

STATE OF NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER GOVERNOR

MANDY COHEN, MD, MPH SECRETARY

January 22, 2020

SENT VIA ELECTRONIC MAIL

The Honorable Joyce Krawiec, Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 308, Legislative Office Building Raleigh, NC 27603

The Honorable Donny Lambeth, Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 303, Legislative Office Building Raleigh, NC 27603

The Honorable Josh Dobson, Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 307B, Legislative Office Building Raleigh, NC 27603

Dear Chairmen:

Session Law 2017-57, Section 11F.3.(f) requires the North Carolina Department of Health and Human Services to submit an annual report on a uniform system for beds or bed days purchased during the preceding fiscal year. This report is due to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Should you have any questions regarding this report, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and Intellectual/Developmental Disabilities, at 919-733-7011.

Sincerely,

Mandy Cohen, MD, MPH

Secretary

Kody H. Kinsley

Deputy Secretary for Behavioral Health & IDD

North Carolina Department of Health and Human Services

Deborah Landry Katherine Restrepo

cc:

Matt Gross Joyce Jones Erin Matteson

Hattie Gawande Rob Kindsvatter Marjorie Donaldson

Dave Richard Lisa Wilks Zack Wortman

Jessica Meed

Ben Money Mark Collins

Kody Kinsley Theresa Matula Susan G. Perry Jared Simmons

reports@ncleg.net

Luke MacDonald



STATE OF NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER GOVERNOR MANDY COHEN, MD, MPH
SECRETARY

January 22, 2020

SENT VIA ELECTRONIC MAIL

Mr. Mark Trogdon, Director Fiscal Research Division Suite 619, Legislative Office Building Raleigh, NC 27603-5925

Dear Director Trogdon:

Session Law 2017-57, Section 11F.3.(f) requires the North Carolina Department of Health and Human Services to submit an annual report on a uniform system for beds or bed days purchased during the preceding fiscal year. This report is due to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Should you have any questions regarding this report, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and Intellectual/Developmental Disabilities, at 919-733-7011.

Sincerely,

Mandy Cohen, MD, MPH

Secretary

Deputy Secretary for Behavioral Health & IDD

North Carolina Department of Health and Human Services

cc: Matt Gross Hattie Gawande
Joyce Jones Rob Kindsvatter
Erin Matteson Marjorie Donaldson
Deborah Landry Katherine Restreno

Deborah Landry Katherine Restrepo Luke MacDonald Dave Richard Ben Money
Lisa Wilks Theresa Matu
Zack Wortman Mark Collins

Ben Money Kody Kinsley
Theresa Matula Susan G. Perry
Mark Collins Jared Simmons

Jessica Meed reports@ncleg.net

Funds for Local Inpatient Psychiatric Beds or Bed Days Purchased in State Fiscal Year 2018-2019 and Other Department Initiatives to Reduce State Psychiatric Hospital Use

Session Law 2017-57, Section 11F.3.(f)



Report to the

Joint Legislative Oversight Committee on Health and Human Services

and

Fiscal Research Division

 $\mathbf{B}\mathbf{y}$

North Carolina Department of Health and Human Services

January 22, 2020

Reporting Requirements

Session Law 2017-57, Section 11F.3.(f) Reporting by Department. – By no later than December 1, 2018, and by no later than December 1, 2019, the Department shall report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on all of the following:

- (1) A uniform system for beds or bed days purchased during the preceding fiscal year from (i) funds appropriated in this act that are designated for this purpose in subsection (a) of this section, (ii) existing State appropriations, and (iii) local funds.
- (2) An explanation of the process used by the Department to ensure that, except as otherwise provided in subsection (a) of this section, local inpatient psychiatric beds or bed days purchased in accordance with this section are utilized solely for individuals who are medically indigent, along with the number of medically indigent individuals served by the purchase of these beds or bed days.
- (3) The amount of funds used to pay for facility-based crisis services, along with the number of individuals who received these services and the outcomes for each individual.
- (4) The amount of funds used to pay for nonhospital detoxification services, along with the number of individuals who received these services and the outcomes for each individual.
- (5) Other Department initiatives funded by State appropriations to reduce State psychiatric hospital use.

