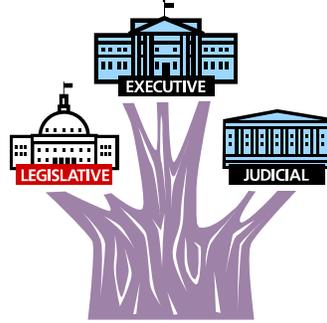




Regular Session of the North Carolina General Assembly 2015

Legislative Summary

North Carolina Legislative 2015 Long Session Summary



The North Carolina General Assembly long session convened on Wednesday, January 28 and after delaying adjournment several times, finally adjourned early in the morning on Wednesday, September 30. During the session, lawmakers passed a \$21.7 billion budget and introduced 1,666 bills, 331 of which passed. If you recall, North Carolina passes a two-year budget every odd-numbered year. Revisions for the second year occur during even-numbered year legislative sessions.

In the spring, Governor Pat McCrory introduced his \$21.5b budget, which included a 1.5% spending increase for behavioral health services. It included \$42 million for community based services, \$4 million for improving mental health care for all inmates, and another \$2.2 million to bolster health care staffing at Central Prison. While the House version of the bill was similar to that proposed by the Governor, the Senate version included detrimental cuts to mental health services. After months of negotiations, a compromise between the House & Senate was reached and the Governor signed the final budget proposal on Friday, September 28.

Along with massive budget cuts to the state’s LME/MCOs (local management entities/managed care organizations), major legislation (HB372) outlining North Carolina’s Medicaid reform passed. The Senate had included their original proposal in their version of the budget, which contributed to delays in budget negotiations. Ultimately, the Senate pulled their Medicaid reform language from the budget, but it was the House stand-alone legislation that was the vehicle for passage. The compromise legislation creates a new state agency—the Division of Health Benefits—that remains within Department of Health and Human Services. This new agency will be responsible for submitting an 1115 waiver to the Centers for Medicare & Medicaid Services (CMS) which will further define the proposed new Medicaid delivery system. The reform privatizes the new system, allowing three private companies to bid on contracts to offer statewide health insurance plans. The state will also contract with ten provider-lead entities (PLEs) to deliver Medicaid services regionally. The measure calls for a capitated payment model, as opposed to the traditional fee-for-service model, wherein MCOs and PLEs will be budgeted a flat fee for each patient they see, regardless of how sick that individual becomes. The Division of Health Benefits has until June 1, 2016 to submit the waiver to CMS, which will offer a more detailed plan of how the proposed Medicaid system will work. Mental health LMEs/MCOs will be “carved out” of the reform for the first four years, and then presumably be subsumed into the physical health care entities. After June 1st, CMS will need to determine whether or not it will approve NC’s waiver. North Carolina may have to negotiate further with CMS before gaining approval. The timeline and outcome of the waiver is yet to be determined, however, MHA will continue to monitor the process.

Overall, the 2015 session kept advocates on their toes as a significant piece of legislation on the sale of the Dorothea Dix property (SB705) navigated through the General Assembly before ultimately dying in committee, while the provisions for the sale of the property were added to the passed budget. Below is a sampling of the most significant pieces of mental health legislation. For mental health consumers and advocates, this past session will be remembered as the year that reformed the NC Medicaid delivery system.

ADVOCACY & EDUCATION

Since 1933, Mental Health America of Central Carolinas (MHA) has promoted mental wellness through advocacy, prevention, and education. ***As the state's oldest and largest association, MHA is leading the state in recreating a statewide network for mental health advocacy and stigma reducing education.*** From joining statewide coalitions to better represent the consumer voice, to hosting an annual legislative breakfast in hopes to reduce stigma and promote understanding of mental illnesses and resources, MHA diligently promoted our mission to advocate for mental wellness.

MHA of Central Carolinas is proud of where we are today – as a separate agency and Collaborative – and a local consumer-focused network for advocacy and education. The MHA, locally and around the state, has become well-respected and well-known for its effective and dedicated mental health advocacy and education.

