

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

S

1

SENATE BILL 408

Short Title: Recommended Approp. MH/DD/SA Oversight Comm. (Public)

Sponsors: Senators Nesbitt, Allran, Atwater, Dannelly, Forrester, Malone, Purcell, Shaw;
Berger of Franklin, Kinnaird, McKissick, Queen, Snow, and Vaughan.

Referred to: Appropriations/Base Budget.

March 5, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO IMPROVE THE MENTAL HEALTH,
3 DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES
4 SYSTEM, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT
5 COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND
6 SUBSTANCE ABUSE SERVICES.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1. Leadership Academy Funds.** – There is appropriated from the
9 General Fund to the Department of Health and Human Services, Division of Mental Health,
10 Developmental Disabilities, and Substance Abuse Services, the sum of five hundred thousand
11 dollars (\$500,000) for the 2009-2010 fiscal year and the sum of five hundred thousand dollars
12 (\$500,000) for the 2010-2011 fiscal year. These funds shall be allocated to local management
13 entities (LMEs) for LME staff participation in the Mental Health Leadership Academy at the
14 University of North Carolina Kenan-Flagler Business School.

15 **SECTION 2. Child Treatment Program Funds.** – There is appropriated from
16 the General Fund to the Department of Health and Human Services, Division of Mental Health,
17 Developmental Disabilities, and Substance Abuse Services, the sum of two million dollars
18 (\$2,000,000) for the 2009-2010 fiscal year and the sum of two million dollars (\$2,000,000) in
19 recurring funds for the 2010-2011 fiscal year for the North Carolina Child Treatment Program.
20 The North Carolina Child Treatment Program shall use these funds to provide (i) training and
21 ongoing support to clinicians who provide treatment under the program and (ii) evidence-based
22 mental health treatment to children and adolescents residing in this State who have experienced
23 serious psychological trauma and their families.

24 **SECTION 3. Fully Fund Implementation of Tier 1 of CAP/MR-DD Program.**
25 – There is appropriated from the General Fund to the Department of Health and Human
26 Services, Division of Medical Assistance, the sum of three million three hundred thirty-three
27 thousand three hundred thirty-three dollars (\$3,333,333) for the 2009-2010 fiscal year and the
28 sum of three million three hundred thirty-three thousand three hundred thirty-three dollars
29 (\$3,333,333) in recurring funds for the 2010-2011 fiscal year. These funds shall be used to
30 fully fund implementation of Tier 1 of the CAP/MR-DD Program.

31 **SECTION 4. Housing Initiative Funds to Reduce Long-term Need for State
32 Psychiatric Hospitals.** – There is appropriated from the General Fund to the Housing Trust
33 Fund the sum of ten million dollars (\$10,000,000) for the 2009-2010 fiscal year for the
34 Housing Initiative in order to reduce the need for State psychiatric hospitals in the long term.

35 **SECTION 5. MH/DD/SA Funds for Housing Initiative Units.** – There is
36 appropriated from the General Fund to the Department of Health and Human Services, Division



1 of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum of two
2 million five hundred thousand dollars (\$2,500,000) for the 2009-2010 fiscal year and the sum
3 of two million five hundred thousand dollars (\$2,500,000) for the 2010-2011 fiscal year to
4 continue operating support for an estimated 500 units of the Housing Initiative in order to
5 reduce the need for State psychiatric hospitals in the long term.

6 **SECTION 6. Funds for Regionally Hosted Substance Abuse Services.** – Of the
7 funds appropriated to the Department of Health and Human Services, Division of Mental
8 Health, Developmental Disabilities, and Substance Abuse Services for the 2009-2010 fiscal
9 year for substance abuse services, the Department shall allocate not less than eight million
10 dollars (\$8,000,000) and may allocate up to ten million dollars (\$10,000,000) for the
11 2009-2010 fiscal year to support regionally hosted substance abuse services. These funds shall
12 be allocated to continue or expand Cross Area Service Programs (CASP) and other substance
13 abuse treatment and prevention initiatives.