Use of Funds and Distribution and Management of Beds/Bed Days

Session Law 2017-57, Section 11F.3.(a). Use of Funds. – Of the funds appropriated to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, for crisis services, the sum of forty-one million three hundred fifty-one thousand six hundred forty-four dollars (\$41,351,644) in recurring funds and the sum of forty-one million three hundred fifty-one thousand six hundred forty-four dollars (\$41,351,644) in recurring funds for the 2018-2019 fiscal year shall be used to purchase additional new or existing local inpatient psychiatric beds or bed days not currently funded by or though LME/MCOs. The Department shall continue to implement a two-tiered system of payment for purchasing these local inpatient psychiatric beds or bed days based on acuity level with an enhanced rate of payment for inpatient psychiatric beds or bed days for individuals with higher acuity levels, as defined by the Department. The enhanced rate of payment for inpatient psychiatric beds or bed days for individuals with higher acuity levels shall not exceed the lowest average cost per patient bed day among the State psychiatric hospitals. In addition, at the discretion of the Secretary of Health and Human Services, existing funds allocated to LME/MCOs for community-based mental health, developmental disabilities, and substance abuse services may be used to purchase additional local inpatient psychiatric beds or bed days.

Funds designated in this subsection for the purchase of local inpatient psychiatric beds or bed days shall not be used to supplant other funds appropriated or otherwise available to the Department for the purchase of inpatient psychiatric services through contracts with local hospitals.

Session Law 2017-57, Section 11F.3.(b) Distribution and Management of Beds or Bed Days.

– Except as provided in this subsection, the Department shall work to ensure that any local inpatient psychiatric beds or bed days purchased in accordance with this section are utilized solely for individuals who are medically indigent, as defined in this subsection. In addition, the Department shall work to ensure that any local inpatient psychiatric beds or bed days purchased in accordance with this section are distributed across the State in LME/MCO catchment areas and according to need as determined by the Department. The Department shall ensure that beds or bed days for individuals with higher acuity levels are distributed across the State in LME catchment areas, including any catchment areas served by managed care organizations, and according to greatest need based on hospital bed utilization data. The Department shall enter into contracts with LME/MCOs and local hospitals for the management of these beds or bed days. The Department shall work to ensure that these contracts are awarded equitably around all regions of the State. LME/MCOs shall manage and control these local inpatient psychiatric beds or bed days, including the determination of the specific local hospital or State psychiatric hospital to which an individual should be admitted pursuant to an involuntary commitment order.

The Department may use up to ten percent (10%) of the funds allocated in this section for each year of the 2017-2019 fiscal biennium to pay for facility-based crisis services and nonhospital detoxification services for individuals in need of these services, regardless if the individuals are medically indigent, defined as uninsured persons who (i) are financially unable to obtain private insurance coverage as determined by the Department and (ii) are not eligible for government-funded health coverage such as Medicare or Medicaid.

North Carolina's Uniform System for Beds/Bed Days

North Carolina's uniform system for beds or bed days come from a mix of (i) Three-Way Bed state appropriations, (ii) other State appropriations, and (iii) local funds.

I. Three-Way Beds

Overview

A set of local psychiatric and substance use inpatient beds or bed days are funded by direct legislative appropriations and are administered by the Department of Health and Human Services (DHHS), Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMHDDSAS) via contracts with Local Management Entities – Managed Care Organizations (LME/MCOs) and community hospitals. These contracts have been dubbed "Three-Way Contracts," as three organizations (DMHDDSAS, LME/MCOs, and community hospitals) are partners to the contracts.

Under this arrangement, the community hospitals make beds available to admit persons who are eligible for and whose care is authorized by the LME/MCOs. The community hospitals deliver the inpatient treatment and then submit claims to the LME/MCOs. The LME/MCOs adjudicate the claims, and then pay the hospitals for the episodes of care that were authorized and adjudicated for payment. The LME/MCOs then submit claims to DMHDDSAS via NC TRACKS for adjudication and reimbursement.

