

Public Mental Health Services in North Carolina

Mark Botts, JD
Associate Professor of Public Law and Government
School of Government
UNC Chapel Hill

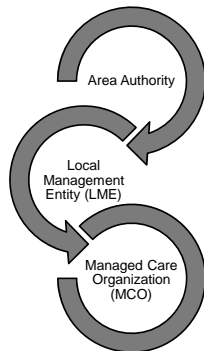
botts@sog.unc.edu
919-962-8204
919-923-3229



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Terminology



Sources of Law

- General Statutes
- Session Laws
- North Carolina Administrative Code
- DMH contract
- DMA contract
- Federal law

These govern not only how we pay for and deliver services but also the collection, analysis, and reporting of data about service payment, delivery, and outcomes.



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Topics

1. What is an LME and what does it do?
2. What is the future under Medicaid Reform?

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WHAT IS AN LME AND WHAT DOES IT DO?

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How are LMEs Established?

- A county must provide MH/DD/SA services through an area authority
- With DHHS Secretary approval
 - Boards of county commissioners must jointly establish an area authority
 - A county may "disengage" from one area authority and "realign" with another
 - Two area authorities may consolidate (merge) to create one larger area authority

G.S. 122C-115.

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Who Governs the LME?

- ❑ Boards of county commissioners within the LME's catchment area shall appoint governing board members according to a plan
 - jointly adopted by the counties
 - that describes the board composition, appointment, and selection process
- ❑ LME board statute
 - requires 11 to 21 voting members
 - 11 prescribed categories of professional and constituent representation

G.S. 122C-118.1, 122C-115.2



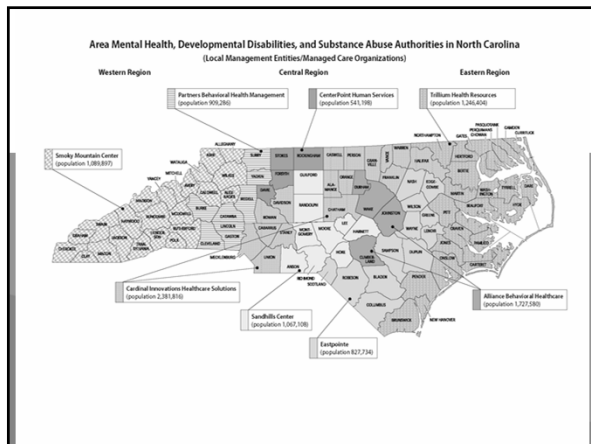
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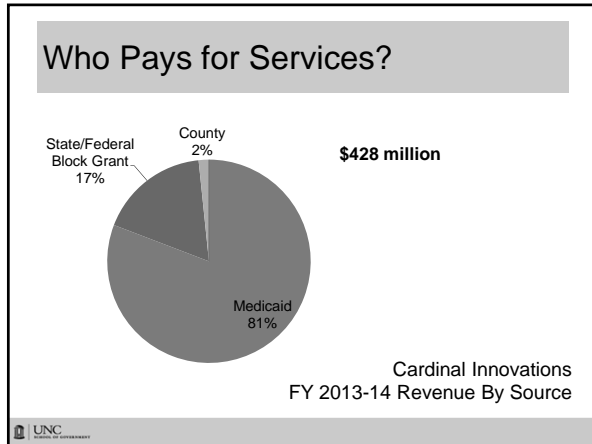
What Does an LME Do?

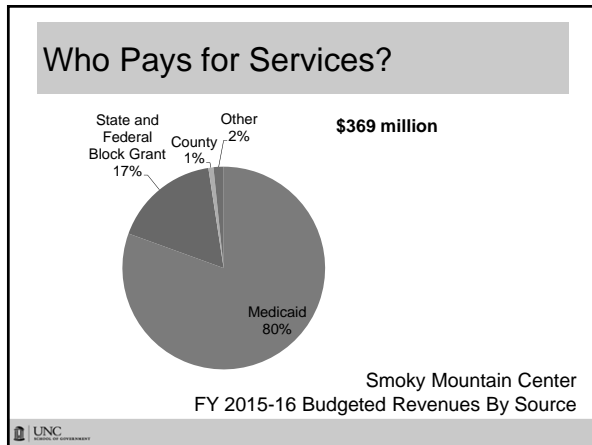
- ❑ LMEs are responsible for the management and oversight of the public system of MH/DD/SA services at the community level.
- ❑ An LME shall plan, develop, implement, and monitor services within a specified geographic area to ensure expected outcomes for consumers within available resources.

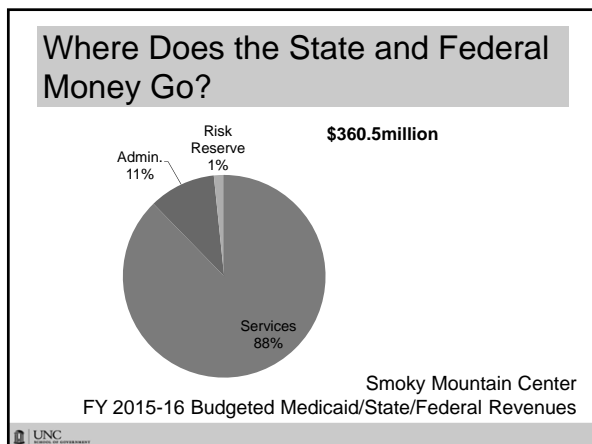
G.S. 122C-115.4












Agency Functions and Mission

- Personnel
- Budget and finance
- Consumer affairs
- Information management
- Services
 - Access
 - Provider relations
 - Service management
 - Quality management
 - Community collaboration


