

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 2082*
Committee Substitute Favorable 6/5/06

Short Title: Increase MH/DD/SA Crisis Services.

(Public)

Sponsors:

Referred to:

May 18, 2006

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS FOR START-UP CRISIS SERVICES, TO
3 HIRE A CONSULTANT TO ASSIST AREA AUTHORITIES AND COUNTY
4 PROGRAMS DEVELOP AND IMPLEMENT A PLAN TO CREATE A
5 CONTINUUM OF CRISIS SERVICES, TO PAY FOR CRISIS SERVICES FOR
6 NONMEDICAID ELIGIBLE INDIGENT INDIVIDUALS, TO ENSURE ACCESS
7 TO CORE PSYCHIATRIC SERVICES, AND TO EXTEND THE SUNSET FOR
8 THE FIRST COMMITMENT PILOT PROGRAM AS RECOMMENDED BY THE
9 JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH,
10 DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.

11 The General Assembly of North Carolina enacts:

12 **SECTION 1.(a)** There is appropriated from the General Fund to the
13 Department of Health and Human Services the sum of ten million five hundred
14 thousand dollars (\$10,500,000) for the 2006-2007 fiscal year. The funds shall be
15 allocated on a per capita basis and shall be used by area authorities and county programs
16 for operational start-up, capital, or subsidies related to the development and
17 implementation of a plan for a continuum of regional crisis facilities and local crisis
18 services ("crisis plan"). Funds not expended during the 2006-2007 fiscal year shall not
19 revert. As used in this section, the term "crisis" includes services for individuals with
20 mental illnesses, developmental disabilities, and substance abuse addictions.

21 **SECTION 1.(b)** There is appropriated from the General Fund to the
22 Department of Health and Human Services (Department) the sum of four hundred
23 twenty-five thousand dollars (\$425,000) for the 2006-2007 fiscal year to be used by the
24 Department to hire a consultant to provide technical assistance to Local Management
25 Entities (LMEs) to develop and implement the crisis plans required under Section 1(a)
26 of this act. As used in this act, the term "consultant" may refer to an individual or a
27 business entity such as a corporation, a partnership, or a limited liability company. The
28 roles and responsibilities of the Department, the consultant, and the LMEs are more

1 fully explained in Section 1(c) of this act. Funds not expended during the 2006-2007
2 fiscal year shall not revert.

3 **SECTION 1.(c)** The Department shall hire a consultant to assist LMEs to
4 carry out the requirements of Section 1 of this act. In addition to any other factors the
5 Department determines are relevant when selecting the consultant, the Department shall
6 take into consideration whether an applicant has prior experience evaluating crisis
7 services at a local, regional, and statewide level, prior experience assisting State and
8 local public agencies develop and implement crisis services, and the ability to
9 implement its responsibilities within the time frames established under this act.

10 The consultant shall do all of the following:

- 11 (1) Develop a model for a continuum of crisis services for an urban area
12 and for a rural area. The model shall outline how an LME, or a group
13 of LMEs, can develop over a period of time the following components:
14 24-hour crisis telephone lines, walk-in crisis services, mobile crisis
15 outreach, crisis respite/residential services, crisis stabilization units,
16 23-hour beds, regional crisis facilities, inpatient crisis and
17 transportation. Options for voluntary admissions to a secured facility
18 shall include at least one service appropriate to address the mental
19 health, developmental disability, and substance abuse needs of adults,
20 and the mental health, developmental disability, and substance abuse
21 needs of children. Options for involuntary commitment to a secured
22 facility shall include at least one option in addition to admission to a
23 State facility. These models shall be the first deliverable under the
24 consultant's contract.
- 25 (2) Review the findings and recommendations regarding crisis services
26 developed by the Department as part of the long-range plan required
27 under Section 10.24 of S.L. 2005-276. The consultant shall use this
28 information and any other information it determines to: identify local
29 and regional gaps in crisis services; identify options for providing
30 those services; assist LMEs with developing and implementing a plan
31 to provide a continuum of crisis services; and maintain transparency
32 and accountability for the use of funds appropriated under this section.
- 33 (3) Designate appropriate groupings of LMEs for the development of
34 regional crisis facilities. As used in this act, the term "regional crisis
35 facility" means a facility-based crisis unit that serves an area that may
36 be larger than the catchment area of a single LME. The consultant
37 shall consult with LMEs in determining the grouping of LMEs for
38 regional crisis facilities. The consultant shall also take into
39 consideration geographical factors, prior LME groupings and
40 partnerships, and existing community facilities. Each LME shall
41 participate in the regional grouping established by the consultant in
42 order to be eligible to receive funding under this section.

