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*Agency of Human Services*

**Memo**

**To:** House Corrections and Institutions
**From:** Ken Schatz, DCF Commissioner KAS
**CC:** Chris Cole, BGS Commissioner
Al Gobeille, AHS Secretary
**Date:** January 29, 2019
**Re:** Woodside Updates and Next Steps

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The Woodside Juvenile Rehabilitation Center (Woodside) is a 30-bed locked facility for youth in the custody of the Department for Children and Families (DCF), with a pending or adjudicated delinquency charge. Woodside provides residential treatment that includes psychiatric services, counseling and therapeutic programming for youth in its care. From 2011 through October 1, 2016, Woodside was able to utilize Medicaid dollars through the Global Commitment waiver to support the therapeutic care of youth. However, during the renegotiation of the new Global Commitment waiver the Centers for Medicare and Medicaid Services (CMS) determined that as of October 1, 2016, Woodside could no longer draw down Medicaid funds. CMS made this decision as a result of its determination that youth at Woodside are considered to be "inmates of a public institution" and, therefore are no longer eligible to receive Medicaid funding.

Following this decision and after many meetings with CMS representatives in Baltimore, we identified a path forward to regain Medicaid funding through certification as a psychiatric residential treatment facility (PRTF). PRTF certification was a good fit for Woodside because in 2011 the program, including its psychiatric and clinical services, were modeled after federal PRTF requirements. After many months of work towards final PRTF certification, it became clear that the CMS Boston Regional Office still considered youth served at Woodside as "inmates" notwithstanding the meeting we had in Baltimore or the clinical and therapeutic programming already in place at Woodside. As a result of this difficulty and tension at the federal level, Vermont is not pursuing Medicaid funds for Woodside. In light of this decision, we realized we needed to take this opportunity to consider the future of Woodside.

First, we considered and reviewed utilization of Woodside. Youth served by Woodside typically present violent behavior. The youth at Woodside are there because they require a high level of security due to their risk of harm to themselves or others, and while there, they receive trauma-informed treatment. Historically, Woodside has been asked to serve all youth referred to the program, without respect to whether the youth's needs can be met by the program. They may come in the middle of the night and often arrive with little advance notice. Woodside is the only program in the state that cannot reject youth for admission.

As the most restrictive placement for youth in Vermont, we are always considering whether a youth may be served in a less restrictive setting. Consequently, it is good news that we are seeing a downward trend in the number of youth placed at Woodside. Below is comparative data for calendar years 2014 through 2018.

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| Woodside Census Information | | | | | | | |
|---|---|---|---|---|---|---|---|
| Calendar Year | Number of Admissions | Number of Individual Youth | Average Daily Population | Average Length of Stay | High Daily Population | Low Daily Population | Total Bed Days |
| 2014 | 148 | 105 | 20 | 154 | 25 | 15 | 6817 |
| 2015 | 145 | 101 | 16 | 136 | 22 | 8 | 5875 |
| 2016 | 119 | 87 | 14 | 121 | 18 | 9 | 4960 |
| 2017 | 134 | 87 | 13 | 106 | 20 | 6 | 4613 |
| 2018 | 86 | 64 | 12 | 112 | 16 | 7 | 4281 |

It is noteworthy that the average length of stay (ALOS) and the number of bed days has remained high despite the drop in the number of admissions. We believe this is due to successfully placing youth in less restrictive alternatives, resulting in the youth currently placed at Woodside having greater challenges with higher acuity.

In considering the future of Woodside, we met with our Woodside staff, the Department of Mental Health, the Vermont Coalition of Residential Providers, the Designated Agencies, the Office of the Defender General and Disability Rights of Vermont. After those discussions, we considered three options:

- No secure facility
- A small 15-bed facility used for detention or short-term placement; or
- A 30-bed facility for both short, and long-term treatment.

