



# Hiram Davis Medical Center (HDMC)

*Closure Plan to Ensure Safe Patient  
Discharges and Successful Staff Transitions*

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## The Problem






- 50-year-old facility with no major renovations.
- Core systems at end of life (HVAC, plumbing, electrical, water).
- The ongoing problems at HDMC have **not** been fixed and are major risks.
- No phased renovation option; major repairs require full evacuation for up to two years with no guarantee that patients or staff would return.
- High capital cost for an outdated care model.

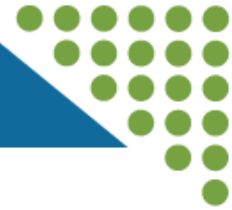
## The Plan

- **Patients** – Planned closure for 23 patients with safe, choice-based moves to community settings/SEVTC.
- **Staff** – Retention and redeployment within DBHDS to minimize layoffs.
- **Community** – Continue HDMC medical and rehab services through community providers and shared services at CSH.
- Public planning process under § 37.2-316; The Governor and GA approves plans to close HDMC.
- The plan is found here: <https://rga.lis.virginia.gov/Published/2025/RD880/PDF>

## Financial Landscape

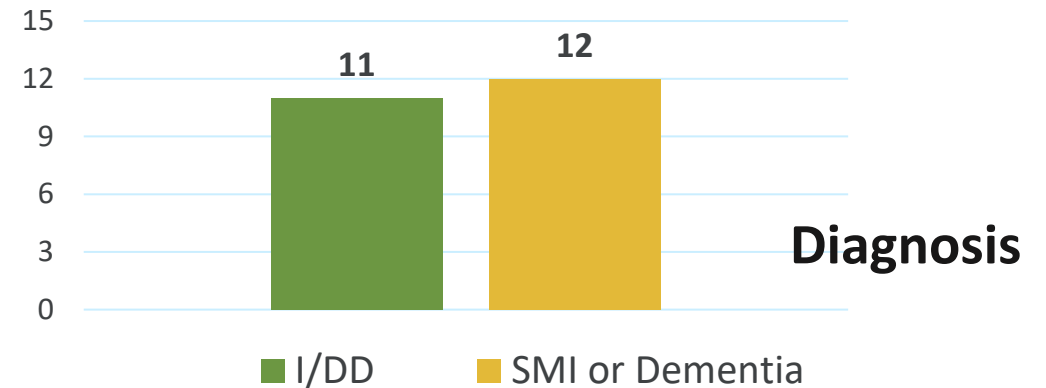
- Avoids \$94M renovation or \$145M rebuild of an obsolete facility.
  - **\$285M** – The 6-year cost to continue to operate HDMC including renovation, operating expenses, lost revenue and downtime.
  - **\$115M** – The 6-year cost of closing HDMC and reinvesting in community/SEVTC.
  - **\$170M** – Estimated 6-year savings reinvested in:
    - Community provider capacity
    - SEVTC targeted renovations
    - Workforce stability
    - Shared services at CSH
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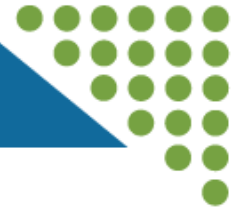
 <b>Planned closure &amp; transition</b>	 <b>Add on to new CSH</b>	 <b>Renovate existing HDMC</b>	 <b>Renovate a CSH building</b>	 <b>Rebuild a smaller HDMC</b>
<ul style="list-style-type: none"> <li>• Uses existing community and SEVTC capacity</li> <li>• Enables reinvestment to community services</li> <li>• Minimizes disruption</li> <li>• Prioritizes person-centered placements and staff stability</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of space at the new site</li> <li>• Federal CMS rules prohibit reimbursement for skilled nursing within an Institution for Mental Disease (IMD) such as CSH</li> </ul>	<ul style="list-style-type: none"> <li>• Would require a full 24-month evacuation of all patients and staff with no guarantee of return</li> <li>• Triggers complete CMS recertification and major Code upgrades</li> </ul>	<ul style="list-style-type: none"> <li>• Building 93 was considered, but it is not designed for hospital use</li> <li>• Would require total rebuild - full gut renovation and CMS recertification as a hospital</li> <li>• Incompatible with life-safety, accessibility, and medical-gas standards for skilled-nursing care</li> <li>• Would remove evacuation capacity</li> <li>• With systems at risk of failure before construction is complete, DBHDS cannot ensure safe operations through a years-long renovation, increasing the likelihood of unplanned evacuations, patient care disruption, and staff displacement</li> </ul>	<ul style="list-style-type: none"> <li>• Extremely costly compared to community alternatives</li> <li>• No viable site</li> <li>• HDMC census continues to decline with limited demand</li> <li>• Most states rely on community care rather than stand-alone centers</li> <li>• Like renovation, extremely high safety and cost risks during procurement and construction of a rebuild</li> </ul>



