



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

April 19, 2023

SENT VIA ELECTRONIC MAIL

The Honorable Donny Lambeth, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 620, Legislative Office Building
Raleigh, NC 27603

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

The Honorable Larry Potts, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 307B1, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:

Session Law 2016-94, Section 12F.3.(b) requires the Department of Health and Human Services to report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the reserve fund for the Governor's Mental Health and Substance Use Task Force. The report shall include an explanation of the specific amounts and uses of these funds and a detailed implementation plan with key milestones, due dates, and expected outcomes. 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 John Furnari, Program/Policy Analyst, at John.Furnari@dhhs.nc.gov.

Sincerely,

DocuSigned by:

on behalf of
65A1EF320AD6419...
Kody H. Kinsley
Secretary

cc:	Mark Collins	Joyce Jones	Katherine Restrepo	Luke MacDonald
	Lisa Wilks	Amy Jo Johnson	Francisco Celis Villagrana	Theresa Matula
	Jessica Meed	Nathan Babcock	Fred Aikens	Todd Barlow

WWW.NCDHHS.GOV
TEL 919-855-4800 • FAX 919-715-4645
LOCATION: 101 BLAIR DRIVE • ADAMS BUILDING • RALEIGH, NC 27603
MAILING ADDRESS: 2001 MAIL SERVICE CENTER • RALEIGH, NC 27699-2000
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



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SECRETARY

April 19, 2023

SENT VIA ELECTRONIC MAIL

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

Dear Director Matteson:

Session Law 2016-94, Section 12F.3.(b) requires the Department of Health and Human Services to report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the reserve fund for the Governor's Mental Health and Substance Use Task Force. The report shall include an explanation of the specific amounts and uses of these funds and a detailed implementation plan with key milestones, due dates, and expected outcomes. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

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Report on Use of the Mental Health and Substance Use Task Force Reserve Fund

Session Law 2016- 94, Section 12F.3.(b)



Report to

**Joint Legislative Oversight Committee on
Health and Human Services
and
Fiscal Research Division
by**

**North Carolina
Department of Health and Human Services**

April 19, 2023

Background

S.L. 2016-94, Section 12F.3.(b) established the Mental Health and Substance Use Task Force Reserve Fund as a fund within the General Fund and mandated, notwithstanding any provision of law to the contrary, monies in the Reserve Fund shall not revert at the end of the fiscal year but shall remain available until expended. Monies in the Fund may only be expended to implement the recommendations of the Governor's Task Force; provided, however, that no funds shall be expended until both of the following conditions have been met:

Reporting Requirement

- (1) The Department of Health and Human Services shall obtain the prior approval of the Office of State Budget and Management (OSBM) on a detailed implementation plan with key milestones and due dates.
- (2) The Department of Health and Human Services shall report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division within 10 days after obtaining the approval required by subdivision (1) of this subsection. The report shall include:
 - i. an explanation of the specific amounts and uses of these funds and
 - ii. a detailed implementation plan with key milestones, due dates, and expected outcomes.

Consistent with Session Law 2016-94, Section 12F.3.(b) and the 2016 recommendations of the Governor's Task Force on Mental Health and Substance Use, the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMHDDSAS) requested approval from the Office of State Budget and Management (OSBM) for the seven new initiatives on March 22, 2023. Each of these requests is for non-recurring funding. DMHDDSAS received approval from OSBM on April 18, 2023.

New OSBM-Approved Initiatives

1. Justice, Mental Health, and Substance Use Disorder Systems Assessment and Strategic Planning
2. Implementation and Technical Assistance Support for Justice, Mental Health, and Substance Use Disorder Systems Strategic Plan Roll-Out
3. Evaluation and Data Collection/Analysis Support for Justice, Mental Health, and Substance Use Disorder Systems Strategic Plan Roll-Out
4. NCCARE 360
5. Intellectual and/or Developmental Disability and Mental Health Re-Entry Program for Justice-Involved Individuals with Intellectual and Developmental Disabilities and Mental Health Needs
6. Workforce Development/Deaf and Hard of Hearing Scholarships
7. Behavioral Health Education and Anti-Stigma Campaigns

DMHDDSAS has developed a thoughtful plan for every project supported by the Reserve Fund. The implementation plan for each newly approved initiative, including key milestones and due dates, are described in detail below (see pages 3-10). These new initiatives invest in sustainable system changes that support/implement the recommendations of the Governor's Task Force with particular emphasis on the five priority areas the Task Force identified for on-going investment:

- Case management for children, adolescents, and adults
- More access to treatment of opioid use disorders
- Implementation of NC prescription drug abuse strategic plan
- Diversion from criminal justice for those with mental illness and substance use disorder (SUD)
- Appropriate, affordable, and supportive housing

1. Justice, Mental Health, and Substance Use Disorder Systems Assessment and Strategic Planning

DMHDDSAS has been approved for the use of \$5,000,000 over three years from the Reserve Fund to support the assessment of the current DHHS-supported Justice, Mental Health (MH), and Substance Use Disorder Systems (SUS) in North Carolina and the development of a strategic plan and roadmaps for strengthening policies and programs that produce positive life outcomes, resilience, and recovery for individuals who use public system resources.