**No Secure Facility**

After considerable thought and discussion, we believe there is a need for a secure facility for youth in Vermont. There was consensus among service providers of this need for those youth who exhibit aggressive and violent behaviors, who cannot be managed by less secure programs. While our foster homes and residential programs in Vermont manage a wide variety of behaviors, we agree they cannot manage the youth in Vermont who present significant violent behaviors.

**Small 15-Bed Facility for Short-Term Needs**

The current Woodside building is an old, jail-like, inefficient structure that presents a liability for many reasons. In addition to the fact the building does not present as a therapeutic setting, it is also in ill repair with 35 outstanding work orders for repair and maintenance, some dating back to 2017.

If we were to develop a plan for a small secure facility, we would recommend a new, modern structure that is not subject to health and safety concerns and is consistent with Vermont's legislative juvenile justice purpose "to remove from children committing delinquent acts the taint of criminality and the consequences of criminal behavior and to provide supervision, care and rehabilitation...." 33 V.S.A. § 5101 (a)(2).

In considering a small short-term facility, the issue to be addressed is where those youth would go for longer term treatment. They are currently at Woodside because they exhibit aggressive and violent

behaviors requiring a high level of security due to their risk of harm to themselves or others. The clear message we heard from the Vermont Coalition of Residential Providers is that Vermont residential programs cannot provide the high level of security needed for these youth.

Consequently, a significant number of the youth who currently are placed at Woodside, would go to out-of-state programs. Right now, DCF has 57 youth placed in out-of-state programs. These programs can pick and choose which youth they accept; can be expensive; involve challenges for families and our DCF staff to maintain contact; and create obvious difficulties in aftercare and transition back to home communities. We don't support a path that would result in more Vermont youth being sent out of state. Therefore, we don't believe creating a small secure facility is the best approach. Please see below for some 30-bed versus 15-bed program comparative cost information.

**30-Bed Facility for Both Short and Long-Term Treatment.**

We would like to maintain the current approach to programming, with both a short-term and long-term program. A new 30-bed building designed with multiple wings and various levels of security, i.e. staff-secured in addition to locked areas, would allow the facility to accommodate a wing that could provide a separate long-term treatment program. This design is consistent with the existing feasibility study conducted in December 2016 by Duncan Wisniewski Architecture. The FY 19 capital budget included specified funds for the design and planning of a new facility. We are currently waiting on the assignment of a BGS project manager to begin this planning phase and develop next steps.

We believe it is beneficial to the State to build a 30-bed facility with the potential to alleviate the necessity of sending so many youths to out-of-state residential programs. This would allow some of the youth who are currently out of state to be successfully treated here in Vermont.

Our proposed plan is to maintain the status quo of the Woodside program, including the current funding level. We understand that construction of a new Woodside facility is several years in the future. It is noteworthy that Woodside, even without Medicaid funding, is a less expensive program per bed than other intensive residential mental health programs. See attached chart (Appendix A) from the 2018 Legislative Report on AHS Major Facilities.

In considering a 30-bed facility as opposed to a smaller 15-bed short-term facility, cost was a factor that weighed in favor of the 30-bed option. The majority of the costs at Woodside are staffing costs. These costs can be reduced with a smaller facility, but these savings are not worth some of the other costs and associated consequences discussed below, including the fact that even more youth would end up going out-of-state for long-term treatment.

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| Woodside Program Type | Number of Beds | Staffing and Other Costs | Total Woodside Annual Cost |
|---|---|---|---|
| Residential Treatment | 30 | SFY19 Staffing/contracted $5,480,213<br>SFY19 BGS fee for space $237,138<br>SFY19 Other operating $479,457 | $6,196,808 |
| Short-Term/Detention | 15 | Estimated* staffing/contracted $3,559,129<br>BGS fee for space $237,138<br>Estimated other operating $400,000 | $4,196,267 |
| Total Difference | | | ($2,000,541) |

* projects a reduction in 13 Woodside staff persons and a significant reduction in UVM contracted psychiatrists (contract reduction from approximately $270,000 per year now to $60,000 annually with a 15-bed detention facility).