14 **SECTION 7. Money-Follows-the-Person Demonstration Grant.** – There is
15 appropriated from the General Fund to the Department of Health and Human Services the sum
16 of one hundred thousand two hundred forty-seven dollars (\$100,247) for the 2009-2010 fiscal
17 year. These funds shall be used to supplement a federally supported grant for the transition of
18 consumers out of nursing facilities, State psychiatric hospitals, and Intermediate Care Facilities
19 for the Mentally Retarded (ICF/MR) to more appropriate levels of care.

20 **SECTION 8. NCIOM Substance Abuse Task Force Recommendations.** – There
21 is appropriated from the General Fund to the Department of Health and Human Services,
22 Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum
23 of ten million dollars (\$10,000,000) for the 2009-2010 fiscal year. These funds shall be used to
24 implement one or more of the North Carolina Institute of Medicine (NCIOM) Substance Abuse
25 Task Force's priority recommendations, which include:

- 26 (1) Development of a comprehensive substance abuse prevention plan for use at
27 the State and local levels.
- 28 (2) Providing funding for the establishment of six pilot projects to implement
29 county or multicounty comprehensive prevention plans.
- 30 (3) Supporting efforts to reduce high-risk drinking on college campuses.
- 31 (4) Development of a pilot program to provide chronic disease management
32 services to substance abuse clients and former clients. The purpose of the
33 pilot is to decrease the number of short-term hospital admissions and to
34 provide discharge planning and follow-up to reduce substance abuse client
35 recidivism.
- 36 (5) Educating and encouraging health care professionals to use the screening,
37 brief intervention, and referral to treatment (SBIRT) model promoted by the
38 federal government.

39 **SECTION 9. Outpatient Commitment Pilot.** – There is appropriated from the
40 General Fund to the Department of Health and Human Services the sum of two million two
41 hundred eighty-six thousand four hundred dollars (\$2,286,400) for the 2009-2010 fiscal year.
42 The Department, consulting with the Administrative Office of the Courts, shall develop a pilot
43 program to test a new process for tracking and providing services to persons in State
44 psychiatric hospitals for whom an outpatient commitment order has been issued. The pilot
45 should initially focus on individuals in State hospitals where the individual's treatment history
46 is known and should provide for extended outpatient commitment for not less than 180 days.
47 The pilot shall include arrangements with LMEs as the point of accountability-tracking and
48 overseeing the individual's services and treatment at all times. The pilot shall identify a
49 provider willing to accept outpatient commitments that have a history of difficulty in
50 maintaining tracking and treatment of the client. The pilot shall also arrange for the
51 designation of hospital liaison personnel to assist with discharge planning. Except for the 180

1 extended outpatient commitment time, if a conflict arises between this subsection and Part 7 of
2 Article 5 of Chapter 122C of the General Statutes pertaining to outpatient commitments, Part 7
3 of Article 5 prevails.

4 **SECTION 10. Workforce Development Funds.** – There is appropriated from the
5 General Fund to the Department of Health and Human Services, Division of Mental Health,
6 Developmental Disabilities, and Substance Abuse Services, the sum of fifty thousand dollars
7 (\$50,000) for the 2009-2010 fiscal year and the sum of fifty thousand dollars (\$50,000) for the
8 2010-2011 fiscal year. These funds shall be used to establish a workforce development
9 specialist position in the Division.

10 **SECTION 11. Local Crisis Capacity Funding.** – There is appropriated from the
11 General Fund to the Department of Health and Human Services, Division of Mental Health,
12 Developmental Disabilities, and Substance Abuse Services, the sum of twenty-four million
13 three hundred twenty-four thousand four hundred thirty-two dollars (\$24,324,432) for the
14 2009-2010 fiscal year. These funds shall be allocated as follows:

- 15 (1) \$8,227,932 to fully fund local crisis initiatives that were partially funded in
16 the 2008-2009 fiscal year, and
- 17 (2) \$16,096,500 to purchase one hundred fifty additional local inpatient
18 psychiatric beds or bed days.

