



**Fiscal Year 2022 – 2023**

**Agency Budget Plan**

**South Carolina Department of Mental Health  
Summary of Funding Request  
Fiscal Year 2022 - 2023**

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| Total Requests  | <u>\$145,284,475</u> |

## **South Carolina Department of Mental Health**

### **Fiscal Year 2022 - 2023 Budget Request**

#### **Introduction**

The critical issue facing DMH is the agency's dwindling clinical workforce. Recurring funding ties directly into competitive wages that offset turnover, recruitment challenges, and waning staff retention. With the limitations of current staff levels, the agency must restrict the number of available inpatient beds for patients (the census). Other states feel the same strain from the shrinking workforce, also closing units or limiting beds. As they struggle, they are aggressively drawing talent across state lines. For clinical staff, the competitive market is no longer local or regional; it is now national. The competitive nature of this work environment recently intensified as other industries began competing for the same limited resources, further siphoning the available workforce. With these skills in high demand across the country, outside agencies currently offer extremely attractive wages, paying rates 100% above the Department's hourly rate. Meanwhile, the number of patients on wait lists continues to increase at this perilous moment. Outpatient clinical staffing vacancies are also increasingly undermining the Department's ability to service its population.

Staffing challenges threaten all DMH services and facilities within the State.

The infrastructure of DMH, incorporating multiple campuses and facilities, is also reaching a critical point. DMH owns 188 buildings encompassing 2.8 million square feet of space for patients, employees, and operational support. The buildings range in age from three to ninety years old. The land involved with the Department's inpatient, administrative, community, and cemetery properties totals 1,643 acres across the entire State.

DMH's Capital Improvement Project list spans over five years itemizing \$133.4 million dollars of essential projects that address vital infrastructure renovations for continuing operation. The longer these projects suffer delay, the quicker the needs and costs will accelerate spiraling upward.

## Division of Inpatient Services (DIS)

### Workforce

#### 1. Recruitment and Retention for DIS Clinical Areas

**\$8,942,635**

Nurses are vital to every function of the Division of Inpatient Services. The clinical staffing level sets the limits for the quality and the quantity of care provided to the citizens of South Carolina. The agency has been experiencing difficulty in recruiting and retaining nursing staff for a number of years, but the pandemic has made its nurse staffing situation far worse, to the point it is now the biggest challenge facing its hospitals and nursing homes. Vacant nursing positions have already required the agency to reduce its capacity and facility census. Currently, battered by COVID-related hardships and an average age swiftly nearing retirement thresholds, the rapid rate of staff turnover is no longer sustainable. Even with space in its facilities, the department's inability to retain personnel, to replace departing employees, and to recruit new workers *because of an inability to offer competitive wages* further threatens the capacity of DMH. From April through June of 2020, COVID steered a portion of the workforce into telehealth nursing, with many of these individuals not returning to the traditional workforce. This adds to the strain on available resources and continues to drive the number of available and open positions higher.

*While the agency prefers recurring State appropriations funding for its request, the need for increasing clinical staff salaries is clearly linked to the COVID-19 pandemic. Therefore, a portion of this request appears to meet the eligibility criteria for the State's American Rescue Plan Act (ARPA) funding.*

- **Nursing Shortage**

South Carolina has the lowest number of nurses per capita of all the states. (<https://nursejournal.org/articles/the-us-nursing-shortage-state-by-state-breakdown/>)

|                | Total Nurses<br>(2018) | State Population<br>(2019) | Nurses per 1,000<br>Population |
|----------------|------------------------|----------------------------|--------------------------------|
| USA            | 3,956,080              | 328,055,000                | 12.06                          |
| South Carolina | 40,600                 | 5,149,000                  | 7.89                           |

With the COVID-19 pandemic, the nation-wide shortage of nurses is now even greater.

- South Carolina currently has the highest nursing workforce shortage in the nation. The top two reasons are *retirement* and returning to *travel nursing* where a nurse can make as much as \$6,900 per week. There is a major need for nurses in South Carolina.
- According to data obtained by the South Carolina Department of Employment and Workforce, there are currently more than 8,000 job postings for registered

nurses (RNs) in South Carolina, making it the profession with the most openings in the state.

- According to a 2018 National Sample Survey of Registered Nurses conducted by the Health Resources and Services Administration, the average age for an RN is 50 years old, which may signal a large wave of retirements over the next 15 years.
- In DIS over 146 Nurses and Nursing Assistants qualify for retirement. This is over 20% of current staff.
- The southeast region of the United States struggles with the highest turnover rates for nursing.
- Every four years, the average national hospital turns over all nursing assistants.
- First year turnover makes up about 83.3% of a hospital's total turnover within one year of service.

COVID-19 dramatically affected the state of nursing at the South Carolina Department of Mental Health. Vacancy rates remained high, and the volume of called-in absences and non-productive time increased significantly. This required an increased focus on alternative staffing strategies such as float pool, supplemental agency use, overtime strategies, and creative scheduling.