43 The consultant shall work with each regional group to determine
44 whether a facility-based crisis center is needed in that region and

1 whether one would be financially sustainable on a long-term basis. If
2 the regional group and the consultant determine that a regional crisis
3 facility is needed and sustainable, the regional group shall attempt to
4 secure those services through a community hospital or other
5 community facility first.

- 6 (4) Assist LMEs to develop a plan to implement a continuum of local
7 crisis services. The plan shall be consistent with the models developed
8 by the consultant under subdivision (1) of this subsection and shall
9 address any gaps in crisis services identified by the study required
10 under Section 10.24 of S.L. 2005-276. The plan for a continuum of
11 local crisis services may be combined with a plan for the
12 implementation of a regional crisis facility.

13 The Department may allocate up to three percent (3%) of the funds
14 appropriated under Section 1(a) of this section to LMEs to assist them with the cost of
15 developing their crisis services plans. Each LME shall submit its crisis services plan to
16 the consultant and to the Department for review no later than March 1, 2007. The plan
17 shall take into consideration all other sources of funds in addition to the funds
18 appropriated under this act. The consultant and the Department shall review the plans to
19 determine whether they meet all the requirements of this section. If the plan meets all
20 the requirements of this section, the LME shall receive funding to implement the plan.

21 LMEs shall report monthly to the consultant and to the Department regarding
22 the use of the funds, whether there has been a reduction in the use of State psychiatric
23 hospitals for acute admissions, and any remaining gaps in local and regional crisis
24 services. The consultant and the Department shall report quarterly to the Senate
25 Appropriations Committee on Health and Human Services, the House of
26 Representatives Appropriations Subcommittee on Health and Human Services, the
27 Fiscal Research Division, and the Joint Legislative Oversight Committee on Mental
28 Health, Developmental Disabilities, and Substance Abuse Services regarding each
29 LME's proposed and actual use of the funds appropriated under this section. The
30 reporting requirement under this paragraph shall expire July 1, 2008.

31 **SECTION 2.** There is appropriated from the General Fund to the
32 Department of Health and Human Services the sum of nine million dollars (\$9,000,000)
33 for the 2006-2007 fiscal year. These funds shall be allocated to area authorities and
34 county programs on a per capita basis. Area authorities and county programs may bill
35 this fund to pay for mental health, developmental disabilities, or substance abuse crisis
36 services provided to non-Medicaid eligible adults and children who are indigent and
37 have no other third-party payment source. Nothing in this section shall prohibit an area
38 authority or county program from using other funds to provide crisis services, nor shall
39 it limit an area authority or county program's obligation under G.S. 122C-2(2) to
40 provide emergency services. The Department shall report quarterly to the Fiscal
41 Research Division on the expenditure of the funds appropriated under this section.

42 **SECTION 3.** There is appropriated from the General Fund to the
43 Department of Health and Human Services the sum of nine million dollars (\$9,000,000)
44 for the 2006-2007 fiscal year. These funds shall be allocated to area authorities and

1 county programs on a per capita basis. Area authorities and county programs may use
2 these funds to maintain public access to community psychiatric services. The funds
3 may be used on a unit cost reimbursement or nonunit cost reimbursement basis. The
4 Department shall report quarterly to the Fiscal Research Division on the expenditure of
5 the funds appropriated under this section.