In State Fiscal Year (SFY) 2019, there were twenty-nine (29) Three-Way Contracts for psychiatric and substance use inpatient between DMHDDSAS, the seven LME/MCOs, and 29 community hospitals. The 29 Three-Way Contracts were funded at an overall amount of \$40,621,644 to provide psychiatric and substance use inpatient care for persons who were medically indigent in approximately 166 available beds, for 54,109 bed days. Two-tiered rates have been implemented as directed by the Session Law, based on the acuity of the persons served. DMHDDSAS established the lower rate (procedure code: YP 821) at \$750 per bed day; and the higher rate (procedure code: YP 822) at \$900 per bed day. Attachment 1 provides a map of the community hospitals in LME/MCO service areas along with the number of Three-Way contract beds.

As of September 4, 2019, DMHDDSAS has paid the LME/MCOs, which in turn, paid the community hospitals, for Three-Way Contract psychiatric and substance use inpatient care provided from July 1, 2018 through June 30, 2019 (SFY 2019) in the amount of \$39,987,700. A total of 53,444 bed days were purchased and 7,179 persons were served. Claims will continue to be adjudicated for payment until the end of October 2018, for the inpatient services provided during SFY 2019. It should be noted that the entire SFY 2019 budgeted amount of \$40,621,644 was expended to pay for lagged claims for Three-Way Contract services from SFY 2018, as well as the adjudicated claims for services provided in SFY 2019.

Ensuring Funds are Used Solely for Persons Who are Medically Indigent

DMHDDSAS ensures that the local inpatient beds or bed days purchased in accordance with *Section 11F.(a)* are used "solely for individuals who are medically indigent" via the requirements contained within Three-Way Contract, and by the claims adjudication process employed in NCTracks.

Three-Way Contract contains the following pertinent excerpts presented in part:

The primary purpose of this contract is for the establishment and usage of New Local Psychiatric Inpatient Bed Capacity at the local community level to cover the cost of indigent acute care. (p. 1; Initial paragraph, stating the purpose of contract)

The patient shall be medically indigent (uninsured), 18 years of age or older... (pp. 6, 7; Utilization Management Options for Admissions)

The NCTracks adjudicates claims for payment for Three-Way Contract psychiatric and substance use inpatient services that were provided only to persons who had no other health insurance payer for that inpatient care; that is, only for those who were medically indigent.

NCTracks' adjudication process includes the identification of other existing health insurance payers for the person whose inpatient service is reflected by the claim. If another existing health insurance payer is discovered that covers the inpatient service, NCTracks will deny the claim; ensuring that the Three-Way Contract funds are used solely for persons who are medically indigent.

In total, 7,179 North Carolinians who are medically indigent were served by the purchase of Three-Way Contracts in SFY 2019.

II. Carved out Funding for Facility-Based Crisis and Non-Hospital Medical Detoxification

Due to increased utilization of the Three-Way Contracts for psychiatric and substance use inpatient care since SFY 2017 and continued through SFY 2019, none of the appropriated funding for Three-Way Contracts was carved out to pay for Facility Based Crisis or Non-Hospital Medical Detoxification in SFY 2019.

III. Other State and Local Funded Inpatient Care in SFY 2019

Other State Funded Inpatient Care in SFY 2019

In addition to the Three-Way Contract psychiatric and substance use inpatient services provided by way of the *Section 11F.3.(a)-(f)* appropriation summarized above, other state funding was used by the LME/MCOs to pay for psychiatric and substance use inpatient services that were delivered by community hospitals during SFY 2019. The North Carolina General Assembly appropriated funds, known as single-stream funding, to the LME/MCOs to pay for a continuum of services to people without health insurance coverage for mental health, substance use, and intellectual and developmental disabilities services and supports.

Single-stream state funds that were directly allocated to the LME/MCOs were used to purchase psychiatric and substance use inpatient care in SFY 2019 for persons who were medically indigent. Six LME/MCOs paid for psychiatric inpatient services for 2,467 individuals in community hospitals at a cost of \$14,018,765, paying for 19,928 bed days.