<b>Current Census</b>	<b>32</b>
Current Occupancy	<b>34%</b>
Percent census reduction since 8/2024 closure announcement	<b>-26%</b>
Discharges currently planned	<b>8</b>
Patients who still need placements	<b>23</b>

This planning process has included all patients regardless of diagnosis. Diagnoses of patients who still need placements:





**Of the 32 patients now at HDMC:**

**8 discharges** are currently planned

Based on conversations with individuals, families/ guardians, DBHDS *anticipates* the **remaining 23 people** may choose the options as shown to the right:

Diagnosis	Anticipated Location	#
Intellectual Disability/ Developmental Disability (ID/DD)	Southeastern Virginia Training Center	4
Intellectual Disability/ Developmental Disability (ID/DD)	Community Intermediate Care Facility	1
Intellectual Disability/ Developmental Disability (ID/DD)	Waiver Group Home	6
Mental Health/ Serious Mental Illness (MH/SMI)	Community Nursing Facility	7
Dementia/Neurocognitive	Community Nursing Facility	5
	<b>Total</b>	<b>23</b>



Based on conversations with families, DBHDS anticipates the **current 11 patients with ID/DD** who have not selected a new home will choose: Medicaid Waiver group homes, SEVTC, community intermediate care facilities, or nursing facilities when medically necessary.

- Execute one-time supports for community providers (start-up, equipment, specialized training) for capacity for complex medical/behavioral support.
- Utilize DBHDS' established discharge process (choice-based, team-driven) to plan and execute moves.
- Prepare SEVTC to meet skilled nursing/long-term care standards and upskill/hire staff to required certifications.



Southeastern Virginia Training Center (SEVTC)

DBHDS anticipates the **current 12 patients with SMI and dementia/neurocognitive disorders** will choose community nursing facilities. DBHDS has contracts with providers who can support HDMC patients with SMI, dementia, or neurocognitive disorders.

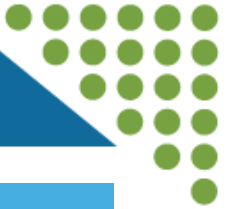
- Specialized mental health group homes with medical supports, memory care units, and community nursing facilities with behavioral capacity.
- Maintain/expand provider contracts for mental health and memory care individuals.
- Behavioral consultation in nursing facilities to reduce disruptions/hospitalizations.
- Crisis linkages (mobile crisis, step-up/step-down) for stabilization during and after transition.



- 1. Replace Former HDMC Services** – Cover through CSH and community partners: pharmacy; laboratory; radiology; dental (incl sedation); PT/OT/speech/recreational therapy; podiatry; internal medicine; general surgical consults; gynecology; and palliative/end-of-life.

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- 2. Capacity Development & Funding Approach** – One-time start-up grants for providers that commit to serving complex needs. Leverage Medicaid reimbursement and targeted contracts for sustainability.

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- 3. Access and Coordination**
  - Coordinate referrals via CSBs/facility services; set clear service standards, monitor utilization and track outcomes.
  - Provide transportation supports where needed.
  - Formal evaluation of community service capacity with outcome measures.
  - Regional mapping to ensure as many services as possible near home communities.



**Goals** – Maintain safe staffing; minimize layoffs by placing HDMC staff into comparable DBHDS roles; retain critical skills across the system.

