

FINAL APPROVED MINUTES

State Board of Behavioral Health and Developmental Services

REGULAR QUARTERLY BOARD MEETING

Wednesday, December 10, 2025

DBHDS Central Office, 13th Floor South Conference Room
 Jefferson Building, 1220 Bank Street, Richmond, VA 23219

The meeting was held in person with a physical quorum present and with electronic or phone connection available.

MEMBERS PRESENT	R. Blake Andis Sandy Chung, MD Caroline Coster, MD Rebecca Graser Cindy Lamb Debbie Marrs Jane McDonald Nina Schroder	MEMBERS ABSENT	Tony Vadella
DBHDS STAFF present for all or part of the meeting	Mary Broz-Vaughan, Regulatory Affairs Director/State Board Liaison Kassi Cibulka, Chief Human Resource Officer Lauren Cunningham, Communications Director Taneika Goldman, State Human Rights Director Madelyn Lent, Public Policy Manager Josie Mace, Legislative Affairs Director Nathan Miles, Chief Financial Officer Meghan McGuire, Deputy Commissioner, Policy and Public Affairs Susan Puglisi, Regulatory Research Specialist Nelson Smith, Commissioner		
INVITED GUESTS present for all or part of the meeting	Will Childers, State Human Rights Committee Chair Jennifer Faison, VACSB Executive Director Matthew Hawkins, Virginia COI and Ethics Council Attorney Stewart Petoe, Virginia COI and Ethics Council Executive Director		
VIRTUAL ATTENDEES	DBHDS: Jae Benz, Director of Licensing; Eric Billings, Director of Grants Management; Braden Curtis, Chief Deputy Commissioner; Dev Nair, Assistant Commissioner for Provider Management EXTERNAL: LeVar Bowers; Martha Bryant; Scott Castro, MSV; Alisa Foley, DSS; Catherine Ford, MSV; Lauren Gerken, The Arc of Virginia; Cara Kaufman, DARS; Heather Petrus; Teresa Smith, OSIG.		

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CALL TO ORDER	Acting as chair pro tem at the request of the Board Chair, who was unable to attend in person, Vice Chair Jane McDonald called the meeting to order at 9:30 a.m.
Determination of Quorum	Ms. Broz-Vaughan called the roll and reported that a quorum was present. For purposes of determining whether a quorum was physically assembled, Ms. MARRS participated electronically as a caregiver for a person with a disability in accordance with § 2.2-3708.3 B 2 of the Code of Virginia.
Remote Participation	Noting his principal residence is more than 60 miles from the meeting location, Sheriff Andis participated electronically from his office in Washington County. Dr. Chung participated electronically from her principal residence in Sterling, which is more than 60 miles from the meeting location. Ms. MARRS participated electronically from her home in Bedford, due to caregiving responsibilities for a person with a disability at the time the meeting was held that prevented her physical attendance.
Introductions	Ms. McDonald welcomed Caroline Coster and Debbie MARRS to the board and asked for introductions from other members, DBHDS staff, and meeting attendees.
Adoption of Agenda	A motion was made by Ms. Lamb and seconded by Ms. Graser to adopt the agenda. The motion carried unanimously.
Approval of Minutes	Ms. McDonald called for any additions or corrections to the draft minutes from the meetings on September 23rd and 24th. Hearing none, Ms. Lamb moved to approve the draft minutes en bloc. Ms. Schroder seconded the motion, which carried unanimously.
9:38 a.m.	Arrival of Dr. Chung.
PUBLIC COMMENT	Ms. McDonald opened the floor for public comment. No in-person commenters were present. Martha Bryant, a mother and guardian from Amherst County, offered comment virtually. Ms. McDonald closed public comment.
REORDERING OF AGENDA	Ms. McDonald requested unanimous consent to take business out of order to accommodate Commissioner Smith's schedule. Without objection, board members agreed to reorder the agenda.