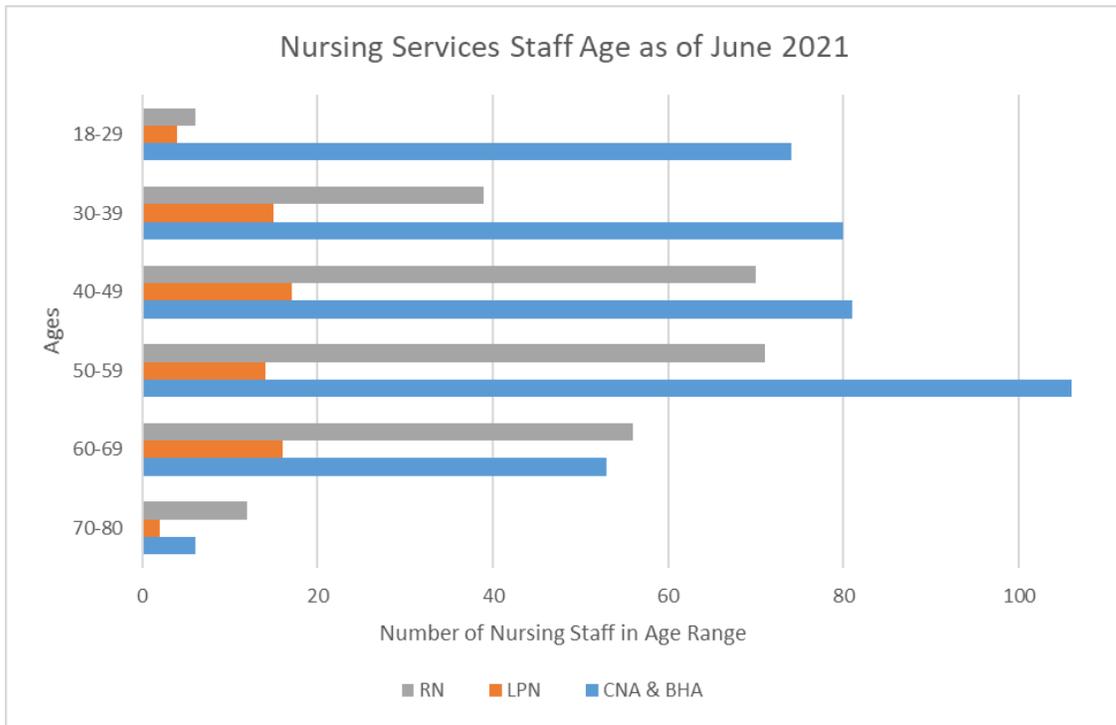
During this state of emergency, the focus is on maximizing safe staffing strategies to meet patient needs and regulatory requirements.

Since March 2020, staff has faced challenges with fearing contracting COVID-19, having an adequate supply of personal protective equipment (PPE), and making the difficult choice of working while caring for children or sick loved ones versus not working at all. Decreasing density at the inpatient or clinical setting often left nursing staff carrying the burden of care. Residents are in a hospital and long term care setting for twenty-four hours a day, seven days a week receiving nursing care. When DIS had to open COVID units to support positive COVID patients/residents with no notice, nursing staff had to work harder, either through laboring overtime or through using the float pool or administrative staff. As a result, many left. Separations are up and new hires are down because of the limited supply of nursing staff in the Columbia and Anderson markets. This reduced the overall amount of relief, requiring the use of overtime to meet regulatory requirements. The facilities are mandated a minimum staffing requirement per SC DHEC, US Centers for Medicare and Medicaid Services, The Joint Commission, and Commission on Accreditation of Rehabilitation Facilities. These requirements also lead to the closure of units from staffing limitations and the adjustments demanded by adjusting to COVID protocols, resulting in increased wait times for patients needing inpatient services.

- **Age of Workforce**

The average age of staff continues to increase. In nursing, this high average age is hazardous to a consistent workforce, especially comparing the percentage of new nurses entering DMH to retirement eligible nursing staff.

The DMH average age for registered nurses (RNs) is **51**, for licensed practical nurse (LPNs) is **49**, and for certified nursing assistants (CNAs) and behavior health associate (BHAs) is **44**.



- **Turnover**

The South Carolina Legislative Oversight Committee released a 2020 study illustrating the historical challenges of staffing turnover.

| Organizational Unit and Description   | Fiscal Year | Average Number of Employees | Turnover Rate |
|---|-------------|-----------------------------|---------------|
| <b>Inpatient Mental Health</b><br>Services delivered in a hospital setting for adult and child Patients whose conditions are severe enough that they are not able to be treated in the community. | 2015-16     | 976.0                       | 25.10%        |
|   | 2016-17     | 924.0                       | 35.50%        |
|   | 2017-18     | 866.0                       | 32.22%        |

([https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/MentalHealth/Full\\_Comm\\_Report\\_DMH\\_2020.pdf](https://www.scstatehouse.gov/CommitteeInfo/HouseLegislativeOversightCommittee/AgencyWebpages/MentalHealth/Full_Comm_Report_DMH_2020.pdf))

Our internal data shows FY21’s turnover rate of 33.29% is consistent with the percentages reported by the committee.

These turnovers led to vast nursing vacancies in the facilities.

