

North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

February 6, 2013

The Honorable Louis Pate, Co-Chair
Senate Health Care Committee
North Carolina Senate
Room 1028, Legislative Building
Raleigh, NC 27601

The Honorable Ralph Hise, Co-Chair
Senate Health Care Committee
North Carolina Senate
Room 1026, Legislative Building
Raleigh, NC 27601

Dear Senator Pate and Hise:

Section 1.(l) of Session Law 2011-264, requires the Department of Health and Human Services to provide status reports on the restructuring and expansion required to implement the 1915 (b)/(c) Medicaid Waiver. Pursuant to the provisions of law, the Department is pleased to submit the attached status report.

Please direct all questions concerning this report to Jim Jarrard, Acting Director of the NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services. Mr. Jarrard can be reached at (919) 733-7011.

Sincerely,

A handwritten signature in dark ink, appearing to read "Aldona Wos".

Aldona Wos, M.D.
Secretary

AW:mrh

Attachment

cc: Beth Melcher
Jim Slate
Adam Sholar
Jim Jarrard
Pam Kilpatrick
Susan Morgan
Sandra Trivett

Denise Thomas
Kristi Huff
Patricia Porter
Sarah Riser
Committee Members
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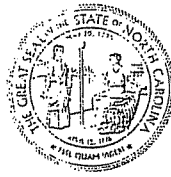
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February 6, 2013

The Honorable Mark W. Hollo, Co-Chair
House Health and Human Services Committee
North Carolina House of Representatives
Room 639, Legislative Office Building
Raleigh, NC 27603

The Honorable Bert Jones, Co-Chair
House Health and Human Services Committee
North Carolina House of Representatives
Room 416A, Legislative Office Building
Raleigh, NC 27603

Dear Representatives Hollo and Jones:

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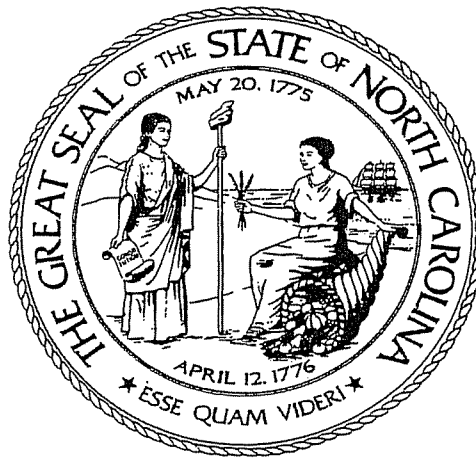
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**Status Report on
Development and Implementation of the 1915 (b)(c) Medicaid
Waiver DHHS Strategic Implementation Plan**

SESSION LAW 2011-264, Section 1.(I)



February 1, 2013

North Carolina Department of Health and Human Services

Status Report on Development and Implementation of the 1915 (b)(c) Medicaid Waiver DHHS Strategic Implementation Plan

SESSION LAW 2011-264, (House Bill 916)

Executive Summary

This status report is submitted to the North Carolina General Assembly, pursuant to the Requirements of Session Law 2011-264, Section 1.(1). This report is for the months November, 2012 to February, 2013 to provide information on major developments and implementation of the 1915 (b)(c) Medicaid Waiver DHHS Strategic Implementation Plan. A copy of the plan can be found at the following web link address:

<http://www.ncdhhs.gov/mhddsas/statspublications/Reports/DivisionInitiativeReports/waiver1915/index.htm>. In addition to meeting the requirements of the North Carolina General Assembly for reporting the status of specific strategies and responsibilities as defined in the Plan, it will serve as a vehicle for active communication with all stakeholders across the State. This status report is the fourth in a series of reports, with each report building upon previous reports. The following are highlights from each of the objectives and activities herein.

Summary of Progress

OBJECTIVE 1: OVERSEE MH/DD/SA SERVICE SYSTEM CHANGE

- The Aggregate IMT has not formally met since September of 2012 due to the intensity of LME-MCO on-site Mercer Readiness Reviews. Members of the Aggregate have reviewed the summary aggregate results of the 120/60 day reviews and offered feedback.
- The Department Waiver Advisory Committee (DWAC) continues to have scheduled monthly meetings where they receive operational LME-MCO updates, review and advise on progress of LME-MCO implementation, and facilitate presentations.
 - DWAC met on September 19th, 2012 to discuss Consumer Outcomes and Performance Measures, Smoky Mountain Center update, and Due Process.
 - DWAC meetings were cancelled in October, December, and January due to LME-MCO Readiness Reviews and meeting conflicts with DMA and DMH/DD/SAS Leadership and the Legislature.
 - DWAC members received copies of the Mercer 120 and 60 day review reports. The web link for the posted reports is as follows:
<http://www.ncdhhs.gov/mhddsas/providers/1915bcwaiver/dwac/calendar.html>
 - Agendas, presentations and meeting minutes can be found on the DWAC web page at:
<http://www.ncdhhs.gov/mhddsas/providers/1915bcwaiver/dwac/index.htm>