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<p>STANDING COMMITTEE REPORT</p>	<p>Ms. Lent summarized the morning’s Policy and Evaluation Committee meeting, reporting that members revised the policy plan schedule to delay future reviews by one meeting cycle and to realign the review sequence for closely related policies under Chapter 1: System Mission and Direction.</p> <p>The committee reviewed proposed revisions to Policy 3000 (CO) 74-10 – Appointments of Department Employees to Community Services Boards, as well as comments received from field review.</p> <p>Committee members discussed data requested at the September meeting and an initial draft of agency-recommended revisions concerning Policy 6005 (FIN) 94-2 – Retention of Unspent State Funds by Community Services Boards. The draft will go out for field review for the committee to consider at its next meeting.</p> <p>The committee voted to recommend Policy 2011 (ADM) 88-3 – Naming of Buildings, Rooms, and Other Areas at State Facilities to the full board with revisions, which Ms. Lent indicated would be included in the next quarterly meeting agenda packet.</p>
<p>UNFINISHED BUSINESS</p>	<p>Ms. Lent reminded the board that the Policy and Evaluation Committee voted to recommend technical changes to Policy 4018 (CSB) 86-9 – Community Services Board Performance Contracts. Ms. McDonald directed members to the recommended revisions in the agenda packet.</p> <p>On a motion by Ms. Lamb, properly seconded by Ms. Graser, the board unanimously approved the revisions to Policy 4018 as presented.</p>
<p>REGULATORY BUSINESS</p>	<p>Ms. McDonald asked Ms. Puglisi to review the agenda items authorizing two Emergency/Notice of Intended Regulatory Action (NOIRA) actions and the Proposed stage for Regulatory Restructuring.</p>
<p>Action Item A</p>	<p>Emergency/NOIRA Action to Align Licensing Regulations with Redesigned Medicaid Service: Coordinated Specialty Care (CSC)</p> <p>Ms. Puglisi explained that the 2025 Session of the General Assembly directed the board to adopt emergency regulations by February 6, 2026, to align the licensing regulations with DMAS behavioral health redesigned services. She summarized the proposed amendments and impact of the CSC service, which provides team-based, collaborative, recovery-oriented treatment for individuals experiencing a first episode of psychosis.</p> <p>The action is intended to improve access to a continuum of high-quality behavioral health services for Virginians; ensure CSC providers adhere to a base level of model fidelity; and reduce administrative burden by aligning DBHDS licensing regulations with Medicaid service expectations.</p>

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	<p>Dr. Coster suggested a clarifying amendment to the definition of “health literacy support.”</p> <p>MOTION: Sheriff Andis moved to adopt emergency regulations amending 12VAC35-105 to align with Medicaid behavioral health services redesign for Coordinated Specialty Care, as amended, and to issue a NOIRA for permanent replacement regulations. Ms. Schroder seconded, and the motion carried unanimously.</p>
Action Item B	<p>Emergency/NOIRA Action to Align Licensing Regulations with Redesigned Medicaid Service: Recovery and Empowerment Center (REC)</p> <p>Ms. Puglisi reviewed the legislative mandate requiring consistency between the new Medicaid Mental Health Clubhouse Service and the licensing regulations. She summarized the proposed amendments and their impact, noting the goal of Recovery and Empowerment Center (REC) is to support the recovery of individuals living with serious mental illness through community-based environments that foster social connection, meaningful engagement, and skill development.</p> <p>The action is intended to improve access to a continuum of high-quality behavioral health services for Virginians; ensure REC providers adhere to a base level of model fidelity; and reduce administrative burden by aligning licensing regulations with Medicaid service expectations.</p> <p>MOTION: Ms. Lamb moved to adopt emergency regulations amending 12VAC35-105 to align with Medicaid behavioral health services redesign for Recovery and Empowerment Center, as presented, and to issue a NOIRA for permanent replacement regulations. Ms. Graser seconded, and the motion carried unanimously.</p>
Action Item C	<p>Proposed Regulatory Restructuring Actions</p> <p>Ms. Puglisi reminded members of the NOIRA authorized in April to repeal the existing Children’s Residential (12VAC35-46) and Licensing Regulations (12VAC35-105) and replace them with one overarching General Chapter applicable to all providers and five service-specific chapters: Residential, Center-Based, NonCenter-Based, Crisis, and Case Management.</p> <p>The NOIRA stage closed on September 24, 2025, with 37 comments from 16 unique commenters. Ms. Puglisi explained that, although initially drafted as a comprehensive “overhaul” in 2019, the project is now more narrowly focused on improved navigation and transparency. Proposed changes incorporate significant stakeholder feedback and reflect technical assistance from a panel of subject matter experts.</p>