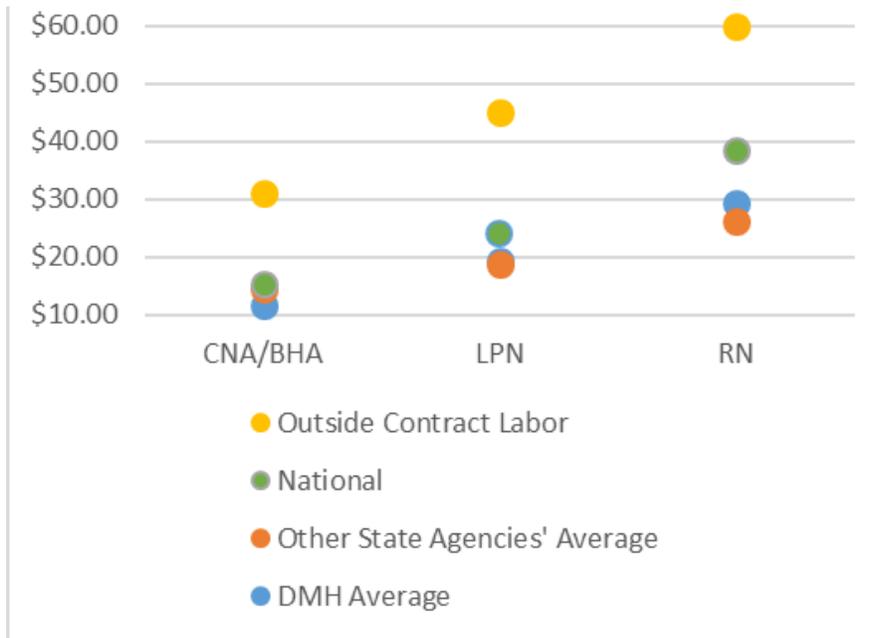
**Vacancies as of 6/30/21**

|                       | <b>RN Vacancies</b> | <b>LPN Vacancies</b> | <b>CNA &amp; BHA Vacancies</b> |
|-----------------------|---------------------|----------------------|--------------------------------|
| <b>Morris Village</b> | 42%                 | 88%                  | 32%                            |
| <b>WSHPI</b>          | 62%                 | -                    | 58%                            |
| <b>Harris</b>         | 26%                 | 55%                  | 40%                            |
| <b>Stone</b>          | 61%                 | 38%                  | 63%                            |
| <b>Roddey</b>         | 29%                 | 61%                  | 54%                            |
| <b>BPH</b>            | 59%                 | 69%                  | 40%                            |
| <b>DIS Float Pool</b> | 75%                 | 100%                 | 43%                            |
| <b>Totals</b>         | <b>46%</b>          | <b>65%</b>           | <b>33%</b>                     |

- **Salary Gap**

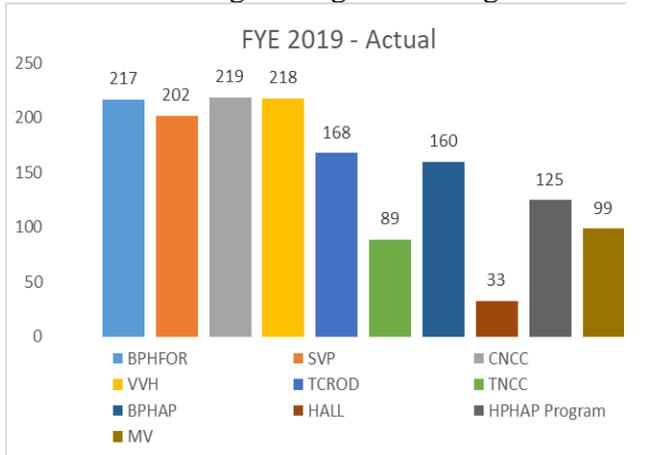
This total workforce request of \$8,942,635 includes benefits. For current clinical staff, the gap to the national competitive market is \$8.8 million, and for non-clinical staff, the gap to the regional market is \$134,000. Note the impact outside contract labor is having on the industry. Rates paid to agencies are significantly more than DMH’s hourly rate, even accounting for federal FICA withholdings and other employment costs. The main driver of these higher rates is the clinician regional market exporting labor to other states willing to pay higher outside contract labor rates.

**Market Impact**



- **Census**

Comparing pre-COVID (2019) to current (2021) census numbers shows the effect of the pandemic. This is partly because of a reduction of available beds and partly because of a reduction of healthcare workers. All facilities experienced a census decrease. The FYE 2023 budget forecast shows the strain the increasing number of patients puts on current occupancy. The projected occupancy is 92.5% of operational beds. The severe staffing shortage is limiting the number of active beds DMH can operate.



Forensics (**BPHFOR**) is a psychiatric facility providing inpatient care to those mandated for treatment through the criminal justice system.

SVPTP (**SVP**) is a secure residential treatment facility for civilly committed sexually violent predators.

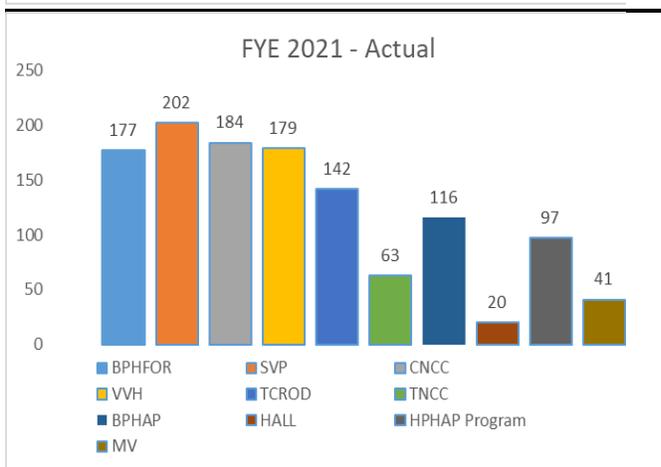
Campbell (**CNCC**) is a long term care facility that serves qualified veterans.

Victory (**VVH**) is a long term care facility that serves qualified veterans.

Roddey (**TCROD**) is a long term care facility that services the general public.

Stone (**TNCC**) is a long term care facility that serves qualified veterans.

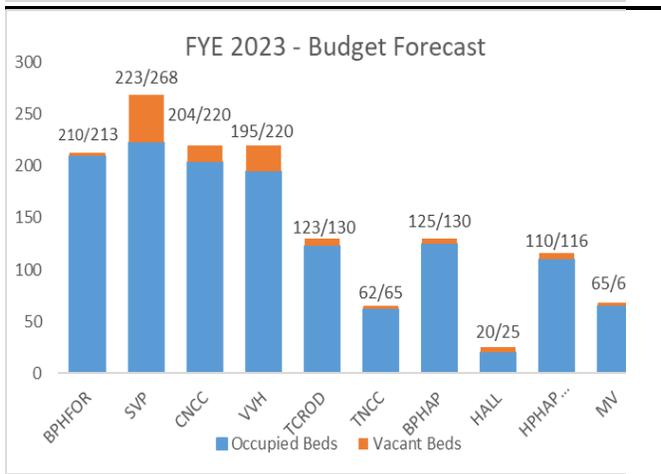
Bryan Adult hospital (**BPHAP**) is an acute psychiatric inpatient facility specializing in mental health.