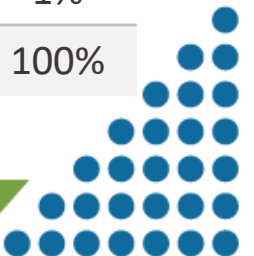
### Retention and Stability

- Progressive bonuses for staff who remain longer, enhanced amounts for hard-to-fill clinical roles.
- Scheduling flexibility, training access, and recognition incentives to stabilize teams.
- Updates on closure progress, job openings, transition resources, other employee assistance.

**Retirement-Eligible Staff** – Benefits counseling and retirement timelines for informed decisions while ensuring coverage.

Location Preferences of HDMC Staff	# of staff	%
CSH Preferred	42	30%
CSH Transfer of Services	30	21%
Resigned	30	21%
Retiring	13	9%
Piedmont Geriatric Hospital	7	5%
Ineligible/ Not Interested	7	5%
Virginia Center for Rehabilitative Services	5	4%
Central Office	3	2%
Eastern State Hospital	3	2%
Southeastern Virginia Training Center	1	1%
Open (Any location/better role)	1	1%
<b>Total</b>	<b>142</b>	<b>100%</b>

*As of April 27, 2026*





### Placement Pipeline

- Move 36 staff (25% of current staff) to CSH
- Preferential hiring at DBHDS facilities plus moving assistance over 50 miles
- Training and Career Development - Provide cross-training and credentialing pathways
- Career counseling, resume and interview support

HDMC Departments Moving to New CSH	Full-time	Wage
Dental	5	
Pharmacy	14	
Laboratory	5	2
Radiology	3	
Physical Therapy	3	
Other Therapies	4	
<b>Total</b>	<b>34</b>	<b>2</b>

*Note: Many more staff may move from HDMC to CSH through preferential hiring.*



Renderings of the new Central State Hospital





## 6-year cost to continue HDMC: \$285M (including renovations, downtime)

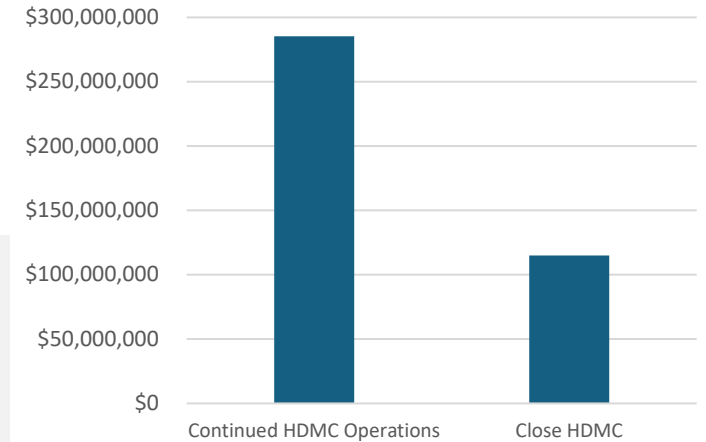
HDMC Continual Operations	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	6 Year Total
HDMC Operating Costs	\$18,625,415	\$15,347,342	\$28,654,485	\$29,514,120	\$30,399,543	\$31,311,529	\$153,852,435
Loss of Revenue	\$14,400,822	\$14,400,822					\$28,801,644
DD Community Services General Fund	\$590,000	\$607,700					\$1,197,700
DD Community Services Medicaid Waivers or ICF	\$3,637,000	\$3,746,110					\$7,383,110
HDMC Capital Renovation Cost	\$94,110,000						
<b>TOTAL 6 YEAR IMPACT</b>	<b>\$285,344,888</b>						

- There is only one estimate to renovate HDMC at \$94M. This estimate was used for the above, but this is for more beds than a rebuild of HDMC would need
- A new professional estimate would be needed to provide a smaller bed count, or a new build
- We are unable to add onto the new Central State