Although we anticipate saving staffing costs with a smaller Woodside facility, we could spend at least this amount and potentially more by sending youth out-of-state and to other programs for long-term treatment. About half of the youth at Woodside currently are there for long-term treatment. Daily rates for facilities that are similar in level of security and safety as compared to Woodside have a daily rate ranging between $275 and $757 per day. Other long-term program options for less secure treatment range from $218 to $696 per day. If we sent 32 youth (half of the number of youth served in calendar year 2018) to other programs because Woodside no longer had a long-term treatment program, with an average cost per day of $500 for 100 days each, it would cost the state $1,600,000 gross (about $739,200 general fund if Medicaid is available for each placement). In these projections, we would be paying for all of the Woodside costs, $4,196,267 for a 15-bed facility plus $739,200 general fund in other long-term placements.

| Estimated Total Costs for Serving Youth with a 15-Bed Short-Term Woodside Program | | Total General Fund |
|---|---|---|
| Woodside Projected Total Costs for 15-Bed Short-Term Program | See table above | $4,196,267 |
| Projected Costs at Other Programs for Youth Who Need Long-Term Treatment and Would No Longer be Served by Woodside | 32 youth annually<br>Average rate $500/day<br>100 days per year for each youth<br><br>32*500*100 = $1,600,000<br><br>State general fund share = $1,600,000 *0.462 = $739,200 | $739,200 |
| Total Estimated Costs for Serving Youth | | $4,935,467 |

While this is a projected total savings of about $1,261,341 in general fund (please see below), we do not believe this amount of general fund is worth the burdens on our staff, youth and families of placing more youth out-of-state in addition to the loss of therapeutic programming with a smaller short-term facility. In addition, there are additional Family Services Division costs that are not reflected in these calculations for staff traveling and monitoring youth who are placed in out-of-state facilities as well as ensuring that youth attend required court hearings in Vermont related to their delinquency cases.

| Comparison | Total General Fund |
|---|---|
| Total Costs of 30-Bed Woodside | $6,196,808 |
| Total Costs of 15-Bed Woodside, including costs of sending long-term youth to other programs | $4,935,467 |
| Total General Fund Savings | $1,261,341 |

Importantly, in considering a 30-bed option over a 15-bed option, quality of care and treatment at Woodside also weighed in favor of a 30-bed program. The transition from a treatment facility to a short-term detention model allows for significant reductions in treatment and education staff and costs, but also means a reduction in therapeutic programming for youth in contrast to our statutory purpose. With the 15-bed option, we would be losing many important services. The cost projections anticipate reducing consulting psychiatric staff from 40 hours to 4 hours per week. This would mean that the psychiatrists' role at Woodside would be limited to prescribing medications with far less contact with the residents and treatment team staff. The projected costs also represent a reduction in education staff in addition to reducing youth counselors, clinical and other staff. Finally, with a reduction in treatment and an increase in "idle time", we anticipate that there would be an escalation in dangerous behaviors by youth and a corresponding increase in high-level interventions at Woodside (restraint and seclusion).

**Program Improvement**

Through this memo, we would also like to share some program improvement initiatives currently happening at Woodside. Woodside has been in the news as of late receiving criticism. DCF and Woodside are committed to continuous quality improvement and the examination of our own practices and procedures. We have recently assigned a seasoned staff member from the Residential Licensing and Special Investigative Unit (RLSI) of the Family Services Division to provide additional on-site oversight of Woodside. The title of this new position is "Quality Assurance and Special Investigator Assigned to the Woodside Juvenile Rehabilitation Center." The position will report directly to the Family Services Deputy Commissioner and Commissioner of DCF in order to provide a direct line of communication with the goal of helping the program maintain compliance with various licensing agency standards and improve program quality.

