

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**SENATE DRS75439-RCz-24A\* (04/27)**

Short Title: Increase MH/DD/SA Crisis Services. (Public)

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Sponsors: Senators Nesbitt, Allran, Cowell, Dannelly, Forrester, Lucas, Malone, and Purcell.

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Referred to:

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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 NON-MEDICAID 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 used  
15 by area authorities and county programs to establish a continuum of regional crisis  
16 facilities and local crisis services for persons with mental illness, developmental  
17 disabilities, and substance abuse addictions.

18 There is appropriated from the General Fund to the General Assembly,  
19 Legislative Services Commission, the sum of four hundred twenty-five thousand dollars  
20 (\$425,000) for the 2006-2007 fiscal year to be used by the Joint Legislative Oversight  
21 Committee on Mental Health, Developmental Disabilities, and Substance Abuse  
22 Services to hire one or more consultants to provide technical assistance to Local  
23 Management Entities (LMEs) to develop and implement crisis services plans under this  
24 section. The consultant shall assist area authorities and county programs and crisis  
25 regions to identify local and regional gaps in crisis services, identify options for

1 providing services, implement new services, and maintain transparency and  
2 accountability for the use of funds.

3 The area authorities and county programs will organize themselves into no  
4 more than 21 crisis regions based upon the existing Geriatric Specialty team  
5 configurations or other approved regions. The funds shall be allocated to each area  
6 authority or county programs on a per capita basis. The funds may be used for  
7 operational start-up, capital, or subsidies related to developing a continuum of crisis  
8 services. No more than three percent (3%) may be spent for administrative costs. The  
9 area authorities and county program within a crisis region shall work together to  
10 identify gaps in their ability to provide a continuum of crisis services for all consumers  
11 and use the funds appropriated to them to develop and implement a plan to address  
12 those needs. At a minimum, the plan must address the development over time of the  
13 following components: 24-hour crisis telephone lines, walk-in crisis services, mobile  
14 crisis outreach, crisis respite/residential services, crisis stabilization units, 23-hour beds,  
15 facility-based crisis, in-patient crisis and transportation. Options for voluntary  
16 admissions to a secured facility must include at least one service appropriate to address  
17 the mental health, developmental disability, and substance abuse needs of adults, and  
18 the mental health, developmental disability, and substance abuse needs of children.  
19 Options for involuntary commitment to a secured facility must include at least one  
20 option in addition to admission to a State facility.

21 If all area authorities and county programs in a crisis region determine that a  
22 facility-based crisis center is needed and sustainable on a long term basis, the crisis  
23 region shall attempt to secure those services through a community hospital or other  
24 community facility first. If all the area authorities and county programs in the crisis  
25 region determine the region's crisis needs are being met, the area authorities and county  
26 programs may use the funds to meet local crisis service needs.

27 Each area authority and county program and each crisis region will be  
28 required to utilize the technical assistance of a consultant under contract with the  
29 General Assembly to develop and implement its crisis services plan. The consultant  
30 shall assist area authorities and county programs and crisis regions to identify local and  
31 regional gaps in crisis services, identify options for providing services, implement new  
32 services, and maintain transparency and accountability for the use of funds. The crisis  
33 region or area authorities and county programs shall submit their crisis services plan to  
34 the consultant and to the Division of Mental Health, Developmental Disabilities, and  
35 Substance Abuse Services (Division) for review and public comment. The crisis regions  
36 and area authorities and county programs shall consider the comments prior to  
37 submitting a final plan for implementation. Upon submission of a final plan to DHHS,  
38 each crisis region, area authority, and county program will receive implementation  
39 funds. Funds not expended during the 2006-2007 fiscal year shall not revert.

40 Area authorities and county programs and crisis regions must report monthly  
41 to the consultant and to the Division regarding the use of the funds, whether there has  
42 been a reduction in the use of State psychiatric hospitals for acute admissions, and  
43 remaining gaps in local and regional crisis services. The consultant shall report  
44 regularly to the General Assembly, the Fiscal Research Division, and the Joint

1 Legislative Oversight Committee on Mental Health, Developmental Disabilities, and  
2 Substance Abuse Services regarding each crisis region's and area authorities' and county  
3 programs' proposed and actual use of the funds.

4 **SECTION 1.(b)** There is appropriated from the General Fund to the  
5 Department of Health and Human Services the sum of nine million dollars (\$9,000,000)  
6 for the 2006-2007 fiscal year. These funds shall be allocated to area authorities and  
7 county programs on a per capita basis. Area authorities and county programs may bill  
8 this fund to pay for mental health, developmental disabilities, or substance abuse crisis  
9 services provided to non-Medicaid eligible adults and children who are indigent and  
10 have no other third-party payment source. Nothing in this section shall prohibit an area  
11 authority or county program from using other funds to provide crisis services, nor shall  
12 it limit an area authority or county program's obligation under G.S. 122C-2(2) to  
13 provide emergency services.