Locally-Funded Inpatient Care in SFY 2019

Four LME/MCOs reported to DMHDDSAS that they were able to access local funding to purchase or supplement additional psychiatric inpatient services in community hospitals. A total of \$7,960,854 was paid to community hospitals for inpatient care. These local funds were reported to have purchased 10,957 bed days and served 899 people.

IV. Other Department Initiatives Funded by State Appropriations to Reduce State Psychiatric Hospital Use

The initiatives described below are intended to divert individuals who experience behavioral health crises from seeking psychiatric or substance use crisis response from emergency departments (EDs). These initiatives offer alternative crisis response, and when people with

behavioral health crises are successfully diverted from ED visits, the need for psychiatric and substance use inpatient hospital care is reduced. It is anticipated that these alternative community crisis response resources will consequently reduce some of the need for State Psychiatric Hospital admissions.

Behavioral Health Urgent Care and Facility Based Crisis

In SFY 2013, the NC General Assembly appropriated funding for Facility Based Crisis (FBC) centers and Behavioral Health Urgent Care (BHUC) centers to serve as alternatives to EDs and inpatient hospitalization for persons who experience crises related to mental health, substance use, or intellectual/developmental disabilities diagnoses. Eight BHUCs (i.e., Tier IV BHUCs) and all of the FBCs operate on a 24-hour, seven days per week basis. The FBCs are licensed residential facilities, under Rule 10A NCAC 27G Section .5000, and provide facility-based crisis service as described in Rule 10A NCAC 27G .5001. The state currently has 23 adult FBC Service sites, 11 of those are designated for the treatment of persons who are under involuntary commitment (IVC). The 23 FBC's have 323 beds to offer alternative treatment to inpatient hospitalization.

In addition, North Carolina has expanded the crisis response services to include Child FBCs. The state currently has two fully operational Child FBC Service sites, with both of them designated for the treatment of persons who are under voluntary and involuntary commitment (IVC). Each Child FBC services site has a 16-bed facility which will provide care and treatment for children and adolescents ages 6 through 17, who need crisis stabilization services and 24-hour supervision due to a mental health crisis, substance use or withdrawal from drugs or alcohol, and will provide access to timely, age-appropriate mental health care during a time of crisis. Each site will also provide crisis care to young people with intellectual or developmental disabilities. The first Child FBC in the state is the SECU Youth Crisis Center through a partnership between Cardinal Innovations and Monarch, which opened in Charlotte, NC on December 29, 2017. The second Child FBC in the state is the Caiyalynn Burrell Crisis Center for Children, which opened in Asheville on June 21, 2018. This child FBC was developed through the partnership between Vaya Health and Family Preservation Services of North Carolina (FPS of NC). This site recently scored above the national average for their Council on Accreditation (COA) accreditation in comparison to similar programs. There are also two additional Child FBC Service sites currently in the construction stages and are anticipated to open by the spring/summer of 2020.

The *Session Law 2014-100* definition of Behavioral Health Urgent Care (BHUC) was as follows:

Behavioral Health Urgent Care Center. – An outpatient facility that provides walk-in crisis assessment, referral, and treatment by licensed behavioral health professionals with prescriptive authority to individuals with an urgent or emergent need for mental health, intellectual or developmental disabilities, or substance abuse services

Some of the Tier IV BHUC sites are equipped with additional resources to help stabilize individuals in crisis. These resources are 23-hour crisis stabilization/observation beds, which provide supervised care to deescalate the behavioral health crises and reduce the need for

emergent care. This service provides prompt assessments, stabilization and linking to the appropriate level of care. The intended outcome is to avoid unnecessary hospitalizations for people experiencing crises that may resolve with time and observation.

Together, Tier IV BHUCs and FBCs provide alternative routes for crisis stabilization that allow individuals in crisis to completely avoid an ED visit. The BHUCs function as effective alternatives to EDs for persons in behavioral health crisis who are not experiencing any significant medical distress. Like EDs, BHUCs are capable of providing first evaluations for IVC, and are able to refer persons needing crisis stabilization to either a hospital inpatient level of care, an FBC level of care, or an intensive outpatient level of care, depending on an individual's needs. FBCs function as local alternatives to an inpatient level of care, and typically provide three to five days of behavioral health crisis stabilization in a unit of 16 beds or less, including treatment of persons who are under involuntary commitment.