Hall Institute (**HALL**) is an acute inpatient psychiatric facility specializing in pediatric and adolescent mental health issues.

Harris hospital (**HPHAP Program**) is an acute psychiatric inpatient facility specializing in mental health.

Morris Village (**MV**) is an adult inpatient addiction treatment facility.



## Civil Hospital and Residential Services

### 1. Sexually Violent Predator Treatment Program (SVPTP) **\$1,353,530**

- **\$1,037,371** is the Department's contractual obligation for management services providing clinical and other support services for the State's Sexually Violent Predator Treatment Program.
  - DMH projects a 4.5% increase in the average daily census based on current trends though the projected census is 2.9% below pre-COVID levels.
  - With the census of the SVPTP program steadily rising, DMH requests additional funding paying for the associated contractual obligation of \$732,084.
  - The contract also includes a projected South Region Medical Services Consumer Price Index (CPI) cost increase of 2.5% or \$305,287.
- **\$7,897** represents a projected 2.5% increase in other expenses mainly consists of contract services, utilities, and supplies.
- **\$308,262** supports sustainability. DMH has become reliant on some of its one-time funds to fund recurring operations, as costs have escalated without corresponding increases in appropriations or revenue. This request seeks to place DMH on a sustainable footing by replacing one-time funding which the agency will utilize in FY 22 and projects using again this year for supporting this mandated function.

### 2. State Veterans Nursing Homes **\$4,259,334**

- Richard M. Campbell State Veterans Nursing Home (Campbell)
  - The FYE 2023 average daily census for both Campbell and VVH should remain flat year over year from 2022. Projected volumes are (6.7%) and (10.5%) lower than pre-COVID levels respectively.
  - **\$221,548** is for maintenance of effort, representing the net increase in contract management fees for these facilities.
- Veteran Village Nursing Home - Florence (VVNH)
  - This new facility opens late September 2021.
  - The facilities average daily census for FYE 2023 should reach 101 patients compared to the FYE 2022 projection of 86 patients. This represents an increase of 17% year over year with Case Services having the largest effect on cost.
  - **\$1,984,430** is the expected increase in the contract management fee for the operations of the Department's 104-bed facility. This cost is net of expected revenues offsetting a portion of the cost.
- Palmetto Patriot's Nursing Home-Gaffney (PPNH)
  - This new facility opens late October 2021.

- The facilities average daily census for FYE 2023 should reach 101 patients compared to the FYE 2022 projection of 77 patients. This represents an increase of 31% year over year with Case Services having the largest impact to cost.
- **\$2,053,355** is the expected increase in the contract management fee for the operations of the Department’s 104-bed facility. This cost is net of expected revenues offsetting a portion of the cost.

**3. Psychiatric Hospitals and Other Facilities \$5,355,681**

| <b>DMH Facility</b>  | <b>Replace One-Time Funding</b> | <b>Net Inflationary Cost</b> | <b>Total</b>        |
|----------------------|---------------------------------|------------------------------|---------------------|
| Bryan Adult          | \$ 370,720                      | \$ 128,224                   | \$ 498,944          |
| Hall                 | \$ 794,039                      | \$ 27,464                    | \$ 821,503          |
| Harris               | \$ 2,160,845                    | \$ 151,960                   | \$ 2,312,805        |
| Morris Village       | \$ 1,173,868                    | \$ 44,549                    | \$ 1,218,417        |
| Roddey               | -                               | -                            | -                   |
| Stone                | -                               | -                            | -                   |
| DIS Support Services | \$ 424,047                      | \$ 79,965                    | \$ 504,012          |
| <b>Totals</b>        | <b>\$ 4,923,519</b>             | <b>\$ 432,162</b>            | <b>\$ 5,355,681</b> |

- **\$4,923,519** supports sustainability by replacing one-time funding the agency will use in FY22 and projects to use in FY23. DMH has become reliant on one-time funds for recurring operations. Costs continue to escalate without corresponding increases in appropriations or revenue.
- **\$432,162** is for inflationary cost net of revenue increases.

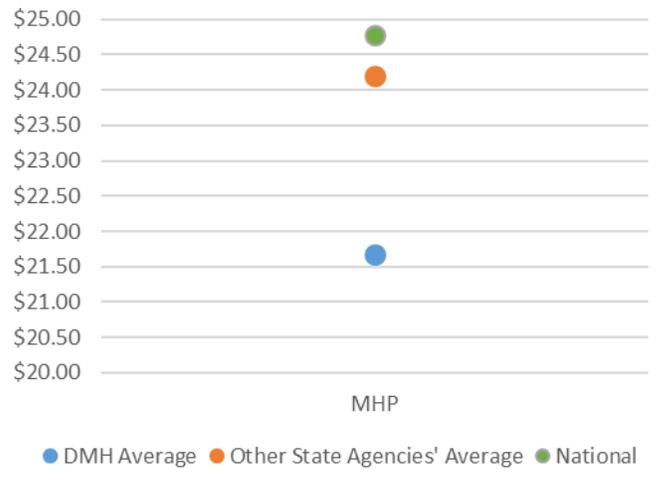
**Community Mental Health Centers (CMHC)**

**Central Operations**

**1. Workforce**

**\$11,004,232**

**Pay Gap Market Impact  
Mental Health Professionals**



Severe staff losses sent caseload sizes well above the agency’s guidelines. CMHC now has less than half of the clinicians needed for adult cases and under two thirds of the staff needed for children.

