

May 28, 2008

**S 2116. DHHS/COMMUNITY SUPPORTS CHANGES.** Filed 5/27/08. *TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF MEDICAL ASSISTANCE, TO TAKE CERTAIN ACTIONS TO ADDRESS OVERBUDGETED EXPENDITURES FOR THE COMMUNITY SUPPORTS PROGRAM.*

Requires that the Department of Health and Human Services, Division of Medical Assistance, submit to the Centers for Medicare and Medicaid Services no later than June 30, 2008, revised service definitions for two Medicaid billable services, community support for adults and community support for children/adolescents. The new definitions are to focus on rehabilitative services and on providing community support services as efficiently and effectively as possible to minimize overexpenditures as much as possible. Also requires that the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, develop a tiered rate structure to replace the blended rate currently used for community support services. Under the new system, services that do not require special skill should be paid at a lower rate than those that require a skilled professional. The Department must report on the new rate system to the Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services by October 1, 2008. Division also is required to develop a service authorization process that separates the assessment function from the service delivery function at the LME level. No service shall be delivered without prior authorization. The Division must report on the development of the new authorization system by October 1, 2008. Requires that the Department conduct a thorough study of service authorization, utilization review, and utilization management processes and must develop a plan to return those functions to the LMEs for all clients. The Department must report findings and recommendations to General Assembly committees and divisions by February 1, 2009. Effective October 1, 2008, the Department must require that the licensed professional that signs a medical order for behavioral health services must indicate on the order whether the professional has had direct contact with the consumer or has reviewed the consumer's assessment. Amends GS 122C-151.4 to clarify the appeal process for a contractor whose application for endorsement has been denied by an area authority or county program. Requires the Department to adopt guidelines for LME periodic review and re-endorsement of providers to ensure that only qualified providers are endorsed and that LME hold those providers accountable for the Medicaid and state-funded services they provide. Provides that no less than 50% of community services must be delivered by qualified professionals. Requires the Division of Medical Assistance to adopt a policy reducing the maximum allowable hours for community support services to 8 hours per week. Requires the Secretary of Health and Human Services to adopt guidelines requiring that certain facilities and providers authorized to provide mental health, developmental disabilities, and substance abuse services be accredited by a national accrediting organization. The guidelines are required to contain benchmarks for meeting the timeline and for obtaining national accreditation. Effective July 1, 2008.

**Intro. by Nesbitt.**

GS 122C