Session Law 2018-5, Section 11F.5.(a) directed the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH/DD/SAS) to allocate one million four hundred thousand dollars (\$1,400,000) in non-recurring funds to Vaya Health (Vaya) as a grant-in-aid for the construction of a facility-based crisis center in Wilkes County.

DMH/DD/SAS allocated the funds to Vaya who is working with Synergy Recovery Center to expand and renovate the existing facility-based crisis center located at 118 Peace Street, North Wilkesboro. A current status is provided below:

- The facility construction plan is still in the review process with the Division of Health Services Regulation, Construction Section. The plan is currently moving from the Architectural Review Unit to the Engineering Review Unit with full approval anticipated within the next few weeks.
- There is an anticipated breaking ground in mid-October with a projected completion date of May 1, 2020.
- To date, \$62,538 has been spent on preconstruction activities.
- The Project Executive Committee continues to meet along with five workgroups, each focused on specific aspects of the project. The work groups are listed below.
 - o Construction/Renovations
 - o Clinical Design
 - o Peer Drop in Center
 - o Finance and Sustainability
 - o Community Education/Marketing (will begin at the halfway point of project)
- The Groundbreaking Ceremony is planned for October 17, 2019

Attachment 2 on page 13, provides a map of the BHUCs and FBCs throughout the state, indicating the LME-MCO service area and county.

Mobile Crisis Management

Mobile Crisis Management, for persons who are medically indigent, is a fee-for-service, state-funded crisis response, stabilization, and prevention service; funded through appropriations that continue to be allocated through single stream funding to LME/MCOs. This enhanced service is available 24 hours a day, seven days a week, 365 days a year, and is part of the service array for uninsured persons.

Non-Hospital Medical Detoxification

Non-Hospital Medical Detoxification, for persons who are medically indigent, is a fee-for-service, state-funded service that provides 24-hour medically supervised evaluation and withdrawal management in a hospital or a free-standing facility. This enhanced service is funded through appropriations that continue to be allocated through single stream funding to LME/MCOs. This service is available 24 hours a day, seven days a week, 365 days a year, and is part of the service array for uninsured persons.

Community Behavioral Health Paramedicine Pilot

The Community Behavioral Health Paramedicine pilot was originally funded by the NCGA in *Session Law 2015-241*, *Section 12F.8*, and has more recently received additional funding through an appropriation in *Session Law 2017-57*, *Section 11G.1.(a)*.

https://www.ncleg.net/EnactedLegislation/SessionLaws/HTML/2017-2018/SL2017-57.html

The intent of the pilot is described in the *Final Report on the Community Paramedic Mobile Crisis Management Pilot Program* dated November 2016, to the Joint Legislative Oversight Committee for Health and Human Services and the Fiscal Research Division:

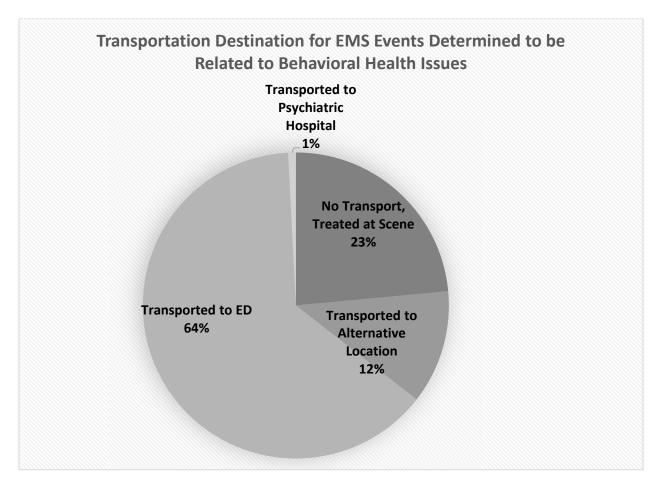
"to use specially-training Emergency Medical Services (EMS) staff to intervene with patients experiencing behavioral health crises, and provide incentives for the participating EMS to either treat on-scene or route those patients not needing medical treatment to lower cost alternatives to hospital emergency departments (EDs). (p. 3)" https://files.nc.gov/ncdhhs/SL%202015-