To efficiently provide necessary and effective services to eligible people within available resources



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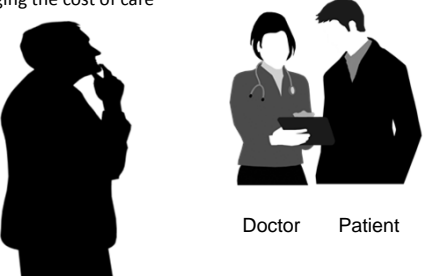
Service Management

- Approve specific services to individual consumers—“service authorization”
- Evaluate the medical necessity, clinical appropriateness, and effectiveness of services according to state criteria—“utilization management”
- Monitor individual care decisions at critical treatment junctures to assure effective care is received when needed—“care coordination”




Managing Care

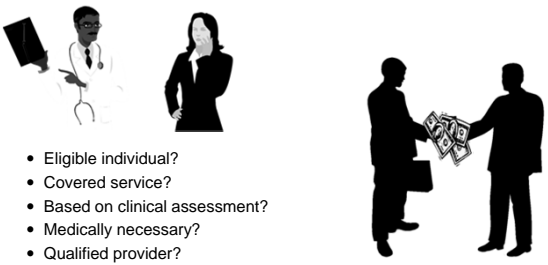
- Managing the quality of care
- Managing the cost of care



Doctor Patient



Managing Care—Cost and Quality



- Eligible individual?
- Covered service?
- Based on clinical assessment?
- Medically necessary?
- Qualified provider?
- Evidence that treatment helps?
- Other needed services?
- Outcomes over time?

LME Provider


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Community Collaboration

The LME must establish and maintain effective collaborative working relationships with other public agencies, health care providers, and human services agencies within their catchment area

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Collaborative Context



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WHAT DOES THE FUTURE HOLD?

Medicaid Reform—S.L. 2015-245 (H 372)

- Establishes the Joint Legislative Oversight Committee on Medicaid and NC Health Choice
- Creates a new Division of Health Benefits (DHB) in DHHS
- Directs DHB to develop a federal waiver application to transform the Medicaid and NC Health Choice systems from a

fee for service system



managed care system

Managed Care Through Prepaid Health Plans

Prepaid Health Plan (PHP)=an entity

- that enters into a prepaid, capitated contract with DHB
- for the delivery of all Medicaid and NC Health Choice services—physical health services, prescription drugs, long-term care and supports, and behavioral health services—“whole care”
- to all Medicaid and NC Health Choice aid categories—“enrollees” (except those dually eligible for Medicaid and Medicare)
- in a geographic region defined by DHB—“catchment area”



Prepaid Health Plans=Two Types

- ❑ Commercial plan (CP)—
 - a profit or nonprofit entity
 - licensed by the Department of Insurance
- ❑ Provider led entity (PLE)—
 - majority of ownership held by individual or entity whose primary purpose is the operation of one or more Medicaid or NC Health Choice providers
 - majority of governing body composed of physicians, physician assistants, nurse practitioners, or psychologists
 - licensed by the Department of Insurance

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Timeline

- March 1, 2016—DHB reports to Oversight Committee
- June 1, 2016—DHB submits waiver application to Centers for Medicare & Medicaid Services (CMS)
- Within unknown period—CMS approves NC's plan
- 18 months after CMS approval—PHP contracts begin and initial recipient enrollment is complete
- 4 years after contracts begin—LME/MCOs stop managing Medicaid behavioral health services

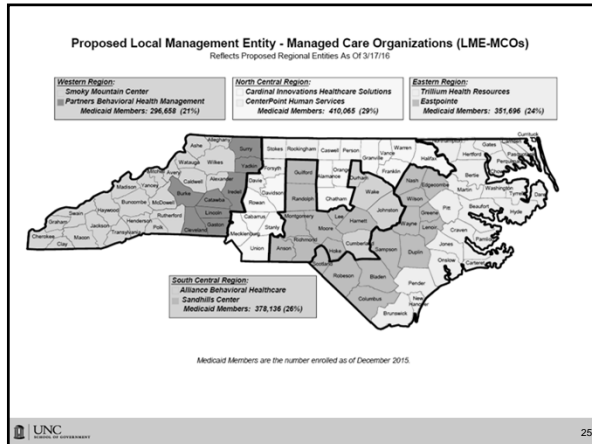
3-4 years ➡ enrollees receive services through PHPs
 7-8 years ➡ LME/MCOs lose Medicaid MCO contract

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When LME/MCOs lose Medicaid contract?

What happens to the State funding for the indigent and uninsured who are not eligible for Medicaid?	What happens to the non-Medicaid functions of an LME/MCO?
<p style="font-size: small; margin-top: 5px;"> \$400 million Medicaid 80% State and Federal Block Grant 17% County 1% Other .2% </p>	<ul style="list-style-type: none"> • Local service planning with stakeholders • Collaborative working relationships with other public agencies • Community collaborative of crisis/emergency stakeholders • Coordinate services to juveniles in the juvenile justice system • Perform multidisciplinary evaluations <div style="text-align: center; margin-top: 10px;"> </div>

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Questions?

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Resources:

- Mental health website soq.unc.edu/resources/microsites/mental-health
- "Mental Health Services," by Mark F. Botts, in *County and Municipal Government in North Carolina, Second Edition, 2014* soq.unc.edu/publications/book-chapters/mental-health-services

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