Exceeding caseload guidelines leads to fewer services per patient, less effective treatment, staff burnout, and additional staff loss. As more staff leaves the agency, less staff remains to serve more patients. The turnover for the entire division is 28.3%, although in some counties the division loses up to 43.5% of the workforce annually. Currently, Community Mental Health Services has approximately 400 vacancies. While the agency prefers recurring State appropriations funding for its request, the need for increasing clinical staff salaries is clearly linked to the COVID-19 pandemic, a portion of this request appears to meet the eligibility criteria for the State’s American Rescue Plan Act (ARPA) funding.

**Additional Programs**

**1. Suicide Crisis Hotline**

**\$5,500,000**

- The agency requests funding for a second suicide prevention call center supporting the new 988 nationwide number. South Carolina has one call center. Even prior to the pandemic, that call center was unable to answer all of the calls to the National Suicide Prevention Lifeline from the state, resulting in routing a percentage of those callers to call centers in other states. This is not optimal for several reasons. With the onset of the pandemic, the number of persons experiencing behavioral health problems rose dramatically. In a January 2021 survey, over forty percent of American adults reported symptoms of depression or anxiety, up from eleven percent in the first half of 2019. The

proportion of children’s emergency department visits related to mental health also substantially increased during the pandemic, as have calls by children to the National Suicide Prevention Lifeline. The recurring costs are \$4,200,000, supporting fifty mobile crisis clinicians who cover all 46 counties along with call center staffing and other recurring operating costs. **\$1,300,000** is requested for the costs for the new call center’s staffing, lease, equipment, software and other recurring operating costs.

- **\$4,200,000** will pay for an additional 50 mobile crisis response staff and supervisory personnel to respond to the increasing volume of crisis calls requiring a clinical assessment or response.
- *While the agency prefers to receive recurring State appropriations for its requests, the need for a second call center and additional mobile crisis staff are largely the results of the increasing number of children and adults experiencing a mental health crisis because of the ongoing effects of the COVID-19 pandemic. Therefore, the appropriations sought in this request also appear to meet the eligibility criteria for funding from the State’s American Rescue Plan Act (ARPA) allocation.*

**2. Recurring Proviso 118.18 Funding \$14,843,000**

- DMH received one-time Proviso 118.18 funding for its behavioral health bed day purchases, an alternative transportation program, and a telepsychiatry team and medication funding for its detention center. It requests the following to recur:
  - Behavior Health Inpatient Capacity **\$9,000,000**
  - Alternative Transportation Program **\$4,000,000**
  - Detention Center Telepsychiatry Team **\$843,000**
  - Detention Center Medication **\$1,000,000**

**3. Homeshare Stipend Increase \$200,000**

- The Homeshare program started in 1992 with five community mental health centers and a capacity of 76 patients. Providers received a \$1,300 monthly stipend for room and board based on the number of days the client was in the home. In the following years, DMH recognized the value of the program, increasing patient capacity to 200 and expanding into twelve community mental health centers.
- DMH provided only one cost of living adjustment, 3% in 2009, an additional \$39 per month. Homeshare providers give clients a sense of family, belonging, and privacy with their own room and personal space. This is a combination of community networks and privacy other community placements generally do not offer. Homeshare providers also help clients live an enjoyable life, but the main benefit of the Homeshare is maintaining the client in the community.
- DMH requests funding for a 4% stipend increase, only \$54 more a month changing the total monthly stipend from \$1,339 to \$1,393.

**4. CRCF Daily Bed Rate Increase \$300,000**

- DMH contracts with licensed Community Residential Care Facility (CRCF) operators providing assisted living services to residents with serious behavior disorders. This

treatment reduces the high risk of hospitalization while providing safe and appropriate housing. The CRCF also enables timely discharge of treated patients from hospitals to a suitable environment, freeing needed hospital beds. This request allows for a \$5 daily patient increase to contractors.

- *The COVID-19 pandemic brought higher costs to all providers of care for persons with disabilities from required safety measures and, especially, serious workforce challenges. While the agency prefers recurring State appropriations funding for its request, the increased costs to CRCF operators is clearly linked to the COVID-19 pandemic, a portion of this request appears to meet the eligibility criteria for the State's American Rescue Plan Act (ARPA) funding.*

**5. Crisis Stabilization Units (CSUs) \$9,650,000**

- DMH currently operates one CSU at the Charleston/Dorchester Mental Health Center. The agency would like to have seven more CSUs across the state (regional locations). The net cost operating a CSU is approximately \$1.5 million. Seven additional CSUs at \$1,500,000 is \$10,500,000. DMH has \$850,000 in previously allocated funding to apply towards future CSUs, leaving the net request \$9,650,000.

**6. Embedding Clinicians in Law Enforcement \$2,015,000**

- DMH currently embeds twelve mental health clinicians within law enforcement across five counties. The agency receives a one-time mental health block grant funding from SAMHSA for adding ten additional clinicians. The agency's goal is to add one clinician to each of the remaining 31 counties at approximately \$65,000 per clinician, creating a total need of \$2,015,000.

**7. School Mental Health \$750,000**

- The agency continues to prioritize its goal to have a mental health clinician in every South Carolina school. Currently, there are over eighty school mental health clinician vacancies. To combat difficulties with recruitment, the agency is requesting funding to hire 20.5 additional FTE clinicians at \$30,000 each and 15 interns at \$9,000 each.

