

**State Executive Council (SEC) Executive Committee Meeting  
Hanover Room, 1604 Santa Rosa Road  
Richmond, VA 23229  
August 18, 2016**

**Attending:**

William A. (Bill) Hazel, Jr., M.D., Secretary of Health and Human Resources  
Angela Valentine for Andrew Block, Director, Department of Juvenile Justice (DJJ)  
Pamela Kestner, Deputy Secretary for Health and Human Resources  
Daniela Lewy, Executive Director, Governor's Children's Cabinet  
Greg Peters, President and CEO, UMFS  
Margaret Schultze, Commissioner, Virginia Department of Social Services (VDSS)  
Eric Reynolds, Assistant Attorney General, Office of the Attorney General  
Scott Reiner, Executive Director, Office of Children's Services (OCS)  
Marsha Mucha, Administrative Assistant (OCS)

**Absent:**

The Honorable Richard "Dickie" Bell, Virginia House of Delegates  
Cindi Jones, Director, Department of Medical Assistance Services (DMAS)

**Guests:**

James Pickral, Commonwealth Strategy Group

**Call to Order and Approval of Minutes**

Secretary Hazel called the meeting to order at 10:20 a.m. and welcomed everyone. The minutes of the May 19, 2016 meeting were reviewed and approved without objection.

**Revisions to the SEC and SLAT Bylaws**

Mr. Reiner noted that each member received a copy of revisions to the SEC bylaws. Revisions to the bylaws are necessary to conform to statutory changes made last year by the General Assembly. The revised bylaws will be disseminated (as determined by the bylaws) prior to their presentation for SEC approval at the September meeting.

Members also received a copy of revisions to the SLAT bylaws. He reported that those revisions are also necessary due to statutory changes. The revisions were approved by SLAT at their August meeting and will be presented for SEC approval at the September meeting.

**General Assembly Requests**

Mr. Reiner provided an update on the activities of workgroups convened to address private day educational placements including utilization of outcome data; funding for education in Medicaid residential placements; and special education wraparound funds. Workgroup recommendations will be presented to the SEC at its September meeting.

**Upcoming changes to DMAS/Magellan Certificate of Need (CON) Process**

Mr. Reiner reported that DMAS and Magellan will hold a webinar on Friday, August 19 to report changes to the Certificate of Need (CON) process for Medicaid. These changes will potentially impact and inform

the discussion and recommendations from the workgroup addressing funding for education in Medicaid residential placements.

**Elimination of VICAP** – Mr. Reiner reported that elimination of VICAP would change SEC policy 6.3, *Community-based Behavioral Health Services* adopted by the SEC July 31, 2013. He presented amended language to the policy to address this change.

**September SEC Meeting Agenda** – Mr. Reiner reported that the September SEC meeting has been scheduled from 9:00 AM to 2:00 PM in order to allow more time for reporting out and discussion of workgroup recommendations. Lunch will be provided to SEC members.

**Finance and Audit Committee Update** – Mr. Reiner reported that there wasn't anything new to report from the Finance and Audit Committee. He reported that OCS audit staff has finished the first audit cycle and they are currently working on the following projects:

- Planning the audit schedule for FY17-19. As part of planning the audit schedule, OCS utilizes a risk assessment process and the audit staff is now soliciting input from local partners in conjunction with that process.
- Recruiting for a new CSA Auditor position.
- Developing a set of criteria as to when CSA funds will be denied.

**Outcome Committee Update** – Mr. Reiner reported that work continues on the following:

- Data sharing with DJJ to identify CSA children/youth, under the age of 18, who exited the CSA system in 2015 and were subsequently arrested or rearrested within a one-year time period.
- Plans for OCS to join the Virginia Longitudinal Data Set (VLDS).

#### **OCS Update**

Mr. Reiner provided updates on the following:

- **Year-to-date Expenditure Status** – CSA expenditures for FY16 are \$15M ahead of last year; up about five percent. The majority of the increase (90%) is due to an increase in private day educational placements.
- **Initiation of New LEDRS System** – The new Local Expenditure, Data and Reimbursement System (LEDRS) has been initiated for the 2017 CSA program year. Beginning July 1, 2016, the new reporting system combines data and expenditure reporting from localities into one report.
- **E-Learning Completion** - Five e-Learning modules have been completed for training of LDSS staff on CSA. The training series is housed in and accessible through the Knowledge Center.
- **Succession Planning for OCS Business Manager** – Chuck Savage the long-time OCS Business Manager is retiring early next year. Because of the nature of Mr. Savage's work and knowledge of CSA, Mr. Savage's replacement will be hired by the end of October in order to plan for an orderly business transition.
- **Transfer of foster care maintenance funds to VDSS** – OCS and VDSS staff have begun discussions on the feasibility of transferring foster care maintenance funds to VDSS in order to bring all maintenance payments made under one umbrella.

#### **Closed Meeting**

A motion was made by Greg Peters, seconded by Margaret Schultze and carried that the Executive Committee of the State Executive Council convene in a closed meeting pursuant to Virginia Code § 2.2-3711(A)(1) for consultation with legal counsel regarding specific legal matters requiring the provision of legal advice.

**Return to Open Meeting**

Secretary Hazel reconvened the meeting in open session. The Executive Committee of the State Executive Council certified that only public business matters lawfully exempted from open meeting requirements under the Virginia Freedom of Information Act and only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed or considered in the closed meeting.

**Adjournment**

There being no further business, the meeting adjourned at 11:40 a.m.