- The Division of Medical Assistance and Division of Mental Health, Developmental Disabilities and Substance Abuse Services established and has convened policy workgroups to review and discuss State policy development such as:
 - MH/SA Clinical Policy.
 - Intellectual Developmental Disabilities Policy.
 - Quality Management.
 - Finance.
 - Program Integrity.
 - The Think Tank workgroup has been suspended since we are entering into post implementation and with the establishment of the above policy workgroups. The aggregate workgroup is wrapped up by the end of this year due to implementation of the LME-MCOs.
- DMH/DD/SAS and DMA continues to collaborate with the American Association of Intellectual and Developmental Disabilities (AAIDD), the Human Services Research Institute (HSRI), the Developmental Disabilities Training Institute (DDTI) and the LME-MCOs on implementation of the Supports Intensity Scale (SIS) sampling. Samples to be completed by late spring, at which time HSRI will begin building a resource allocation model.
 - Weekly reports are reviewed and progress monitored of the completion of SIS assessments. At this time of 5,235 sample assessments to complete, 24% are completed (1,270).
 - Training materials have been developed, and community meetings have been held as a targeted campaign for engagement and understanding within the IDD community.
 - Information regarding the community forums, SIS, and resource allocation can be found on the following websites: <http://ddti.unc.edu/SIS.asp> and <http://www.hsri.org/focus-areas/intellectual-and-developmental-disabilities/>.
- DMH/DD/SAS and DMA continue to assist in the facilitation of LME/MCO mergers as part of the MCO implementation process. Mergers that have occurred since October, 2012 are:
 - Sandhills and Guilford merger went into effect January 1, 2013.
 - Inter-local agreements between Alliance and Cumberland and Johnston Counties were delayed one month due to the Alliance LME-MCO implementation delay. Agreement will go into effect February 1st, 2013.
- Implementation of the training plan for DMH/DD/SAS staff to develop knowledge and skills to gain competency regarding waiver functions is on-going.
- DMH/DD/SAS and DMA have partnered with consumers, providers, LME-MCOs and State facilities to standardize performance outcomes between the two LME/MCO contracts.
- New financial reports and files created by Mercer and DMA are being finalized and operationalized by the LME-MCOs.

OBJECTIVE 2: PARTNER WITH LME-MCOS TO ENSURE SUCCESSFUL IMPLEMENTATION.

- The DMH/DD/SAS and DMA Inter-departmental Monitoring Team (IMT) continues to review and discuss progress of each LME – MCO according to their pre and post implementation plans. (Standardized Inter-departmental Monitoring Team Meeting agenda).
 - IMT meetings held monthly prior to implementation.
 - Post-implementation IMTs meet monthly for a six month period after which the IMT meetings meet quarterly to monitor quality indicators, outcome indicators and improvement projects for both Medicaid and state-funded services and management functions.
- LME/MCO Readiness Reviews and Results:
 - Partners – 60 Day Review was held on November 6th, 2012. Closeout issues review (Issues at 60 Day Review requiring correction prior to implementation) was held on January 15th, 2013. Determination made to delay implementation date to go live February 1st, 2013. Public notice was distributed.
 - Alliance – 60 Day Review was held on November 8th, 2012. Closeout issues review was held on January 14th, 2013. Determination made to delay implementation date to go live February 1st, 2013. Public notice was distributed.
 - CenterPoint – 60 Day Review was held on November 13th, 2012. Closeout issues review was held on January 8th, 2013. Determination made to delay implementation date to go live February 1st, 2013. Public notice was distributed.
 - Eastpointe – 60 Day Review was held on November 15th, 2012. Closeout issues review was held and EastPointe went live as an LME-MCO on January 1st, 2013.
 - CoastalCare – 60 Day Review was held on November 27th, 2012. Additional reviews were held on December 18th, 2012 and January 16th, 2013. A DHHS determination was made to delay the start date and to conduct an additional readiness review as a LME-MCO.
 - MeckLink – 60 Day Review was held on November 29th, 2012. An additional review was held on December 20th, 2012. A DHHS determination was made to delay the start date and to conduct an additional readiness review as a LME-MCO.
 - Cardinal Innovations (PBH) – Received a Mercer expansion readiness review on December 11th, 2012.
 - Sandhills – Received a final readiness review with Mercer, on October 18th, 2013 and it was determined Sandhills Center was ready to go live as an LME-MCO. Sandhills Center went live as an LME-MCO on December 1st, 2012.
- LME/MCO Post-Implementation Reviews: (6 month post-implementation on-site reviews are held with Mercer, DMA and DMH/DD/SAS, based upon lessons learned. Quarterly face-to-face Inter-departmental Monitoring Team meetings are held thereafter)
 - Western Highland – Received a Post implementation POC and an Annual Review by Mercer / DHHS staff on-site review on January 8th and 9th, 2013.

