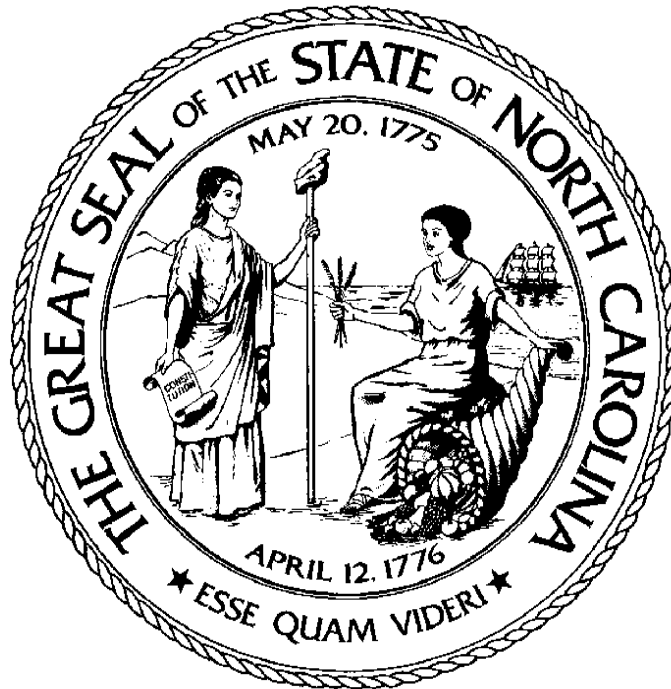


**TRANSITIONS
TO COMMUNITY LIVING**

N.C.G.S. § 122C-20.15



**NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN
SERVICES**

October 1, 2015

Summary

On an annual basis, the Department of Health and Human Services (DHHS) shall report to the Joint Legislative Oversight Committee on Health and Human Services of the General Assembly information on the number of individuals within each Local Management Entity/Managed Care Organization (LME/MCO) catchment area who transitioned into housing slots available through the North Carolina Supportive Housing Program (NCSHP) during the preceding calendar year. The report shall include a breakdown of all funds expended by each LME/MCO for transitioning these individuals into the housing slots.

Transitions to Community Living Initiative

The State of North Carolina entered into a settlement agreement with the United States Department of Justice in 2012. The Transitions to Community Living Initiative (TCLI) is the result of that agreement which is designed to allow people living with serious mental illnesses or severe and persistent mental illness to exercise a choice to live and work in the community. The agreement also ensures that those persons covered by the agreement who do choose to live in the community will have access to services and supports necessary for successful community living.

The Department is implementing the Transitions to Community Living Initiative through cross-divisional collaboration led by the Secretary's Office and involving the divisions of Mental Health, Developmental Disabilities and Substance Abuse Services, Medical Assistance, State Operated Health Facilities, Aging and Adult Services, Vocational Rehabilitation, and Health Service Regulation. The Department will continue to partner with the Housing Finance Agency specifically toward meeting the housing requirements of the settlement.

This annual report provides an update on North Carolina's progress for the Transitions to Community Living Initiative for activities between July 1, 2014, and June 30, 2015. The report provides information on progress by each LME/MCO.

LME/MCO Totals for End of June, 2015

LME/MCO	In-Reach Planning	Transition Planning	Individuals Housed w/ Confirmed Lease	PASRR Screenings Processed	ACT Total/ Teams
Alliance Behavioral Healthcare	362	48	46	32	856/10
Cardinal Innovations	713	32	89	43	796/15
CenterPoint Human Services	180	14	43	15	274/4
Coastal Care	156	24	69	0	43/5
East Carolina Behavioral Health	458	21	35	33	59/2
Eastpointe	245	18	59	33	434/7
Partners Behavioral Health Mgmt	368	26	40	24	678/10
Sandhills Center	287	22	72	15	416/6
Smoky Mountain Center	551	23	66	20	1108/18
Total	3320	228	519	215	5054/77

The State increased transitions in FY 2015 by two hundred and sixty five (265) individuals, from two hundred fifty-four (254) individuals housed in fiscal year 2013/2014 to five hundred nineteen (519) individuals housed in 2014/2015. This increase effectively doubles the efforts from the previous year. The Department will be developing a strategic plan on expanding availability of affordable housing for individuals.

North Carolina Supportive Housing Program Expenditures by LME/MCO

For FY 2015 the total expenditures on North Carolina Supportive Housing Program were \$2,844,441.56. Of this total, \$1,825,109 was provided to the vendor which administers the housing subsidy, housing inspections and provides tenancy support services; \$1,019,332.56 was provided in rental assistance; \$361,393.29 was provided in the form of Transition Year Stability Funds; and \$216,936.23 was provided in Community Living Assistance.

Community Living Assistance is a limited financial benefit provided to individuals who are not yet qualified or who do not qualify for State and County Special Assistance. The funds are used for community living expenses on a one-time or ongoing basis, depending on the need, and are capped at the same amount as State and County Special Assistance, \$1228 per month.

The chart below describes in detail the actual housing related expenditures by each LME/MCO for FY 2015.