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	<p>Additionally, Regulatory Restructuring is not at odds with Medicaid Behavioral Health Redesign efforts. Regulatory actions are not permitted to incorporate changes outside of their scope; each must move forward independently. Ms. Puglisi assured members that once the DMAS redesign actions take effect, all new services will be incorporated into the restructured licensing chapters.</p> <p>MOTION: Ms. Graser moved to adopt the proposed actions to restructure the licensing regulations, as presented. Ms. Lamb seconded, and the motion carried unanimously.</p>
Action Item D	<p>Petition for Rulemaking: Amend 18VAC35-105-1840 to authorize crisis stabilization units to base nursing coverage on ISP-driven, two-tier nursing model instead of 24/7 nursing services staffing.</p> <p>Ms. Broz-Vaughan reviewed the rulemaking petition process.</p> <p>Ms. McDonald directed members’ attention to the DBHDS staff analysis of the petitioner’s request in the agenda packet. Granting the petition would reduce consistency for providers because DBHDS licensing regulations are not more stringent than DMAS policy regarding 24/7 in-person, onsite nursing coverage for crisis stabilization units. The staff recommends taking no action on the petition because 12VAC35-105-1840 is already aligned with Medicaid standards.</p> <p>MOTION: Ms. Schroder moved to take no action on the petition based on the rationale recommended by staff. Ms. Lamb seconded, and the motion carried unanimously.</p>
COMMISSIONER’S REPORT	<p>Commissioner Nelson Smith briefed members on the progress of <i>Right Help, Right Now</i>, as well as how DBHDS transformed as an agency in support of the initiative.</p> <ul style="list-style-type: none"> • Presentation available from board office upon request.
Recess	Ms. McDonald recessed the meeting for a short break.
The Board recessed at 11:00 a.m. to reconvene at 11:10 a.m.	
The Board reconvened at 11:10 a.m.	
OFFICE OF HUMAN RIGHTS UPDATE	<p>Mr. Childers expressed his appreciation to the board on behalf of the State Human Rights Committee.</p> <p>Ms. Goldman reviewed the activities and achievements of the Office of Human Rights for 2024-2025.</p> <ul style="list-style-type: none"> • Presentation available from board office upon request.
Lunch Recess	Ms. McDonald recessed the meeting for lunch.

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The Board recessed at 11:35 a.m. to reconvene at 11:55 a.m.	
The Board reconvened at 11:55 a.m.	
PRE-SESSION LEGISLATIVE AND BUDGET UPDATE	<p>Mr. Miles summarized significant DBHDS budget requests submitted for the governor’s proposed budget to be released on December 17, 2025.</p> <p>Ms. Mace noted that the General Assembly convenes on January 14, 2026, for its “long” 60-day session and reminded board members of their role and responsibilities.</p>
NEW BUSINESS	<p>Ms. McDonald directed members to revisions to the board’s bylaws and electronic meetings policy necessary to conform to the Virginia Freedom of Information Act.</p> <p>On a motion by Ms. Graser, properly seconded by Ms. Lamb, the board unanimously adopted the revisions as presented.</p>
Chair’s Annual Report	<p>Ms. McDonald reviewed the statutory requirement for the Board Chair to submit an annual report to the governor and the General Assembly summarizing the board’s work for the year. Members received a handout with a draft of the legislative report.</p> <p>Ms. McDonald noted that as a matter of practice the chair customarily provides final approval and asks for the board’s endorsement.</p> <p>On a motion by Ms. Lamb, properly seconded by Ms. Graser, the board unanimously endorsed the annual summary as approved by the chair.</p>
Committee Assignments	<p>Ms. Broz-Vaughan announced committee appointments made by the Board Chair as follows:</p> <p>Planning and Budget Committee Blake Andis Sandy Chung, MD Tony Vadella Debbie Marrs</p> <p>Policy and Evaluation Committee Jane McDonald Becky Graser Cindy Lamb Nina Schroder Caroline Coster, MD</p> <p>Members received a handout with the new committee assignments.</p>