## HDMC Closure

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	6 Year Total
HDMC Operating Costs	\$21,926,364						
Shared Service CSH	\$6,728,121	\$6,929,965	\$7,137,864	\$7,352,000	\$7,572,560	\$7,799,737	\$43,520,246
Medical Staff and Supplies for MH Facilities	\$1,216,478	\$596,478	\$596,478	\$596,478	\$596,478	\$596,478	\$596,478
Retention Bonus Costs	\$3,000,000						
SEVTC Operating Costs	\$2,019,322	\$2,079,902	\$2,142,299	\$2,206,568	\$2,272,765	\$2,340,948	\$13,061,802
DD Community Services General Fund	\$590,000	\$607,700	\$625,931	\$644,709	\$664,050	\$683,972	\$3,816,362
DD Community Services Medicaid Waivers or ICF	\$3,637,000	\$3,746,110	\$3,858,493	\$3,974,248	\$4,093,476	\$4,216,280	\$23,525,607
WTA Costs	\$2,000,000	\$500,000					
<b>Total</b>	<b>\$41,117,285</b>	<b>\$13,960,155</b>	<b>\$14,361,065</b>	<b>\$14,774,002</b>	<b>\$15,199,328</b>	<b>\$15,637,414</b>	<b>\$115,049,249</b>
SEVTC Capital Costs	\$4,500,000						
Potential Sale of HDMC	\$13,042,367	FICAS Study 2017					
<b>TOTAL 6 YEAR IMPACT</b>	<b>\$119,549,249</b>						

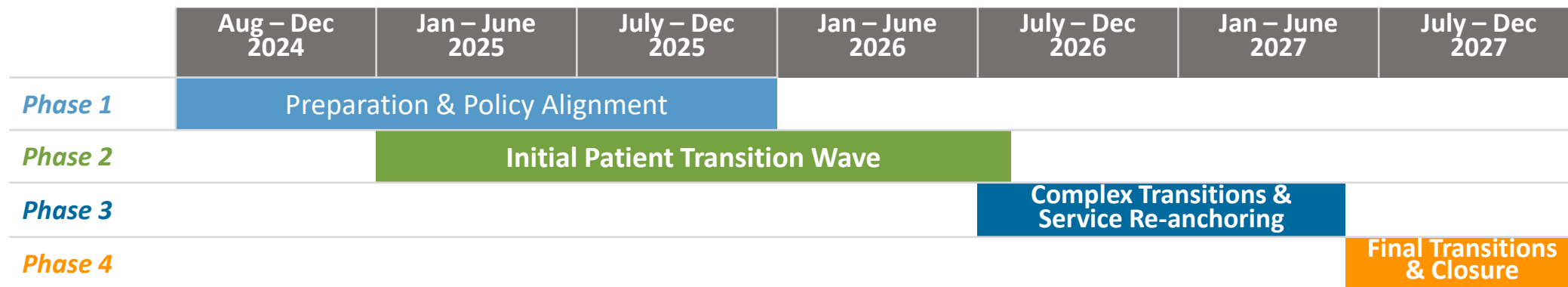


- **Estimated savings - \$170M** – reinvested in community and SEVTC
- **Key investments** - SEVTC renovations, workforce support, CSH shared services, community provider fund



- The original timeline assumed a decision would be made in 2026.
- A decision in 2027 may delay the original timeline causing challenges such as:
  - Increased threat of infrastructure failure
  - Difficulty ensuring thorough discharge process for each patient
  - Compressed timeline may limit new job options for staff at other DBHDS locations
  - Certain HDMC departments will move to the new Central State in early 2027, including dental, pharmacy, lab, radiology, physical therapy and other therapies.

## Original Timeline



- Extensive, one-year public stakeholder process ended in 2025; all reports, meeting recordings, public comments, and other documents can be found at: [dbhds.virginia.gov/facilities/hwdmc/hwdmc-planning-team](https://dbhds.virginia.gov/facilities/hwdmc/hwdmc-planning-team)
- The final plan was submitted to the Governor and JCHC in 2025.
- **Final approval rests with the Governor and the General Assembly, per § 37.2-316.**
- JCHC votes on the plan to provide a recommendation to the full General Assembly's consideration.
- DBHDS will immediately adjust to any Governor or General Assembly changes.