GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

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SENATE BILL 163*

Rules and Operations of the Senate Committee Substitute Adopted 10/3/01

Short Title: LEAs and Group Homes.

Sponsors:

Referred to:

February 19, 2001

1 A BILL TO BE ENTITLED 2 AN ACT TO IMPLEMENT THE RECOMMENDATIONS OF THE LEGISLATIVE 3 RESEARCH COMMISSION'S STUDY COMMITTEE ON GROUP HOMES TO 4 ADDRESS THE NEEDS OF LOCAL SCHOOL ADMINISTRATIVE UNITS IN 5 WHICH GROUP HOMES FOR CHILDREN ARE LOCATED. 6 The General Assembly of North Carolina enacts: 7 SECTION 1. Section 11.19 of S.L. 2000-67 reads as rewritten: 8 "CHILD RESIDENTIAL TREATMENT SERVICES PROGRAM 9 Section 11.19.(a) The Department of Health and Human Services shall establish the 10 Child Residential Treatment Services Program. The Program shall be implemented by the Department in consultation with the Office of Juvenile Justice and other affected 11 12 State agencies. The purpose of the Program is to provide appropriate and medically necessary residential treatment alternatives for children at risk of institutionalization or 13 14 other out-of-home placement. Program funds shall be targeted for non-Medicaid eligible children and may also be used for Medicaid-eligible children. Program funds may also 15 be used to expand the Child Mental Health Systems of Care Project. The Program shall 16 17 include the following: 18 (1)Behavioral health screenings for all children at risk of 19 institutionalization or other out-of-home placement. 20 Appropriate and medically necessary residential treatment placements, (2)including placements for youths needing substance abuse treatment 21 22 services and for specialized populations such as deaf children, children 23 with serious emotional disturbances, and sexually aggressive youth. 24 Multidisciplinary case management services, as needed. (3) A system of utilization review specific to the nature and design of the 25 (4)

Program.

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Mechanisms to ensure that children are not placed in department of
social services custody for the purpose of obtaining mental health
residential treatment services.

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1	(6)	Mechanisms to maximize current State and local funds and to expand
2		use of Medicaid funds to accomplish the intent of this Program.
3	(7)	Other appropriate components to accomplish the Program's purpose.
4	(8)	The Secretary of the Department of Health and Human Services may
5		enter into contracts with residential service providers.
6	Section 11.1	19.(b) The Department shall not allocate funds appropriated for Program
7	services until a Memorandum of Agreement has been executed between the Department	
8	and other affe	cted State agencies. The Memorandum of Agreement shall address
9	specifically the	e roles and responsibilities of the various departmental divisions and
10	affected State	agencies agencies, including the Department of Public Instruction,
11	involved in the	e administration, financing, care, and placement of children at risk of
12	institutionalization or other out-of-home placement. The Department shall not allocate	
13	funds appropriated in this act for the Program until Memoranda of Agreement between	
14	local department	nts of social services and services, area mental health programs, local
15	school administ	trative units, and the Administrative Office of the Courts, and the Office
16	of Juvenile Ju	stice, as appropriate, are executed to effectuate the purpose of the
17	Program. The	Memoranda of Agreement shall address issues pertinent to local
18	implementation	of the Program. Program, including provision for the immediate
19	<u>availability</u> of	student records to a local school administrative unit receiving a child
20	—	dential setting outside the child's home county.
21	Section 11.	19.(c) Notwithstanding any other provision of law to the contrary,
22	services under	the Child Residential Treatment Services Program are not an entitlement
23	for non-Medica	id eligible children served by the Program.
24		19.(d) The Department of Health and Human Services, in conjunction
25	with the Office	e of Juvenile Justice and other affected agencies, shall report on the
26	following:	
27	(1)	The number and other demographic information of children served.
28	(2)	The amount and source of funds expended to implement the Program.
29	(3)	Information regarding the number of children screened, specific
30		placement of children, and treatment needs of children served.
31	(4)	The average length of stay in residential treatment, transition, and
32		return to home.
33	(5)	The number of children diverted from institutions or other out-of-home
34		placements such as training schools and State psychiatric hospitals.
35	(6)	Recommendations on other areas of the Program that need to be
36		improved.
37	(7)	Other information relevant to successful implementation of the
38		Program.
39	<u>(8)</u>	A method of identifying and tracking children placed outside of the
40		family unit in group homes or therapeutic foster care home settings.
41	The Department shall submit a progress report on implementation of the Program	
42	not later than February 1, 2001, and a final report not later than May 1, 2002, to the	
43	House of Representatives Appropriations Subcommittee on Health and Human	

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Services, the Senate Appropriations Committee on Human Resources, and the Fiscal
Research Division."

SECTION 2. G.S. 115C-140.1(a) reads as rewritten:

4 "(a) Notwithstanding the provisions of any other statute and without regard for the 5 place of domicile of a parent or guardian, the cost of a free appropriate public education 6 for a child with special needs who is placed in or assigned to a group home, foster home 7 or other similar facility, pursuant to State and federal law, shall be borne by the local 8 board of education in which the group home, foster home or other similar facility is 9 located. However, the local school administrative unit in which a child is domiciled 10 shall transfer to the local school administrative unit in which the institution is located an 11 amount equal to the actual local cost in excess of State and federal funding required to 12 educate that child in the local school administrative unit for the fiscal year. Nothing in 13 this section obligates any local board of education to bear any cost for the care and 14 maintenance of a child with special needs in a group home, foster home or other similar 15 facility."

16 **SECTION 3.** The State Board of Education shall revise the formula for State 17 Aid for Children with Disabilities and the Group Homes formula to provide to local 18 school administrative units an amount greater than the State per funded headcount for 19 children with special needs placed outside their home counties in counties where there 20 is higher than average concentration of group homes or therapeutic foster care homes 21 serving children in the county.

SECTION 4. No additional group homes shall be approved, opened, licensed, or built in any county where the number of residential treatment homes and supervised living homes for individuals of all disability groups beds exceeds 1 per 733 people, according to the most recent federal decennial census.

SECTION 5. The State Board of Education shall provide for a local school administrative unit to request funds from the Group Homes Program for Children with Disabilities if a child assigned to that unit was not in that unit's April headcount for exceptional children for the previous school year, even if the local school administrative unit received Group Homes Program funds for that child for a portion of the preceding school year.

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SECTION 6. This act is effective when it becomes law.