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BIENNIAL CONFLICT OF INTEREST TRAINING	Mr. Hawkins trained members on formal and informal guidance and “safe harbor” provisions, prohibited conduct and personal interests, and annual filing requirements under the State and Local Government Conflict of Interests Act.
VACSB UPDATE	Ms. Faison briefed the board on Virginia Association of Community Services Boards (VACSB) budget and policy priorities for the 2026 General Assembly Session.
ADJOURNMENT	Ms. McDonald adjourned the meeting at 1:10 p.m.
The State Board adjourned at 1:10 p.m.	

NEXT MEETING SCHEDULED FOR WEDNESDAY, APRIL 22, 2025

Northern Virginia Mental Health Institute (NVMHI)
3302 Gallows Road, Falls Church

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NEW BUSINESS: Committee Assignments



State Board of Behavioral Health and Developmental Services

STANDING COMMITTEES

Planning and Budget

The Planning and Budget Committee shall consist of the Board Chair and at least two other Board members appointed by the Chair. The Board Chair shall chair the Planning and Budget Committee. (Bylaws Article VII. Section 1.2)

Blake Andis, Committee Chair
Sandy Chung, MD
Tony Vadella
Debbie Marrs

Policy Development and Evaluation

The Policy Development and Evaluation Committee shall consist of the Vice Chair and at least two other Board members appointed by the Board Chair. The Board Vice Chair shall chair the Policy Development and Evaluation Committee. (Bylaws Article VII. Section 1.1)

Jane McDonald, Committee Chair
Becky Graser
Cindy Lamb
Nina Schroder
Caroline Coster, MD

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BIENNIAL CONFLICT OF INTEREST TRAINING HANDOUT



**Virginia Department of Behavioral Health and Developmental Services
Board Training
December 10, 2025**

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I. Council Membership

Council membership as of November 2025:

Speaker of the House Appointees
Delegate M. Keith Hodges
Delegate Vivian E. Watts
The Honorable Westbrook J. Parker

Senate Committee on Rules Appointees
Senator Adam P. Ebbin
Senator Richard H. Stuart
The Honorable Malfourd W. Trumbo (Chair)

Gubernatorial Appointees
John C. Blair
Denise B. Burch
Adam Kinsman

II. Council Duties

The Council shall perform the following duties:

1. Furnish formal and informal guidance to all persons required to comply with the Acts
2. Conduct training seminars and educational programs and publish educational materials for all persons required to comply with the Acts
3. Serve as liaison between state agencies, boards, commissions, and local government entities for administering the filings of all disclosure forms
4. Redact personal information from any form prior to making the form available to the public
5. Establish and maintain a searchable database of disclosure forms filed with the Council
6. Notify the Secretary of the Commonwealth and the Attorney General concerning late or failure-to-file penalties
7. Receive and review requests for approval of travel submitted by individuals required to file a Statement of Economic Interests

III. Prohibited Conduct and Personal Interests

A. Prohibited Conduct

No state or local government officer or employee shall:

1. Solicit or accept money or other thing of value for services performed within the scope of your official duties except for compensation paid by your agency
2. Offer or accept any money or other thing of value for obtaining employment, appointment, or promotion of any person with any governmental or advisory agency