## Administrative and Support

### Workforce

#### **1. Financial Services**

**\$426,253**

- Intense competition with diverse outside industries and other state agencies creates strong funding challenges in maintaining mid-level talent in financial services. Columbia contains several companies in need of a workforce educated in billing, accounting, and other vital skills necessary to running the department, and these companies often offer higher salaries. That competition also extends to employees trained in the specialized skills and specific systems sought by other state agencies. Additionally, state-mandated centralization of accounts payable, procurement, and billing requires more training, increasing the need to retain knowledgeable workers. Despite this demonstrable need for employee retention, the financial workforce in fiscal year 2021 suffered a 25.15% turnover. Additionally, there is an opportunity to add employees to the billing process to increase recovery of earned revenue by over \$3 million, an expense that will more than pay for itself.

#### **2. Technology (ONIT)**

**\$371,800**

- The Office of Network and Information Technology team supports the software and hardware of the department. Current salaries are cutting into retention rates, contributing to a 9.83% turnover last fiscal year. Raising the minimum rate to a composite rate of \$15.00 an hour and all other salaries a minimum of 6.50%, the cost estimate (with benefits added) is approximately \$374,000.

#### **3. Physical Plant**

**\$96,079**

- The employees of the physical plant maintain the grounds and offices of the facilities. Last year saw a 13.81% rate of turnover.

#### **4. Public Safety**

**\$263,191**

- Public Safety employs certified law enforcement officers and security officers protecting primarily hospitals and inpatient facilities while also securing transportation for patients who must remain in custody while traveling to medical appointments or court appearances. The division fills these critical positions with certified officers trained through the South Carolina Criminal Justice Academy and sponsors security officer training through the academy. It competes for this limited resource of qualified officers with local, state, and federal law enforcement agencies. This competition is intense; during the first two months of SFY 2022, Public Safety had a nearly 50% vacancy rate for officer positions.

#### **5. Human Resources**

**\$210,253**

- Increasing turnover and competitive job markets require stronger recruitment and retention efforts. Unfortunately, the struggles competing also affect the Human Resources division. Turnover during the prior fiscal year was 23.26%, stymieing the department's efforts combatting declining retention.

## 6. Central Office

**\$86,649**

- Retaining and recruiting the RNs and MHPs working in the Agency's Central Office involves the same strong trials of opposing wages, staff aging, labor shortage, and turnover fueled by the salary gap.

### Recurring Funds Requests

The department currently supports several important functions with limited, one-time funding. DMH requests recurring funds to continue operations.

#### 1. Replacement of One-Time Administrative Funding

**\$5,617,125**

- SCDMH seeks sustainability by replacing one-time funding the agency will use in FY22 and projects to use in FY23. The department has become reliant on one-time funds for recurring operations. Costs continue to escalate without corresponding increases in appropriations or revenue. This total includes Financial Services, IT/ONIT, Public Safety, and Human Resources.

#### 2. Insurance Premium Increases

**\$1,000,000**

- The State insurance reserve funds notified agencies of the following significant rate increases effective July 1, 2020.
  - Employee classifications (non-law enforcement) – 40%
  - Employee classifications (law enforcement) – 252%
  - Professional liability – 18%
  - Automobile comprehensive and collision – 18%

### Other

#### 1. Appointed Civil Commitment Proceedings Counsel

**\$200,000**

- DMH agreed to fund the payment of appointed counsel by the Judicial Department preserving the judicial commitment process, especially the hybrid process of special probate judges presiding over commitment hearings in psychiatric hospitals. The current reimbursement rate for attorneys is \$50 and no reimbursement for Designated Examiners (DEs).
- Without the ability to hold civil commitment hearings in psychiatric hospitals, DMH must transport patients and staff around the State to the various County Probate Courts, which both increases costs and creates safety concerns.
- DMH desires to increase the rate to \$75 per hearing, which both DMH and the Probate Judges Association believe is long overdue.

#### 2. Emergency Telepsychiatry

**\$250,000**

- The rise of COVID led to a dramatic increase in the use of telepsychiatry, especially in emergency cases. With virus variants creating additional safety concerns currently and in the near future, the need for this program remains.

## Provisos

### **Elimination of Remittance to the General Fund of \$290,963**

DMH requests removing the requirement to send \$290,963 of its earned revenue to the General Fund, as directed in Proviso 35.1. Elimination of this requirement will allow the Department to spend its earned revenue on DMH operations.

35.1 (DMH: Patient Fee Account) The Department of Mental Health is hereby authorized to retain and expend its Patient Fee Account funds. In addition to funds collected for the maintenance and medical care for patients, Medicare funds collected by the department from patients' Medicare benefits and funds collected by the department from its veteran facilities shall be considered as patient fees. The department is authorized to expend these funds for departmental operations, for capital improvements and debt service under the provisions of Act 1276 of 1970, and for the cost of patients' Medicare Part B premiums. The department shall remit ~~\$290,963 to the General Fund~~, \$400,000 to the Continuum of Care, \$50,000 to the Alliance for the Mentally Ill, and \$250,000 to S.C. Share Self Help Association Regarding Emotions.

### **Transfer Payment to Continuum of Care to Department of Child Advocacy**

DMH requests removing the requirement to send \$400,000 of its earned revenue to the Continuum of Care, as directed in Proviso 35.1. Elimination of this requirement will allow the Department to spend its earned revenue on DMH operations.

DMH expects the Department of Child Advocacy will submit a budget request supporting the elimination of the transfer of funding from DMH to Continuum of Care out of agency patient fee revenues and request replacement funding in the form recurring state appropriations.