- Smoky Mountain Center – Received a Six Month Post implementation on-site review by Mercer / DHHS staff held on January 10, 2013.
- Cardinal Innovations Healthcare Solutions (PBH) – Annual Mercer review to be conducted by Mercer / DHHS early in 2013.
- East Carolina Behavioral Health (ECBH) – Received a Six Month Post implementation review held on October 2, 2012.
- Contract for Sandhills Center has been finalized and signed to become a LME-MCO, effective December 1st, 2012.
- Contract for Eastpointe has been finalized and signed to become a LME-MCO, effective January 1st, 2013.
- Contracts are currently being prepared for CenterPoint, Alliance, and Partners to become a LME-MCO, effective February 1st, 2013.
- Guilford County will become a part of the Sandhills Waiver network effective April 1st, 2013.
- Various policy group forums, such as the IDD, MH/SA Clinical; Quality Management; Program Integrity, and Finance policy workgroups have begun meeting to assess implementation of standardized policies, protocols, and forms and identify recommendations for potential changes.

OBJECTIVE 3: ENSURE ACCESS AND QUALITY OF THE SERVICE SYSTEM FOR INDIVIDUALS WITH MENTAL ILLNESS, DEVELOPMENTAL DISABILITIES, OR SUBSTANCE ABUSE.

- DMA and DMH/DD/SAS have reviewed each LME-MCO's gap analysis and will utilize the information to address service needs in the Medicaid and state-funded service array within MH, DD, and SAS services.
- DMHDDSAS has tracked and published quarterly reports on each LME's and LME-MCO's performance in ensuring access to services, care coordination and use of crisis and inpatient services for both Medicaid and state-funded individuals since 2007. Beginning with the 3rd quarter report for SFY13, published in May 2013, reports will break out performance measures by funder. Quarterly Community Systems Progress Reports can be found at the following link:
<http://www.ncdhhs.gov/mhddsas/statpublications/Reports/DivisionInitiativeReports/communitysystems/index.htm>
- DMH/DD/SAS has submitted a draft Provider Contract Addendum to DMA to be included in DMA's existing Provider Contract. The intent is to lighten the load and eliminate the need for two provider contracts while ensuring that requirements for both Medicaid and State funding are met.
- DMA and DMH/DD/SAS collaborated with a CMS contract vendor to review and update all C Waiver performance measures in the DMA contract and the Waiver. The performance measures will be reviewed annually.
- A committee convened to review service and match options for 1915i. A 1915i option draft has been developed and is currently being reviewed.

