALCULATION	Variable based on study findings
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	Not applicable
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	Not applicable
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

SUMMARY	<p>Among the many measures the department undertakes to reduce costs to taxpayers and demonstrate how funds are being reinvested within the department to better serve the citizens of South Carolina, SCDMH offers the following as examples:</p> <p>SCDMH has worked for the past two years reviewing the financial processes and procedures within its inpatient and long-term care facilities. Throughout the review, the focus has been to determine the appropriate cost needed for the operation of each individual facility while also seeking efficiencies that could be gained through alternate workflows. The department redefined the facilities' procurement processes, moved to a centralization of the financial oversight, and established new workflows for all expenditures to ensure adherence with the new procedures. These actions have resulted in a reduction in overall operating expenditures while allowing for an increase in the overall operating capacity within the reviewed facilities. To continuously monitor the effectiveness, the department has established key performance indicators (KPIs) measured for all facilities. These KPIs are reviewed monthly by all facility directors and senior leadership. By providing department leadership with this holistic view on the financial impacts of each facility, data driven decisions regarding utilization of the finite financial resources can be made with more confidence.</p> <p>The department has continued its efforts by analyzing its utilization of contract staffing personnel in hospitals and long-term care and implemented actions to curb these expenses. A scaled reduction in contract rates in association with the implementation of new FTE salary rates has allowed the agency to expand stability and workforce numbers. The department will be continuing its negotiations with current contract providers as well as seeking new partners that can offer the same level of service but at a more competitive rate. All efforts are being targeted to the expansion of the department's service capacity within its current funding levels</p> <p>The department has implemented a new electronic medical record (EMR) for the</p>
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community mental health centers and enhancements to its inpatient and long-term care facilities EMR. The new system and enhancements will further automate previously manual processes, resulting in less work hours to complete functions and a reduction in claims resubmission rates. These system improvements will allow for a larger portfolio of KPIs to monitor the revenue cycle of individual facilities and productivity for all billing components. The implementation will not only decrease the associated operating cost but is expected to increase revenue from billing due to advancements, the insurance verification, system interoperability, and reduction in claims denials.

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?