

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 1784

Short Title: Improve MH/DD/SA Quality Control - LMEs. (Public)

Sponsors: Representatives Insko; Brown, Faison, Glazier, and Harrison.

Referred to: Mental Health Reform.

April 19, 2007

1 **A BILL TO BE ENTITLED**
2 AN ACT TO IMPROVE THE QUALITY AND ACCESSIBILITY OF MENTAL
3 HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE
4 SERVICES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 115.4(b) reads as rewritten:

7 "(b) The primary functions of an LME are designated in this subsection and shall
8 not be conducted by any other entity unless an LME voluntarily enters into a contract
9 with that entity under subsection (c) of this section. The primary functions include all of
10 the following:

11 (1) Access for all citizens to the core services and administrative functions
12 described in G.S. 122C-2. In particular, this shall include the
13 implementation of a 24-hour a day, seven-day a week screening,
14 triage, and referral process and a uniform portal of entry into care.

15 (2) Provider endorsement, monitoring, technical assistance, capacity
16 development, and quality control. An LME may remove a provider's
17 endorsement if a provider fails to meet defined quality criteria,
18 fails to adequately document the provision of services, fails to provide
19 required staff training, or fails to provide required data to the LME.

20 (3) Utilization management, utilization review, and determination of the
21 appropriate level and intensity of services including services. An LME
22 may participate in the development of person centered plans for any
23 consumer and shall monitor the implementation of person centered
24 plans. An LME shall the review and approval of the approve person
25 centered plans for consumers who receive State-funded services.
26 Concurrent review services and shall conduct concurrent reviews of
27 person centered plans for all consumers in the LME's catchment area
28 who receive Medicaid funded services.

- 1 (4) Authorization of the utilization of State psychiatric hospitals and other
2 State facilities. Authorization of eligibility determination requests for
3 recipients under a CAP-MR/DD waiver.
- 4 (5) Care coordination and quality management. This function includes the
5 direct monitoring of the effectiveness of person centered plans. It also
6 includes the initiation of and participation in the development of
7 required modifications to the plans for high risk and high cost
8 consumers in order to achieve better client outcomes or equivalent
9 outcomes in a more cost-effective manner. Monitoring effectiveness
10 includes reviewing client outcomes data supplied by the provider,
11 direct contact with consumers, and review of consumer charts. It shall
12 also include post-payment clinical reviews of targeted consumers
13 utilizing a standardized quality review tool.
- 14 (6) Community collaboration and consumer affairs including a process to
15 protect consumer rights, an appeals process, and support of an
16 effective consumer and family advisory committee.
- 17 (7) Financial management and accountability for the use of State and local
18 funds and information management for the delivery of publicly funded
19 services."

20 **SECTION 2.** G.S. 122C-141(a) reads as rewritten:

21 "(a) The area authority or county program shall contract with other qualified
22 public or private providers, agencies, institutions, or resources for the provision of
23 services, and, subject to the approval of the Secretary, is authorized to provide services
24 directly. The area authority or county program shall indicate in its local business plan
25 how services will be provided and how the provision of services will address issues of
26 access, availability of qualified public or private providers, consumer choice, and fair
27 competition. The Secretary shall take into account these issues when reviewing the local
28 business plan and considering approval of the direct provision of services. Any approval
29 granted by the Secretary shall be for not less than one year. The Secretary shall develop
30 criteria for the approval of direct service provision by area authorities and county
31 programs in accordance with this section and as evidenced by compliance with the local
32 business plan. For the purposes of this section, a qualified public or private provider is a
33 provider that meets the provider qualifications as defined by rules adopted by the
34 Secretary."

35 **SECTION 3.** This act becomes effective October 1, 2007.