- Inter-departmental Monitoring Teams continue to provide guidance and oversight of implementation of the Innovations Waiver, b3 services, and care coordination to ensure that the maximum number of individuals with Intellectual Developmental Disabilities is being served.
- The Center for Medicare and Medicaid Services (CMS) has approved the amended State CAP-I/DD waiver.
- DMH/DD/SAS and DMA collaborated with an external approved CMS vendor to determine Innovations Waiver slot distribution.
- DMH/DD/SAS and DMA have provided ongoing monitoring of each LME's implementation plan to ensure that seminars are offered for CAP waiver providers to explain the service crosswalk within 90 days prior to the start date of each waiver site.
- The DHHS "Transitions to Community Living Committee" has established workgroups, led by the DMH/DD/SAS Best Practice Team, to receive input and provide assistance related to the Department of Justice Settlement. Per the settlement, the State is required to help people live successfully in the community by developing and/or enhancing community-based wrap-around supports and services for all eligible individuals; these include:
 - **Assertive Community Treatment – ACT:** DMA and DMH/DD/SAS is finalizing the new service definition that adheres to the new fidelity scale: Tool for Measurement of ACT (TMACT). There is a new ACT Technical Assistance Center being developed with UNC Center for Excellence in Community Mental Health to guide TMACT evaluations and training for providers. DHHS will begin implementing a screening tool this fiscal year to determine ACT Fidelity by July 1, 2013. This tool will include phone interviews and on-site visits with current teams. Following these reviews the state will begin to process of complete full TMACT reviews.
 - **Supported Employment:** DMA and DMH/DD/SAS is finalizing the new service definition that adheres to evidence-based models of Supported Employment and is ensuring access for these supports to serve 100 individuals with MH/SA by July 1, 2013. A Supported Employment Technical Assistance/Training center is being developed through the NC Association of Person Supporting Employment-First (NCAPSE) to provide education to all stakeholder groups on the new service definition, Employment First principles, to guide staff workforce development, and to build capacity for new Peer Employment Mentors through recruitment and peer training.
 - **Tenancy Supports:** As per the DOJ agreement, every person linked to a housing slot will receive Tenancy support so this service will be linked to the Housing section of DOJ; meaning that Tenancy supports will be contracted separately and will not be a "service definition" provided by the MCOs. A workgroup has been established to develop Tenancy Support functions and training needs.
 - **Peer Support Services:** DMA and DMH/DD/SAS is in the process of updating the Medicaid B3 service definition for Peer Support for statewide expansion and consistency in practice across MCOs. This workgroup will also assess new trainings required for specialized peer roles throughout the DOJ settlement implementation sections (i.e., peer staff providing tenancy support, employment mentoring, engagement and In-Reach, etc). Additionally the workgroup is also

looking to enhance certified Peer Support staff capacity with the NCCPSS certification process through the UNC Behavioral Health Resource Program.

- DMH/DD/SAS has approved funding and development of a NC Recovery Initiative Summit that will focus on developing recovery principles for use within state policy and services. The Summit will include:
 - Fostering the use of recovery components, which include Peer Support.
 - Recovery experts and leaders identifying and creating consensus around factors that promote Recovery and its components as valuable and cost-effective tools to support individuals in the community.
 - A report that will be provided to State agencies to guide practice and policy, as well as develop an ongoing Recovery Advisory Council for continued guidance throughout the DOJ implementation and within services.
- A Technical Assistance request was approved by SAMHSA for North Carolina to develop Trauma-Informed Organizations. The assistance will allow the DMH/DD/SAS to identify, promote, and assist in the implementation of best practices and strategies that identify, engage and retain individuals with mental health disorders in services and to achieve positive life outcomes.
- The DMH/DD/SAS Advocacy and Customer Service Section has established a formal process for receiving feedback and input from Mental Health, Developmental Disabilities and Substance Abuse consumers, family members and stakeholders.
 - DMH/DD/SAS and DMA are coordinating data collection and responses to any complaints about policy or services.

OBJECTIVE 4: STRENGTHEN THE PARTNERSHIP WITH STAKEHOLDERS IN ADVISING THE STATE ON IMPLEMENTATION OF THE PLAN.

- DMA and DMH/DD/SAS continue to receive feedback during the DWAC public comments period (documented in the DWAC Minutes).
- DMA and DMH/DD/SAS continue to encourage input on forms, documents, policies, etc.
 - Revised Person Centered Comprehensive Crisis Plan was vetted to various consumers, family members, hospital associations, LMEs, and other stakeholders for review and input.
 - LME and Provider Contracts were vetted to various stakeholders for review and input.
- The County Commissioner Association is represented on the DHHS Waiver Advisory Committee and the DMH/DD/SAS External Advisory Team in an effort to collaborate to engage stakeholders in establishing and maintaining systems for ongoing, effective communication and coordination.
 - DWAC chair is a County Manager who is a member of the County Commissioner Association. The current Chair has resigned and the State will reach out to the County Commissioner Association for member replacement.

- The NC Association of County Commissioners (NCACC) has appointed members to the State Consumer and Family Advisory Committee (SCFAC) who participate in meetings and conference calls.
 - Initial plans underway for a workshop on LME/MCO Governance Board for members who may serve on the Consumer and Family Advisory Board.

OBJECTIVE 5: INCREASE KNOWLEDGE AND SKILLS THROUGHOUT THE SYSTEM.