6 **SECTION 4.** S.L. 2003-178 reads as rewritten:

7 **"SECTION 1.** The Secretary of Health and Human Services may, upon request of a
8 phase-one local management entity, waive temporarily the requirements of
9 G.S. 122C-261 through G.S. 122C-263 and G.S. 122C-281 through G.S. 122C-283
10 pertaining to initial (first-level) examinations by a physician or eligible psychologist of
11 individuals meeting the criteria of G.S. 122C-261(a) or G.S. 122C-281(a), as applicable,
12 as follows:

13 (1) The Secretary has received a request from a phase-one local
14 management entity to substitute for a physician or eligible
15 psychologist, a licensed clinical social worker, a masters level
16 psychiatric nurse, or a masters level certified clinical addictions
17 specialist to conduct the initial (first-level) examinations of individuals
18 meeting the criteria of G.S. 122C-261(a) or G.S. 122C-281(a). The
19 waiver shall be implemented on a pilot-program basis. The request
20 from the local management entity shall be submitted as part of the
21 entity's local business plan and shall specifically describe:

- 22 a. How the purpose of the statutory requirement would be better
23 served by waiving the requirement and substituting the
24 proposed change under the waiver.
25 b. How the waiver will enable the local management entity to
26 improve the delivery or management of mental health,
27 developmental disabilities, and substance abuse services.
28 c. How the services to be provided by the licensed clinical social
29 worker, the masters level psychiatric nurse, or the masters level
30 certified clinical addictions specialist under the waiver are
31 within each of these professional's scope of practice.
32 d. How the health, safety, and welfare of individuals will continue
33 to be at least as well protected under the waiver as under the
34 statutory requirement.

35 (2) The Secretary shall review the request and may approve it upon
36 finding that:

- 37 a. The request meets the requirements of this section.
38 b. The request furthers the purposes of State policy under
39 G.S. 122C-2 and mental health, developmental disabilities, and
40 substance abuse services reform.
41 c. The request improves the delivery of mental health,
42 developmental disabilities, and substance abuse services in the
43 counties affected by the waiver and also protects the health,
44 safety, and welfare of individuals receiving these services.

1 d. The duties and responsibilities performed by the licensed
2 clinical social worker, the masters level psychiatric nurse, or the
3 masters level certified clinical addictions specialist are within
4 the individual's scope of practice.

5 (3) The Secretary shall evaluate the effectiveness, quality, and efficiency
6 of mental health, developmental disabilities, and substance abuse
7 services and protection of health, safety, and welfare under the waiver.
8 The Secretary shall send a report on the evaluation to the Joint
9 Legislative Oversight Committee on Mental Health, Developmental
10 Disabilities, and Substances Abuse Services on or before July 1, 2006.

11 (4) The waiver granted by the Secretary under this section shall be in
12 effect ~~for a period not to exceed three years, or the period for which~~
13 ~~the requesting local management entity's business plan is approved,~~
14 ~~whichever is shorter, until October 1, 2007.~~

15 (5) The Secretary may grant a waiver under this section to up to five local
16 management entities that have been designated as phase-one entities as
17 of July 1, 2003.

18 (6) In no event shall the substitution of a licensed clinical social worker,
19 masters level psychiatric nurse, or masters level certified clinical
20 addictions specialist under a waiver granted under this section be
21 construed as authorization to expand the scope of practice of the
22 licensed clinical social worker, the masters level psychiatric nurse, or
23 the masters level certified clinical addictions specialist.

24 (7) The Department shall assure that staff performing the duties are
25 trained and privileged to perform the functions identified in the waiver.
26 The Department shall involve stakeholders including, but not limited
27 to, the North Carolina Psychiatric Association, The North Carolina
28 Nurses Association, National Association of Social Workers, The
29 North Carolina Substance Abuse Professional Certification Board,
30 North Carolina Psychological Association, The North Carolina Society
31 for Clinical Social Work, and the North Carolina Medical Society in
32 developing required staff competencies.

33 (8) The local management entity shall assure that a physician is available
34 at all times to provide backup support to include telephone
35 consultation and face-to-face evaluation, if necessary.

36 **SECTION 2.** This act becomes effective July 1, 2003, and expires ~~July 1,~~
37 ~~2006, October 1, 2007."~~

38 **SECTION 5.** This act becomes effective July 1, 2006.