35.1. (DMH: Patient Fee Account) The Department of Mental Health is hereby authorized to retain and expend its Patient Fee Account funds. In addition to funds collected for the maintenance and medical care for patients, Medicare funds collected by the department from patients' Medicare benefits and funds collected by the department from its veteran facilities shall be considered as patient fees. The department is authorized to expend these funds for departmental operations, for capital improvements and debt service under the provisions of Act 1276 of 1970, and for the cost of patients' Medicare Part B premiums. The department shall remit \$290,963 to the General Fund, ~~\$400,000 to the Continuum of Care~~, \$50,000 to the Alliance for the Mentally Ill, and \$250,000 to S.C. Share Self Help Association Regarding Emotions.

### **Transfer Responsibility of Proviso 35.3 (Alzheimer's Funding) to Department on Aging**

DMH requests transferring the responsibility of Proviso 35.3, Alzheimer's Funding, to the Department on Aging. This transfer request was also a recommendation contained in the House Legislative Oversight Committee's report on DMH in 2020.

Since FY17, Proviso 35.3 has directed DMH to pass through \$900,000 to the Alzheimer's Association. Prior to FY17, the agency was directed to pass through \$778,706. The increase of \$121,294 was unfunded by the General Assembly in FY17, which DMH has been using its limited one-time funds to cover.

While DMH requests to move the Proviso to the Department on Aging, DMH's budget only supports a recurring transfer of \$778,706. DMH expects Aging will request \$121,294 in recurring appropriations in order to fulfill the requirements of the Proviso.

~~35.3. (DMH: Alzheimer's Funding) Of the funds appropriated to the Department of Mental Health for Community Mental Health Centers, \$900,000 must be used for contractual services to provide respite care and diagnostic services to those who qualify as determined by the Alzheimer's Disease and Related Disorders Association. The department must maximize, to the extent feasible, federal matching dollars. On or before September thirtieth of each year, the Alzheimer's Disease and Related Disorders Association must submit to the department, Governor, Senate Finance Committee, and House Ways and Means Committee an annual financial statement and outcomes measures attained for the fiscal year just ended. These funds may not be expended or transferred during the current fiscal year until the required reports have been received by the department, Governor, Chairman of the Senate Finance Committee, and the Chairman of the House Ways and Means Committee. In addition, when instructed by the Executive Budget Office or the General Assembly to reduce funds by a certain percentage, the department may not reduce the funds transferred to the Alzheimer's Disease and Related Disorders Association greater than such stipulated percentage.~~

### **Codification/Deletion of Proviso 35.5, Uncompensated Patient Medical Care**

DMH requests to codify/delete this proviso.

~~35.5. (DMH: Uncompensated Patient Medical Care) There is created an Uncompensated Patient Care Fund to be used by the department for medical costs incurred for patients. These funds may be carried forward from the prior fiscal year into the current fiscal year to be used for the same purpose.~~

### **ISCEDC Proviso 117.52**

DMH requests to permanently transfer \$595,000 in recurring appropriations to the Department of Social Services and eliminate reference to the Department of Mental Health within Proviso 117.52.

117.52. (GP: ISCEDC Funding Transfer) The departments of ~~Mental Health, Disabilities and Special Needs, and Juvenile Justice~~ are directed to transfer a total of \$1,199,456 ~~\$604,456~~ in funds to the Department of Social Services for the support of the Interagency System for Caring for Emotionally Disturbed Children. Funding transfers shall be in the following amounts: ~~Department of Mental Health - \$595,000,~~ Department of Disabilities and Special Needs - \$379,456, and Department of Juvenile Justice - \$225,000. The transfer of funds shall be accomplished by September thirtieth of the current fiscal year.

## Capital Requests

The department's facilities house patients, many fulltime, and offices for our clinical and administrative workforce. The department must maintain (often, repair or replace) this aging infrastructure to fulfill its mission to the State. The five-year plan for sustaining some facilities and restoring others to operational standards is **\$237,502,681.00**. This year, the agency requests **\$60,714,979**, focusing on crucial projects vital to resident and worker safety and security while also starting the first or second phases of a few essential long-term projects.

### Projects

- 1. Spartanburg Area Mental Health Center Lobby Renovation** **\$250,000**
  - COVID safety concerns increased the need to reconfigure this 2001 building.
- 2. Florence Mental Health Clinic Boiler and Chiller Replacement** **\$575,000**
  - The HVAC equipment is twenty years old and original to the three-story, 36,000 square foot building. This replaces the boiler, chiller, air handler, and associated piping and duct work
- 3. Aiken-Barnwell Mental Health Center HVAC Replacement** **\$350,000**
  - The 23-year-old mechanical systems operate in a facility occupied during the day, evenings, and weekends and frequently breakdown. This project replaces eleven dual split systems.
- 4. Anderson-Oconee-Pickens Mental Health Center Construction** **\$12,430,000**
  - The current facility on leased country land dates to the sixties and is 17,800 square feet. The new one will be 35,000 square feet on 5 acres owned by Anderson County. It will consolidate programs currently in leased facilities, reducing leases by \$135,000 annually.
- 5. Catawba Mental Health Center Construction** **\$12,430,000**
  - This project purchases six acres and constructs a 35,000 square foot facility consolidating programs currently in three leased facilities leased at more than \$320,000 annually.
- 6. Columbia Area Mental Health Center Construction Phase III** **\$8,050,000**
  - This project constructs a 25,000 square foot facility on DMH land, consolidating programs currently in multiple Columbia buildings and leading to more efficient service and access to care.
- 7. Crafts Farrow Campus Road, Parking Lot Repairs and Pavement** **\$1,400,000**
  - The roads and parking lots at Morris Village, Bryan Psychiatric are over forty years old, and the ones on Crafts-Farrow campus are over 75 years old. This project repairs and repaves these areas.