LME/MCO-FY2015	Community Living Assistance	HAP/Rental Assistance	Transition Year Funds	Total
Alliance Behavioral Healthcare	21,869.00	48,993.06	39,775.85	110,637.91
Cardinal Innovations	72,645.00	212,261.00	50,670.95	335,576.95
Center Point Human Services	1,316.00	120,214.50	23,672.76	145,203.26
Coastal Care	32,550.00	34,938.00	44,499.00	111,987.00
Eastpointe	9,128.00	116,778.00	43,949.43	169,855.43
ECBH	14,193.00	167,740.00	23,594.00	205,527.00
Partners Behavioral Health Mgmt	1,730.00	55,898.00	17,465.28	75,093.28
Sandhills Center	36,821.61	160,384.00	69,792.13	266,997.74
Smoky Mountain Center	26,683.62	102,126.00	47,973.89	176,783.51
Total	216,936.23	1,019,332.56	361,393.29	1,597,662.08

Under the settlement agreement, the state is required to prioritize housing slots by five categories of persons who all have a diagnosis of a Serious Mental Illness or Serious and Persistent Mental Illness. Below is a chart showing housing slots filled by category.

LME/MCO	Cat 1	Cat 2	Cat 3	Cat 4	Cat 5	Total
Alliance Behavioral Healthcare		15		12	19	46
Cardinal Innovations	8	24	3	4	50	89
CenterPoint Human Services	14	7	0	0	22	43
Coastal Care	26	1	0	6	36	69
East Carolina Behavioral Health	4	5	4	3	19	35
Eastpointe	0	20	2	9	28	59
Partners Behavioral Health Mgmt	8	3	5	6	18	40
Sandhills Center	1	25	6	8	32	72
Smoky Mountain Center	17	8	6	2	33	66
Total	78	108	26	50	257	519

Note. Population categories are defined as follows:

- 1- Individuals with SMI who reside in an ACH determined by the State to be an IMD;
- 2- Individuals with SPMI who are residing in ACHs licensed for at least 50 beds and in which 25% or more of the resident population has a mental illness;
- 3- Individuals with SPMI who are residing in ACHs licensed for between 20 and 49 beds and in which 40% or more of the resident population has a mental illness;
- 4- Individuals with SPMI who are or will be discharged from a State psychiatric hospital and who are homeless or have unstable housing; and
- 5- Individuals being considered for admission to an ACH and determined through preadmission screening to have SMI.

Funding Allocations for Transitions to Community Living

LME/MCOs Per Member/Per Month Medicaid allocations (PM/PM) for staffing to support employing in-reach and transition workers remained unchanged for FY2015. However, the LME/MCOs did receive some state fund allocations to increase staffing.

- LME/MCO Care Coordinators/Transition Coordinators – each LME/MCO was assumed to have 4 Medicaid covered FTEs at a cost of \$90,000 per FTE and 1 \$90,000 state funded FTE (including salary, benefits, and overhead).
- LME/MCO Peer Specialist Workers – each LME/MCO was assumed to have 5.64 FTEs at a cost of \$45,000 per FTE (including salary, benefits, and overhead).
- Both Cardinal Innovations and Smoky Mountain Center received allocations to support 8 Medicaid covered Transition Coordinators at a cost of \$90,000 per FTE, 1 state funded Transition Coordinator at a cost of \$90,000 per FTE and 11 Peer Specialists Workers at a cost of \$45,000 per FTE .

The staffing funds for FY 2015 did not support the number of staff required to fulfill the number of needed transitions. The TCLI numeric requirements increase each year. To mitigate this and to infuse the appropriate supports necessary to meet the requirements there has been a proposed increase in both Transition Coordinator staff (an additional 44) and Peer Specialist Workers (an additional 24) which will be distributed among the LME/MCOs by population and performance.

The Division of Mental Health, Developmental Disabilities and Substance Abuse Services allocated \$2,241,540.00 across all LME/MCOs to cover costs for individuals who were not Medicaid eligible for services, supports, in-reach, transition, and diversion activities. Of those funds, \$597,672.18 were expended at the end of the year as the majority of individuals served were Medicaid eligible. The Division also allocated \$ 2,039,040.00 to the LME/MCOs for Supported Employment services. The LME/MCOs expended \$1,008,542.79 during the fiscal year.

In FY 2016 LME/MCO will become responsible for contracting with providers for tenancy supports services. These services will be supported through the Division of Mental Health, Developmental Disabilities and Substance Abuse Services. This is a cost neutral change. Based on previous year's spending the TCLI budget was amended to account for more individual's being Medicaid eligible. This will reduce the unspent funds previously supporting individuals who were not Medicaid eligible for services, supports, in-reach, transition, diversion activities and allow for adequate funding for tenancy supports services.

FY 2016 Priorities

Our main goal remains to develop and implement measures to prevent inappropriate institutionalization and to provide appropriate services and supports to meet the needs of individuals with severe mental illness who are in or at risk of entry into an adult care home. Our secondary goal is to meet the numeric requirements of the settlement.

DHHS and LME/MCO Leadership have continued to support TCLI as one of their top priority initiatives. Over the last year the number of individuals with mental health and substance use disorders receiving employment services from providers working towards fidelity has increased to over 1195. The LME/MCOs have more than doubled the number of individuals who have transitioned into housing over the last year. DHHS, the LME/MCOs and other State entities remain committed to the TCLI, and are committed to increasing these efforts over the next year in order to meet the numeric requirements of the settlement agreement