Key Milestones	Implementation & Due Dates	Expected Outcomes
Update Contract with Design Consultant with new scope	May-June 2023	Create scope of work within identified budget and timeline that produces a thorough assessment and strategic design for the public Justice, Mental Health, and Substance use System.
Assessment Begins	July 2023	A comprehensive assessment of the current DHHS-supported justice, mental health, and substance use system in NC
Design Phase	September 2023-January 2024	• Comprehensive justice/mental health/substance use system design for DHHS-supported programs (state dollars, federal grants, Medicaid supports/services) • Roadmap for Justice & SUS Programs with timelines/KPIs • Roadmap for Justice & MH Programs with timelines/KPIs • Roadmap for MH & Crisis Programs with timelines/KPIs. • Refreshed State Opioid and Substance Use Action Plan
Advisory Group	January 2024	Gain stakeholder support and counsel on new initiatives, metrics of success, and needed implementation supports
Refresh Strategies & Roadmaps	January-March 2024	Update roadmaps and produce public reports on milestones met, progress, and status of KPIs.
Refresh Strategies & Roadmaps	January-March 2025	Update roadmaps and produce public reports on milestones met, progress, and status of KPIs.

2. Implementation and Technical Assistance Support for Justice, Mental Health, and Substance Use Disorder Systems Strategic Plan Roll-Out

DMHDDSAS has been approved for the use of \$6,000,000 over three years from the Reserve Fund to support Technical Supports, Training, and Implementation Supports for the Justice & SUS, Justice & MH, and MH & Crisis roadmaps.

Key Milestones	Implementation & Due Dates	Expected Outcomes
Issue RFA for Technical Support Vendor(s)	September 2023	Identify technical support vendors(s) to provide implementation and training supports to providers, LME-MCOs and other stakeholders to ensure new program initiatives are successful and produce meaningful outcomes
Applicant(s) selected and contract(s) awarded	January 2024	Vendors selected to support DMHDDSUS, providers, LME-MCOs
Training and technical assistance to the state, contracted organizations (providers, LME-MCOs)	March 2024-July 2025	• Provider implementation and project support to DMHDDUS • Provide implementation support to individual contractors to implement new programs • Provide individual and group training to contractors on evidence-based strategies and program fidelity
Update Contract with for Implementation and Project Support Vendor	September 2023	Create scope of work within identified budget and timeline to provide implementation support to DMHDDSUS, providers, LME-MCOs and other stakeholders to ensure new program initiatives are successful and produce meaningful outcomes
Implementation and project support launches	December 2023-2024-July 2025	• Provide implementation and project support to DMHDDUS • DMHDDSUS support success execution of strategies, meeting milestones for program implementation

3. Evaluation and Data Collection/Analytic Support for Justice, Mental Health, and Substance Use Disorder Systems Strategic Plan Roll-Out

DMHDDSAS has been approved for the use of \$5,000,000 over three years from the Reserve Fund to support Data Collection and Analytic Supports and Program Evaluation for the Justice & SUS, Justice & MH, and MH & Crisis roadmaps.

Key Milestones	Implementation & Due Dates	Expected Outcomes
Issue RFA for Data/Analytic/Evaluation Vendor	September 2023	Identify evaluation and data collection/analytic support vendors(s)
Applicant(s) selected and contract(s) awarded	January 2024	Vendors selected to support DMHDDSUS, providers, LME-MCOs
Evaluation design begins; creation of data collection tools begins; creation of dashboards/KPIs	March 2024-July 2025	• Evaluation design that informs work and quality improvement efforts • Public-facing and internal KPIs and dashboards • Actionable analytics that use data collected from across sectors.

4. NCCARE 360 Funding

DMHDDSAS has been approved for the use of \$4,000,000 over two years from the Reserve Fund to extend the current NCCARE360 contract. DHHS currently has a contract in place with UniteUs, who own and operate the NCCARE 360 product. NCCARE360 is a vital tool to support care management, whole-person health, and crisis operations aligned with the Task Force recommendations.

Key Milestones	Implementation & Due Dates	Expected Outcomes
Continue and amend (as needed) current NCCARE 360 contract	July 2023	Updated NCCARE 360 contract
Assess utilization of tool by BH, justice, and crisis providers	January 2024-July 2024	Assessment of gaps in users or gaps in referral sources in NCCARE 360
Onboard and training BH, justice, and crisis providers as needed.)	July 2024-July 2025	BH, Justice, Crisis providers are effectively using NCCARE 360 to support individuals in the BH, Justice, and Crisis system

5. I/DD & MH Re-Entry Program for Justice-Involved Individuals with Intellectual and Developmental Disabilities and Mental Health Needs.