We are also in the process of retaining an expert consultant through the request for proposal process to evaluate and provide recommendations on de-escalation, restraint and seclusion practices to ensure Woodside is using an evidence-informed model. In 2015, Woodside implemented strategies that reduced the use of restraint and seclusion from 116 restraints and 320 seclusions in 2015, to 36 restraints and 98 seclusions in 2018. During calendar year 2017 there were, on average, only two incidents of restraint and seclusion per month. In 2018, there were on average three incidents of restraint and eight incidents of seclusion per month. No matter this improvement from 2015, Woodside's goal is zero restraint and seclusion. Woodside strives to ensure that youth in the program are treated in the most therapeutic way. We are hoping this expert evaluation and their recommendations will further improve our practices.

The newly, specially assigned Woodside Quality Assurance and Special Investigator is also tasked with leading the charge on other quality improvement initiatives including reviewing the current youth grievance process, establishing a multi-disciplinary team to review grievance trends and make recommendations for systemic improvements, and to take the lead on other specially assigned projects as assigned.

Woodside is the only program in the state that cannot reject youth for admission. Historically, Woodside has been asked to serve all youth referred to the program, without respect to whether the youth's needs can be met by the program. While Woodside is well equipped to serve youth with extreme and/or violent behaviors, it is not equipped to serve youth with acute psychological and medical needs. Woodside is refining its procedures for screening and referral of youth to other, more appropriate inpatient settings when Woodside cannot meet youth clinical needs. In reevaluating the purpose of Woodside and examining how the program fits into the overall system of care for struggling youth, it has become clear that Woodside cannot serve all youth who are referred to the program. We have concluded that there are some youth with acute needs that would be better served in a hospital or a hospital with a step-down program. We are working with system of care stakeholders to identify the current need in Vermont for acute mental health care for youth.

We hope that this information is helpful to you. We will continue to provide updates upon request. Please feel free to reach out with any questions.

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**From the 2018 Legislative Report on AHS Major Facilities:**

## APPENDIX A

| Agency of Human Services - Mental Health Facility Inventory | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Facility Name | Facility Type or Capability (Secure Residential, Residential, Hospital, Nursing Home) | Area of Specialty or Services Provided | Population/ Eligibility Group | Facility Ownership Model (Owned, Leased, For Placement) | Facility Location (Physical Address) | Funding Sources (State General Funds, State Special Funds, Federal, Federal Medicaid, Grant) | Annual Operating Budget (FY17 actuals) | Facility Condition Assessment (excellent, moderate or poor) | Cost per bed | Facility Recommendation | Current census | Capacity | Facility Value (Estimated cost of replacement) | Deferred Maintenance | Staffing for Operations |
| Vermont Psychiatric Care Hospital (VPCH) | Hospital | Mental Health | Adult Involuntary | State of Vermont Owned | 350 Fisher Rd Berlin, VT | Federal Medicaid - Investment | $21,781,327 | Excellent | $ 871,253 | | 25 | 25 beds | 24,000,000 | | 177 |
| Middlesex Therapeutic Community Residence (MTCR) | Intensive Residential/Secure | Mental Health | SPM/CRT eligible/court ordered | State of Vermont Owned-Temporary | 1076 US Rt 2 Middlesex, VT | Federal Medicaid - Program | $2,351,781 | Moderate/poor - facility is failing and was only designed to be temporary | $ 335,969 | Relocate | 7 | 7 beds | | | 31 |
| Woodside Juvenile Rehabilitation Center | Residential | Mental Health | Ages 10-17 | State of Vermont Owned | 26 Woodside Drive East Colchester, VT | General fund but moving to Federal Medicaid - Program | $5,794,394 | Moderate | $ 193,146 | Replace as recommended by the feasibility study | 15 | 30 beds | $20,000,000 | $3,000,000 | 50 |
| Brattleboro Retreat - Level 1 Beds | Residential | Mental Health | Adults | Brattleboro Retreat | Brattleboro, VT | Federal Medicaid | $6,285,072 | | $ 448,934 | | 14 | 14 Beds | | | |

Key:
= Critical risk