19 The one hundred fifty additional beds or bed days funded under subdivision (2) of this
20 subsection shall be distributed across the State according to need as determined by the
21 Department. The Department shall enter into contracts with the LMEs and community hospitals
22 for the management of beds or bed days funded under this subsection. Local inpatient
23 psychiatric beds or bed days shall be managed and controlled by the LME, including the
24 determination of which local or State hospital the individual should be admitted to pursuant to
25 an involuntary commitment order. Funds shall not be allocated to LMEs but shall be held in a
26 statewide reserve at the Division of Mental Health, Developmental Disabilities, and Substance
27 Abuse Services to pay for services authorized by the LMEs and billed by the hospitals through
28 the LMEs. LMEs shall remit claims for payment to the Division within 15 working days of
29 receipt of a clean claim from the hospital and shall pay the hospital within 10 working days of
30 receipt of payment from the Division. If the Department determines (i) that an LME is not
31 effectively managing the beds or bed days for which it has responsibility, as evidenced by beds
32 or bed days in the local hospital not being utilized while demand for services at the State
33 psychiatric hospitals has not reduced, or (ii) the LME has failed to comply with the prompt
34 payment provisions of this subsection, the Department may contract with another LME to
35 manage the beds or bed days, or, notwithstanding any other provision of law to the contrary,
36 may pay the hospital directly. The Department shall develop reporting requirements for LMEs
37 regarding the utilization of the beds or bed days. Funds appropriated in this section for the
38 purchase of local inpatient psychiatric beds or bed days shall be used to purchase additional
39 beds or bed days not currently funded by or through LMEs and shall not be used to supplant
40 other funds available or otherwise appropriated for the purchase of psychiatric inpatient
41 services under contract with community hospitals, including beds or bed days being purchased
42 through Hospital Pilot funds appropriated in S.L. 2007-323. Not later than March 1, 2010, the
43 Department shall report to the House of Representatives Appropriations Subcommittee on
44 Health and Human Services, the Senate, the Joint Legislative Oversight Committee on Mental
45 Health, Developmental Disabilities, and Substance Abuse Services, and the Fiscal Research
46 Division on a uniform system for beds or bed days purchased (i) with local funds, (ii) from
47 existing State appropriations, (iii) under the Hospital Utilization Pilot, and (iv) purchased using
48 funds appropriated under this subsection.

49 **SECTION 12. BART Step-Down Unit Funds.** – There is appropriated from the
50 General Fund to the Department of Health and Human Services, Division of Mental Health,
51 Developmental Disabilities, and Substance Abuse Services, the sum of one million eight

1 hundred thousand dollars (\$1,800,000) for the 2009-2010 fiscal year and the sum of three
2 hundred thousand dollars (\$300,000) for the 2010-2011 fiscal year. These funds shall be used
3 to develop a behaviorally advanced residential treatment (BART) step-down unit that would be
4 operated by the Murdoch Center. These funds include private provider training and technical
5 assistance to facilitate replication through the State.

6 **SECTION 13. Funds to Increase Staffing and Salary Ranges at DHHS and the**
7 **State Psychiatric Hospitals.** – There is appropriated from the General Fund to the Department
8 of Health and Human Services, Division of Mental Health, Developmental Disabilities, and
9 Substance Abuse Services, the sum of five hundred thousand dollars (\$500,000) for the
10 2009-2010 fiscal year and the sum of five hundred thousand dollars (\$500,000) for the
11 2010-2011 fiscal year. These funds shall be used to increase staff and raise salary ranges for
12 Division and State psychiatric hospital personnel.

13 **SECTION 14.** This act becomes effective July 1, 2009.