

June 13, 2002

**S 1426. AMEND MENTAL HEALTH REFORM. TO AUTHORIZE CHANGES TO CERTAIN MENTAL HEALTH REFORM INITIATIVES.** Amends GS sec. 3(a)(9) of SL 2001-437 to extend the deadline from July 1, 2004, to July 1, 2006, for the Dep't of Health and Human Services to develop a readiness plan to conduct readiness reviews and certify all county programs and area authorities. Requires those county programs and area authorities applying to be certified by July 1, 2003, to submit their approved business plans by Jan. 1, 2003. Those applying to be certified after July 1, 2003, must submit their approved business plans not later than six months prior to the anticipated date of certification. Directs the Sec'y to complete certification of one-third of the authorities and county programs by July 1, 2003, and all of them by July 1, 2006. Also directs the State Auditor to select randomly a representative sample of area authorities or county programs certified by the Sec'y on or before July 1, 2003, and to conduct a performance audit of those programs covering fiscal years 2001 through 2004. Directs the Auditor to report the results of the audit to the General Assembly, the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services, the Sec'y of Health and Human Services, and the Governor by July 1, 2005.

Amends GS 122C-141(a) to prohibit area authorities or counties from providing directly more than 50% of the services to be provided under each program. Repeals GS 122C-112.1(a)(26), which directed the Sec'y to establish a process for approving area authorities and county programs to provide services directly.

Amends GS 122C-115.1(a)(3) to provide that an interlocal agreement between or among counties to establish a joint mental health, developmental disabilities, and substance abuse services program (MH-DD-SAS) must provide for a targeted minimum population of 150,000 (now, 200,000) or involve five counties.

Provides that notwithstanding any other law, a county may limit appropriations of county funds for fiscal 2002-2003 for the cost of providing MH-DD-SAS services to the amount budgeted by the county for those services for fiscal 2001-2002. Directs the state to pay for all county expenditures for fiscal 2002-2003 that exceed such county appropriations. Provides that counties may not be required to appropriate funds for these services even if state funds have not been appropriated for them.

Effective July 1, 2002

**Intro. by Harris.**

Ref. to	GS 122C, APPROP
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