- 8. Morris Village Infirmary Renovations** **\$750,000**
- Creating an infirmary will require improvements to security, a new nurse call system, and an HVAC upgrade to negative pressure and/or 100% outside air, allowing treatment of COVID patients or typical use.
- 9. Roddey Pavilion Nursing Home Floor Replacement** **\$1,000,000**
- The floor is worn and an environment of care problem as documented by DHEC during recent inspections. This project replaces it throughout the nursing home.
- 10. Crafts-Farrow Building Demolition** **\$2,000,000**
- This project demolishes four unsafe vacant buildings (Building numbers 2, 7, 15, and 18) built from 1926 to 1951.
- 11. Morris Village Nursing Station Renovations** **\$450,000**
- The nursing stations in cottages 1, 3, and 6 at Morris Village, built in 1975, are too small and need total enclosure with doors and service windows extended to the ceiling according to DHEC regulations. These will also provide a secure medication storage area protecting patients.
- 12. Bryan Guardhouse Construction** **\$450,000**
- Bryan Hospital is an open campus difficult to secure. A guardhouse with a gate, card reader, camera, and intercom will better secure the facilities.
- 13. Crafts-Farrow Guardhouse Generator** **\$150,000**
- This project installs a generator as an emergency power backup.
- 14. Charleston Building Purchase** **\$8,000,000**
- This project purchases a 26,000 square foot building for needed treatment space.
- 15. Bryan Modular Building Purchase** **\$1,000,000**
- Purchasing two modular buildings on Bryan & Morris Village campus will provide office space during COVID protocols.
- 16. Stone VA Nursing Home HVAC Improvements** **\$500,000**
- Since the HVAC systems struggles maintaining acceptable humidity, this modifies them to provide conditioned outside air.
- 17. Roddey Support Building HVAC Replacement** **\$350,000**
- This project replaces the 38-year-old HVAC units supporting the Tucker campus for the Roddey and Stone Pavilion nursing homes.
- 18. Columbia Area Fire Alarm Replacements** **\$750,000**
- The fire alarm panels in Columbia buildings, not supported for over four years, use copper phone lines in emergencies. This project replaces these for DMH Public Safety, IT, training, maintenance, forensics, and food services.

- 19. Harris Hospital Utility Building Emergency Generator Install** **\$1,000,000**
- This project installs a generator and automatic transfer switch providing adequate emergency power during power outages to the Harris support building housing HVAC chillers, boilers, pumps, and controls, along with a fuel tank providing 36 hours of fuel.
- 20. Crafts-Farrow Vehicle Management Garage Improvements** **\$250,000**
- This project seals roll up doors while adding motorized door controls, an exhaust removal system, and AC units to provide cooling to the campus garage. Currently the swamp coolers used with high humidity can lead to employee heat exhaustion, especially staff working on hot vehicle engines.
- 21. Gaffney Mental Health Clinic Interior Redesign** **\$350,000**
- This project modifies the interior of a building purchased in 2020, constructing private offices for patient privacy and security while adding HVAC, electrical improvements, data capabilities, lighting, and flooring.
- 22. Community Mental Health HVAC Replacement Phase II** **\$2,219,280**
- This project replaces multiple HVAC split systems past the end of life expectancy. These systems are running R-22, which is becoming more expensive and difficult to find as production is ceasing.
- 23. Community Mental Health Roof Replacement Phase II** **\$630,699**
- This project replaces shingle roofs over seventeen years old at several clinics.
- 24. Crafts-Farrow Columbia Area Fire Alarm Replacements** **\$750,000**
- This project replaces Crafts-Farrow campus fire alarms not supported for four years.
- 25. Roddey Domestic and HVAC Piping and Flooring Phase III** **\$1,200,000**
- The facility built in 1983 still has its original HVAC, water lines, and flooring. There are numerous leaks. Agency will complete this project by ward; there are seven wards.
- 26. Crafts-Farrow Building 17, Public Safety Renovation** **\$1,680,000**
- This 1946 building houses Public Safety and patient records. The agency completed some necessary work in 2021 (Project 9793), but more is needed preventing moisture causing mold and damage, including window replacement and masonry repair.
- 27. Veterans Victory House Whole Facility Generator** **\$1,500,000**
- This project installs a generator large enough to power the entire nursing home, including the HVAC, during a power outage. Walterboro is prone to dangerous weather, and this generator will allow residents to shelter in place. The requested funds will serve as a 35% match with a federal VA grant.

**28. Crafts-Farrow Fisher Improvements** **\$250,000**

- The campus library is in poor shape with multiple moisture intrusions, mold, and asbestos. It is not habitable. The project demolishes it and improves the auditorium, which requires roof repair and plumbing and asbestos removal. The auditorium will be temporary maintenance and stock storage.

**Total Capital Request** **\$60,714,979**

**Total Funding Request** **\$133,409,741**

**Authorization to Increase Federal Funds**

**Federal Grants**

**1. Requested Increase in Federal Authorization** **\$11,874,733**

- **\$2,752,918** – FOCUS (Family Options for Cherokee, Union and Spartanburg counties)
- **\$5,370,195** – Block Grants for CMHC (funded under ARPA)
- **\$621,812** – Block Grants for CMHC (funded under CARES ACT)
- **\$184,808** – Block Grants for CMHC (funded under ARPA for mitigation)
- **\$445,000** – American Rescue Plan Act – Pediatric Mental Health Care Access New Area Expansion (HRSA)
- **\$2,500,000** – CMHC Grant Program / Highway to Hope 2 (H2H)

**Total Requests** **\$145,284,475**