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3. Offer or accept any money or other thing of value for the use of your public position to obtain a contract for any person or business with any governmental or advisory agency
 4. Use confidential information that you have acquired by reason of your public position and that is not available to the public for your or another party's economic benefit
 5. Accept any money, loan, gift, favor, service, or business or professional opportunity that reasonably tends to influence you in the performance of your official duties; this does not include political contributions actually used for a political campaign or constituent services and reported as required by campaign finance laws
 6. Accept any business or professional opportunity when you know that there is a reasonable likelihood that the opportunity is being given to influence you in the performance of your official duties
 7. Accept any honoraria for any appearance, speech, or article in which you provide expertise or opinions related to the performance of your official duties (this only applies to the Governor, Lt. Governor, Attorney General, Governor's Secretaries, and heads of departments of state government)
 8. Accept a gift from a person who has interests that may be substantially affected by the performance of your duties under circumstances where the timing and nature of the gift would cause a reasonable person to question your impartiality in the matter affecting the donor
 9. Accept gifts from sources on a basis so frequent as to raise an appearance of the use of your public office for private gain
 10. Use your public position to retaliate or threaten to retaliate against any person for expressing views on matters of public concern or for exercising any right that is otherwise protected by law, provided, however, that this does not restrict the authority of any public employer to govern conduct of its employees, and to take disciplinary action, in accordance with applicable law, and provided further that this does not limit the authority of a constitutional officer to discipline or discharge an employee with or without cause
- B. "Personal interest" is a financial benefit or liability accruing to an officer or employee or to a member of his immediate family.

Personal interests exist due to:

1. Ownership in a business if the ownership interest exceeds three percent of the total equity of the business;
2. Annual income that exceeds, or may reasonably be anticipated to exceed, \$5,000 from ownership in real or personal property or a business;
3. Salary, other compensation, fringe benefits, or benefits from the use of property, or any combination thereof, paid or provided by a business or governmental agency that exceeds, or may reasonably be anticipated to exceed, \$5,000 annually;

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4. Ownership of real or personal property if the interest exceeds \$5,000 in value and excluding ownership in a business, income, or salary, other compensation, fringe benefits or benefits from the use of property;
5. Personal liability incurred or assumed on behalf of a business if the liability exceeds three percent of the asset value of the business; or
6. An option for ownership of a business or real or personal property if the ownership interest will consist of subdivision (1) or (4) above.

C. Personal Interest in a Contract

1. You may not have a personal interest in a contract with your agency other than your own contract of employment.
2. You are also prohibited from having a personal interest in certain contracts with other state agencies.

For contracts with other state agencies, an exception is made for:

- i. contracts awarded using competitive sealed bidding or negotiation following Procurement Act procedures
- ii. contracts awarded after a written finding by the administrative head of the agency that competitive sealed bidding or negotiation is contrary to the best interest of the public.

There are many exceptions to this prohibition. It is recommended that you contact the Council regarding the application of an exception.

D. Personal Interest in a Transaction

A personal interest in a transaction means a personal interest in any matter considered by your agency, when official action is taken or contemplated.

Such a personal interest exists when you or a member of your immediate family has a personal interest in:

1. property or a business, or
2. represents or provides services to any individual or business

and the property, business, or represented or served individual or business

1. is the subject of the transaction or
2. may realize a reasonably foreseeable direct or indirect benefit or detriment as a result of the action on the transaction.

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You must publicly disqualify yourself if the transaction applies solely to the entity in which you have a personal interest, or if you have a personal interest in a transaction and do not qualify for participation.

It is recommended that you contact the Council if you have a question about a possible personal interest in a transaction.

IV. Filing Requirements

A. Who must file?

1. Individuals named in § 2.2-3114
2. Individuals named in Executive Order 18 (2022)

B. With what entity do I file?

You are required to file electronically with the Virginia Conflict of Interest and Ethics Advisory Council, using the online filing system provided by the Council.