- The DHHS Public Information Officer has continued to support the waiver expansion in assisting in press releases and waiver expansion developments and Innovation Plus development of materials.
- Local CFAC and Provider Network Advisory Chairs are part of the monthly LME-MCO IMT process to report implementation strengths and concerns, and are considered important feedback by local stakeholders to the State.
- DHHS continues to hold bi-weekly waiver meetings to discuss concerns of implementation and post implementation of operational LME-MCOs and to share and discuss issues for incorporation of lessons learned.
- DHHS, DMH/DD/SAS and DMA continue to update the DHHS LOC on Waiver Implementation and DWAC Web pages, including the following information: LOC Reports; DHHS Press Releases, Implementation Updates/Communications, meeting agendas/minutes, etc.
 - LME-MCOs have re-designed their web pages in an effort to effectively and efficiently communicate to their community, providers and consumer / family and, stakeholders.
- In an effort to engage stakeholders in establishing and maintaining systems for ongoing, effective communication and to increase knowledge, the DHHS Waiver Advisory Committee has meet monthly since it's inception in January, 2012.
 - Meeting dates and locations, agendas, minutes, and presentations are posted on the DWAC web page for public review. See below for web link.
<http://www.ncdhhs.gov/mhddsas/providers/1915bcwaiver/dwac/index.htm>
- The DMH/DD/SAS communication specialist continues to assist with on-going communication documents.
- The DHHS Public Information Officer and the LME-MCOs are establishing Public Information Officers to improve consistency and coordination of communication efforts at the State and Local level.
- Consumer and Family Advisory Committee (CFAC) Chair and Provider Network Advisory Chair are active participants in the monthly Inter-departmental Monitoring Team process to report implementation strengths and concerns as important feedback to the state of local stakeholders.

- DMA and DMH/DD/SAS continue to collaborate with CFACs and other agencies (External Advisory Committee, DHHS Legislative Oversight Committee, Provider LME Leadership Forum, Community Care of North Carolina, Division of Aging and Adult Services, etc.) representing individuals receiving services to identify and answer questions and concerns about system changes.
- Staff in the DMH/DD/SAS Advocacy and Customer Service Section continues to work with DWAC to develop consumer friendly Medicaid appeal notices.
- Local CFAC/State CFAC continue bi-monthly phone conferences to discuss Waiver issues.
- Local CFACs and advocates meet at Pinehurst 2012 to discuss SB 191 Area Board Governance and other consumer involvement concerns.
- A Spanish language translation of DMH/DD/SAS Consumer Handbook has been completed (to be posted on web).

OBJECTIVE 6: PARTNER WITH LME-MCO'S AND CCNC TO PROMOTE AND IMPLEMENT A SYSTEM OF INTEGRATED CARE BETWEEN MH/DD/SA SERVICE PROVIDERS AND PRIMARY CARE PROVIDERS.

- DMH/DD/SAS and DMA continues to collaborate to monitor compliance with the LME-MCO's and CCNC's existing model of collaboration for the coordination of care for individuals with MI, IDD, and SA disorders.
- DMHDDSAS has tracked and published quarterly reports on each LME's and LME-MCO's performance in ensuring that persons with MHDDSA disorders receive adequate primary health care since October 2011. Quarterly Community Systems Progress Reports can be found at the following link:
<http://www.ncdhhs.gov/mhddsas/statpublications/Reports/DivisionInitiativeReports/communitysystems/index.htm>
- Outcome performance measures have been designed for the contracts for CCNC and LME-MCOs showing the effectiveness of collaboration.
- LME-MCO contract amended to ensure integration of primary care and behavioral health care and to monitor compliance with the LME-MCO's and CCNC's existing model of collaboration for the coordination of care for individuals with MI, IDD, and SA.
- DMA and DMH/DD/SAS continue to meet on a monthly basis with Community Care of North Carolina.
- New standardized programmatic dashboard reports have been created by DMHDDSAS to be implemented by all operational LME-MCOs by July 2013 to more effectively address outcomes and performance measures and to increase cost effectiveness.
- The DMA and DMH/DD/SAS Clinical Policy workgroup, with the assistance of NC Practice Improvement Collaborative (NCPIC), are meeting with developers of Evidenced Based Practices for child residential services. Additionally, DMA and DMH/DD/SAS will be meeting with the NC Psychological Association regarding the availability of child psychiatrists statewide.