241%20Section%2012F%208%20d%20Community%20Paramedicine.pdf

In SFY 2018, as reported in the Behavioral Health Community Paramedicine Pilot Program (internal report produced by DMHDDSAS' Quality Management Team; accessed via email September 18, 2018), specially trained EMS workers in five counties in North Carolina (Forsyth EMS, Halifax EMS, Lincoln EMS, McDowell EMS, and Onslow EMS) responded to behavioral health emergencies under the aegis of the Community Behavioral Health Paramedicine initiative. A total of 1,233 community behavioral health paramedicine encounters were reported. Of those 1,233 emergency encounters, 290 were treated on the scene, and required no transport to a higher level of emergency response; another 148 encounters resulted in the individuals being transported to alternative emergency response facilities (e.g., BHUCs, FBCs) instead of hospital EDs. Figure 6 below presents the transportation destination by percent, with a combined total of

35% either being treated on the scene without transport (23%) or being transported to alternative emergency response facilities (12%).

Figure 6



DHHS is exploring the possibility of making this service, Medicaid-reimbursable, when paramedics take individuals who are experiencing behavioral health crises, to alternative emergency response facilities, such as BHUCs and FBCs.

Case Management Pilot Programs

1. Vaya Health – Mission Hospital – RHA Health Services, Inc

This current pilot was implemented and receives funds from the Mental Health and Substance Use Task Force Reserve Fund, as established by *Session Law 2016-94*, *Section 12F.3(b)*. Resource Intensive Comprehensive Case Management (RICCM). The goal of this pilot was to reduce utilization of EDs and behavioral health inpatient through targeted and enhanced case management practices.

Some of the high points, from the pilot's inception in May 2017 through June 2019:

- Data showed a roughly 43% decrease in ED visits for people engaged in RICCM, with participants having an average 6.27 visits in the six months prior to receiving RICCM, and 3.22 visits in the six months post RICCM
- Data showed a roughly 55% drop in behavioral health inpatient stays, with participants having an average 1.88 visits in the six months prior to receiving RICCM, and 1.19 visits in the six months post RICCM

2. Alliance Health – WakeMed Health and Hospitals

This two-year Community Case Management Pilot program was funded by *Session Law 2017-57*, *Section 11F.5A*. at \$2,000,000 to provide comprehensive community case management. The purpose of this pilot is to reduce ED readmissions and wait times (i.e., boarding times) within the ED for persons whose primary reasons for going to the ED are related to mental health and/or substance use services. This Community Case Management program includes case management, medication administration assistance, and behavioral health respite. These activities are staffed by four master's level case managers, a registered nurse, two medication technicians, a licensed clinical social worker and addictions specialist, a population health medical director, and the behavioral health respite personnel.

From January 2018 through June 2019, WakeMed Health & Hospital reported that 202 individuals were engaged by the Community Case Management team following admissions to the hospital. The 202 persons experienced a 10% reduction in the number of emergency department encounters, and a 53% reduction in the number of those times those individuals were held on the observation unit of the emergency department, and a 39% reduction in inpatient encounters, in 12-month pre- and post- measures.

3. Trillium Health Resources – Recovery Innovations, Inc. – New Hanover Regional Medical

The purpose of the Mental Health/Substance Use Central Assessment and Navigation pilot program (funded for two years by *Session Law 2017-57*, *Section 11F.7*. at \$250,000 per year) is to assess the needs of and navigate individuals with primary mental health and/or substance use service needs to appropriate services and other supportive resources within New Hanover county, resulting in reduced utilization of the emergency department of New Hanover Regional Medical Center. The pilot program is staffed by three employee staff members of Recovery Innovations, Inc., forming the Peer Navigation Team. The licensed clinician on the Team performs Comprehensive Clinical Assessments (CCA) of individuals who are referred from a variety of sources, but primarily from New Hanover Regional Medical Center emergency department and inpatient services. The qualified professional and peer support specialist on the Team navigate the individuals to appropriate services and resources.