14 **SECTION 1.(c)** There is appropriated from the General Fund to the  
15 Department of Health and Human Services the sum of nine million dollars (\$9,000,000)  
16 for the 2006-2007 fiscal year. These funds shall be allocated to area authorities and  
17 county programs on a per capita basis. Area authorities and county programs may use  
18 these funds to maintain public access to community psychiatric services. The funds  
19 may be used on a unit cost reimbursement or non-unit cost reimbursement basis.

20 **SECTION 2.** S.L. 2003-178 reads as rewritten:

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

- 27 (1) The Secretary has received a request from a phase-one local  
28 management entity to substitute for a physician or eligible  
29 psychologist, a licensed clinical social worker, a masters level  
30 psychiatric nurse, or a masters level certified clinical addictions  
31 specialist to conduct the initial (first-level) examinations of individuals  
32 meeting the criteria of G.S. 122C-261(a) or G.S. 122C-281(a). The  
33 waiver shall be implemented on a pilot-program basis. The request  
34 from the local management entity shall be submitted as part of the  
35 entity's local business plan and shall specifically describe:
- 36 a. How the purpose of the statutory requirement would be better  
37 served by waiving the requirement and substituting the  
38 proposed change under the waiver.
  - 39 b. How the waiver will enable the local management entity to  
40 improve the delivery or management of mental health,  
41 developmental disabilities, and substance abuse services.
  - 42 c. How the services to be provided by the licensed clinical social  
43 worker, the masters level psychiatric nurse, or the masters level

- 1 certified clinical addictions specialist under the waiver are  
2 within each of these professional's scope of practice.
- 3 d. How the health, safety, and welfare of individuals will continue  
4 to be at least as well protected under the waiver as under the  
5 statutory requirement.
- 6 (2) The Secretary shall review the request and may approve it upon  
7 finding that:
- 8 a. The request meets the requirements of this section.  
9 b. The request furthers the purposes of State policy under  
10 G.S. 122C-2 and mental health, developmental disabilities, and  
11 substance abuse services reform.  
12 c. The request improves the delivery of mental health,  
13 developmental disabilities, and substance abuse services in the  
14 counties affected by the waiver and also protects the health,  
15 safety, and welfare of individuals receiving these services.  
16 d. The duties and responsibilities performed by the licensed  
17 clinical social worker, the masters level psychiatric nurse, or the  
18 masters level certified clinical addictions specialist are within  
19 the individual's scope of practice.
- 20 (3) The Secretary shall evaluate the effectiveness, quality, and efficiency  
21 of mental health, developmental disabilities, and substance abuse  
22 services and protection of health, safety, and welfare under the waiver.  
23 The Secretary shall send a report on the evaluation to the Joint  
24 Legislative Oversight Committee on Mental Health, Developmental  
25 Disabilities, and Substances Abuse Services on or before July 1, 2006.
- 26 (4) The waiver granted by the Secretary under this section shall be in  
27 effect ~~for a period not to exceed three years, or the period for which~~  
28 ~~the requesting local management entity's business plan is approved,~~  
29 ~~whichever is shorter, until October 1, 2007.~~
- 30 (5) The Secretary may grant a waiver under this section to up to five local  
31 management entities that have been designated as phase-one entities as  
32 of July 1, 2003.
- 33 (6) In no event shall the substitution of a licensed clinical social worker,  
34 masters level psychiatric nurse, or masters level certified clinical  
35 addictions specialist under a waiver granted under this section be  
36 construed as authorization to expand the scope of practice of the  
37 licensed clinical social worker, the masters level psychiatric nurse, or  
38 the masters level certified clinical addictions specialist.
- 39 (7) The Department shall assure that staff performing the duties are  
40 trained and privileged to perform the functions identified in the waiver.  
41 The Department shall involve stakeholders including, but not limited  
42 to, the North Carolina Psychiatric Association, The North Carolina  
43 Nurses Association, National Association of Social Workers, The  
44 North Carolina Substance Abuse Professional Certification Board,

1 North Carolina Psychological Association, The North Carolina Society  
2 for Clinical Social Work, and the North Carolina Medical Society in  
3 developing required staff competencies.

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

7 **SECTION 2.** This act becomes effective July 1, 2003, and expires ~~July 1,~~  
8 ~~2006.~~October 1, 2007."

9 **SECTION 3.** This act becomes effective July 1, 2006. The Fiscal Research  
10 Division shall track the allocation and utilization of the funds appropriated under this  
11 act.