DMHDDSAS has been approved for the use of \$1,000,000 over three years from the Reserve Fund to fund a justice reentry initiative for individual with intellectual and developmental disabilities and mental health needs. DHHS (through NC Council of Developmental Disabilities) has a current contract in place for a I/DD & MH re-entry program that is set to expire. DMHDDSAS plans to contract with this vendor for continued services by September 1, 2023. This initiative, led by the Alliance of Disability Advocates (ADA), works directly with North Carolina Department of Adult Corrections behavioral health social workers to support individuals with intellectual and other developmental disabilities (I/DD) to transition from prison back into the community.

The initiative has received 152 referrals and completed 149 Individualized Reentry Plans (IRPs) in the last two years. It has an 87% success rate: 87% of individuals with I/DD have remained in the community instead of reoffending. The general recidivism rate is 41%, according to a report by the North Carolina Sentencing and Advisory Policy Commission (April 2018).

Traditional reentry programs are not designed to assist individuals with I/DD to transition successfully from incarceration back to community living.

This initiative focuses on developing an IRP for individuals with I/DD. The IRP includes culturally competent skill-building and supports to assist individuals in obtaining housing, transportation, employment, SSI/SSDI/Medicaid and other benefits they are eligible for, and the support they need, to reenter society and remain there successfully.

Key Milestones	Implementation & Due Dates	Expected Outcomes
Update Contract between ADA and DMHDDSUS	June-September 2023	Timely contract that avoids disruption of services.
Program Metrics Evaluated	June 2024	Increase number by individuals served (by at least 10%) Maintain success rate of 85%.
Program Metrics Evaluated	June 2025	• Increase number by individuals served (by at least 10%) • Maintain success rate of 85%.

6. Workforce Development/Deaf and Hard of Hearing Scholarships

DMHDDSAS has been approved for the use of \$780,000 over two years from the Reserve Fund to fund six, two-year masters-level scholarships for individuals proficient in American Sign Language who enter a program of study leading to licensure in the mental health and/or substance use disorder field in North Carolina. This will increase the workforce capacity and therefore overall access to these services for individuals who are Deaf or Hard of Hearing. DMHDDSUS plans to draft and release RFAs by September 1, 2023 with implementation expected from for the 2025 Fall Semester (dependent on the school who wins the RFA bid).

Key Milestones	Implementation & Due Dates	Expected Outcomes
Issue RFA for interested universities/colleges	September 2023	Identify schools for scholarship opportunities
Applicant(s) selected and contract(s) awarded	January 2024	Schools/universities have executed contracts
Scholarships are offered	September 2024-2025	Scholarships are established, offered, and filled.

7. Behavioral Health Education and Anti-Stigma Campaigns

DMHDDSAS has been approved for the use of \$1,500,000 over 2 years from the Reserve Fund to fund consumer-facing educational and training campaigns. The goal of these program are to help reduce stigma and engage and empower individuals to proactively access recovery-based services before crises arise. As detailed in the Governor’s Task Force report,

Education about mental health and substance use disorders is needed to eclipse long standing myths, reduce misunderstandings, decrease fear and eliminate the stigma surrounding those with mental illness or substance use disorders. As stigma is eliminated, people will be more willing to access care and primary prevention efforts can be better supported by early identification and intervention (page 17).

Members of our public State Consumer and Family Advisory Council (CFAC) have asked us to invest in ‘plain language’ campaigns to help empower individuals to understand the behavioral health delivery system and new healthcare realities (like the tailored plan). Empowered individuals are more likely to engage in proactive, recovery-based services early before crises arise.

People with lived experience do participate in our Consumer webinars and our local and state CFAC. However, we have recognized a need to ensure that those committees are well-organized and that individuals are trained in public policy and advocacy in order to better inform the state about policy and programmatic decisions. Better policy means a better delivery system that engages more members in up-stream care.

Key Milestones	Implementation & Due Dates	Expected Outcomes
Issue RFA for Communication Vendor or amend scope with current DHHS communications vendor	May 2023	Identify communication vendors(s) to provide create plain language materials and campaigns for individuals with behavioral health needs and the general public to better understand behavioral health and behavioral health resources.
Issue RFA for Training Vendor	September 2023	Identify training vendors(s) to: • provide committee, communications and advocacy training to consumers involved in state advisory councils/committees • provide assessment and recommendations to DMHDDSUS on better ways to involve consumers in policy development, design and implementation.
Applicant(s) selected and contract(s) awarded	January 2024	Vendors selected to support DMHDDSUS, providers, LME-MCOs
Development of communications and media campaigns	February 2024-June 2024	Develop materials, website, media spots for key behavioral health topics
Development of training materials for consumers and identification of consumer/committees interested in training	February 2024-April 2024	• Identified training cohorts • Training materials developed
Communication campaigns	July 2024-July 2026	Conduct communications campaigns
Training Consumer Groups	July 2024-July 2026	Conduct BH trainings