C. When do I file?

Financial Disclosure Statements are filed annually with the Council, every February 1.

Deadlines are moved to the next business day if they fall on a weekend or state holiday.

V. Other Questions

1. How and under what circumstances is individual information released?

ANSWER: All filings are available to the public via the online searchable database on the Council website for five years.

2. Are filers notified when their disclosure forms are requested and released?

ANSWER: There is no requirement that the filer be notified that the information has been requested.

3. Is personal information released when a disclosure statement is requested?

ANSWER: The Council redacts residential addresses, personal telephone numbers, and email addresses from your form before making them public on the database.

4. What training is required?

ANSWER: State filers are required to complete training at least once every two years. New state filers must complete the training within two months after beginning their employment or assuming office.

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Contact Information:

Virginia Conflict of Interest and Ethics Advisory Council
201 North 9th Street
4th Floor
Richmond, VA 23219
Website: ethics.dls.virginia.gov
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STATE BOARD OF BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES

Policy and Evaluation Committee

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DECEMBER 10, 2025

DEPARTMENT OF BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES

1220 BANK STREET, RICHMOND, VIRGINIA 23221

This meeting was held in person with electronic or phone connection available.

MEMBERS PRESENT: Jane McDonald, Cindy Lamb, Rebecca Graser

DBHDS STAFF PRESENT: Madelyn Lent, Public Policy Manager
Meghan McGuire, Deputy Commissioner, Policy and Public Affairs
Nathan Miles, Chief Financial Officer
Eric Billings, Director of Fiscal Services and Grants Management (virtual)
Chaye Neal-Jones, Director, Office of Enterprise Management Services
Crystal Lipford, Director of Quality and Risk Management, Division of Facility Services (virtual)

I. Call to Order

II. Welcome and Introductions

Jane McDonald called the meeting to order at 8:39 am.

III. Adoption of Agenda, December 10, 2025

Cindy Lamb moved to adopt the agenda. Rebecca Graser seconded. The agenda was adopted unanimously.

IV. Adoption of Minutes, September 24, 2025

Cindy Lamb moved to adopt the minutes. Rebecca Graser seconded. The minutes were adopted unanimously.

V. Review Policy Plan for FY2025 - FY2030

Madelyn Lent presented revisions to the policy plan to delay future scheduled reviews by one meeting cycle and adjust the sequence of review for some of the Chapter 1: System Mission and Direction policies to better align reviews of closely related policies. Cindy Lamb moved to adopt the revision to the policy plan. Rebecca Graser seconded. The revision to the policy plan was adopted unanimously.

VI. Introduce Draft Revisions

The committee continued discussion of proposed revisions to Policy 3000 (CO) 74-10, Appointments of Department Employees to Community Services Boards. Field review comments received from Community Services Boards on proposed revisions were presented.

The committee continued discussion of Policy 6005 (FIN) 94-2 Retention of Unspent State Funds by Community Services Boards. The committee reviewed additional background information and data as requested by members at the September meeting

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and an initial draft of DBHDS recommended revisions for this policy. During the discussion it was noted that the data presented on retained balances were self-reported by CSBs as the Department does not have direct access to CSB financial systems. Proposed revisions to Policy 6005 will be sent to Community Services Boards for field review prior to the April 2026 committee meeting.

VII. Presentation of draft revisions for recommendation to the full board

The committee reviewed draft revisions recommended by the Department for Policy 2011 (ADM) 88-3, Naming of Buildings, Rooms, and Other Areas at State Facilities at the September meeting. Rebecca Graser moved to recommend revisions to the full Board. Cindy Lamb seconded. The revisions for Policy 2011 were recommended unanimously.

VIII. Next Quarterly Meeting: December 10, 2025.

IX. Adjournment

Jane McDonald adjourned the meeting at 9:13 am.

All current policies of the State Board are here:

<https://dbhds.virginia.gov/about-dbhds/Boards-Councils/state-board-of-BHDS/bhds-policies/>.