Sixty-one individuals were served by the Peer Navigation Team during a period from May 2018 through May 2019. While sixty-two percent of those person were readmitted to the New Hanover Regional Medical Center's (NHRMC) emergency department, NHRMC reported an

approximately 20% reduction in both ED and inpatient admissions and approximately 40% shorter inpatient stays when they were admitted. This also resulted in approximately a 32% decrease in costs to NHRMC for those individuals.

<u>Increasing Behavioral Health Inpatient and Facility Based Crisis Beds via Dorothea Dix</u> <u>Hospital Property Fund Contracts</u>

Seven construction contracts have been developed and executed to convert existing licensed acute medical inpatient beds into licensed psychiatric or substance use inpatient beds or to create new licensed psychiatric or substance use inpatient beds. Another construction contract has been developed and executed to new beds in a Facility Based Crisis program. Upon completion of construction, at least 50% of the newly licensed beds are required by **Session Law 2016-94**, **House Bill 1030**, **Section 12F.4.(b)** and **Session Law 2017-57**, **Senate Bill 257**, **Section 11F.5.(d)** to be reserved for "(i) purchase by the Department under the State-administered, Three-Way Contract and (ii) referrals by local management entities/managed care organizations (LME/MCOs) of individuals who are indigent or Medicaid recipients."

Of the eight Dorothea Dix Hospital Property Funded (DDHPF) contractors, seven are hospitals or hospital systems, which are contracted to renovate or construct a total of 157 psychiatric inpatient beds: 16 licensed child/adolescent inpatient beds and 141 licensed adult psychiatric inpatient beds. There is also a DDHPF contract with Onslow County, which is funded for 16 licensed Facility-Based Crisis beds for adults. In total, the DDHPF is funding the development of 173 behavioral health beds throughout the state. All design/construction projects are in varying stages of completion, with 49 beds having been brought into operation thus far.

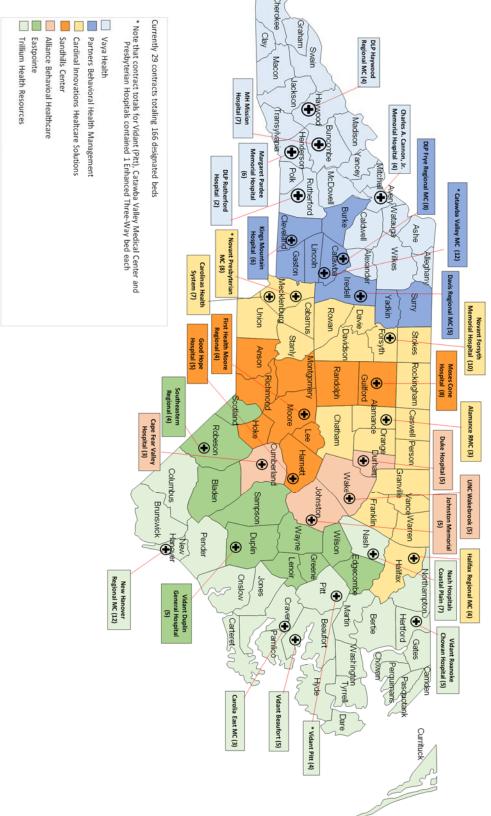
Monitoring Impact of Efforts to Reduce ED Visits

DMHDDSAS is working with the North Carolina Health Care Association (formerly, North Carolina Hospital Association) and the Division of Public Health to track ED utilization trends for persons with primary behavioral health crises, particularly those who are uninsured.

North Carolina Attachment 1

Three-Way Contract Community Hospital Beds

Novant Forsyth Memorial Hospital (10) As of July 1, 2019 Alamance RMC (3) UNC Wakebrook (5) Halifax Regional MC (4)



North Carolina Behavioral Health Facility-based Crisis & (with and without Involuntary Commitment designation) **Behavioral Health Urgent Care locations**