MHA's advocacy and education efforts for the past fiscal year include:

- ✚ MHA convened our Advocacy and Public Policy Committee for the first time in January 2015. The Committee is charged with considering federal, state, and local issues related to mental health policy and make recommendations to the MHA Board that further the MHA's mission to promote wellness through advocacy, prevention, and education in Mecklenburg and Cabarrus Counties. The Committee approved the first MHA Legislative Agenda which consists of a two-tier strategy for the 2015 legislative session. The first tier consists of issues that the MHA actively supports and has position statements behind. The second tier consists of issues that: one, the MHA remains neutral on, but tracks the progress of relevant legislation; and/or two, the MHA takes action on through collaboration with other groups and coalitions that share legislative issue goals that coincide with MHA's mission statement.
 - Tier One: Priority Issues
 - ❖ Access to Care—MHA supports legislation to increase access to a broad scope of medically appropriate, evidence-based behavioral health services in full parity with other conditions for all individuals and families.
 - ❖ Integrated Care—MHA supports legislation to promote integration of care to involve the entire medical community and include the full continuum of mental health care services. Providers on both sides of the mental and general health care interface should receive full and timely information and should follow evidence-based protocols in order to identify and treat the whole person.
 - ❖ Prevention—MHA supports legislation to improve the healthy development of all individuals and prevent the onset of mental health and substance use conditions.
 - Tier Two: Subordinate Issues
 - ❖ Medicaid Reform
 - Medicaid Expansion
 - ❖ Mental Health Parity
 - ❖ Mental Illness in the Prison System
 - ❖ State Mental Health Funding
- ✚ MHA hosted a Legislative Breakfast at Duke Mansion which was attended by 47 policy makers, key community leaders and stakeholders. This year's topic was #B4Stage4—a platform initiated by our national organization that categorizes the mental health recovery cycle into four parts: Prevention, Early Identification, Treatment, and Recovery. Presenters included Rachel Kitson, PhD, Southeast Psych who talked about the importance of preventative services and how there is a need for providers to put effort into these services; Ulli Rische, Human Rights Committee Member, Partners Behavioral Health Management, gave his own account of how preventative services could have helped him quicken his journey toward recovery; Robert Herman-Smith, PhD, MSW, MA, Associate Professor, UNCC School of Social Work, talked about the importance of early intervention in the schools and gave statistics on how factors early in life can lead to mental illness later in life; Melissa Candela, MSW, LCSW, Program Coordinator, Behavioral Health Integration, talked about the new model for integrating mental health into physical health services through Carolinas Healthcare System; Antoinette Souffrant, LCSW, CSAC, Uptown Psychology, gave an overview of how her practice is recovery-focused; and Patty Schaeffer, CFAC Member and

WRAP Group Facilitator, gave her personal story about how becoming an active part of her recovery plan led to her mental wellness.

- + MHA organized our grassroots network, AIMWell (Advocate and Inform for Mental Wellness), and is comprised of 621 individuals (as of November 2015) who have self-identified as being interested in MHA advocacy and able to take action on legislation as well as share their stories with NC elected officials. From January to June during the legislative session, MHA distributed monthly Legislative Updates to 2,138 community members and key policy makers, designed to educate and spur action. In June of 2015, MHA began targeting the Legislative Update to only those in the AIMWell network (621), allowing us to send emails more frequently when time-sensitive issues arise without causing email fatigue from all of our contacts. MHA also shared the Legislative Updates with all of the MHA affiliates in NC to disseminate to their network, reaching over 1,000 contacts.
 
- + MHA provided an Advocacy 201 Training (8 hours), reaching a total of eight consumers, their family members, and Certified Peer Support Specialists. Through this training—and in collaboration with Promise Resource Network (PRN), a local agency that focuses on recovery education and support—MHA encourages citizen engagement in the legislative process and teaches self-advocacy skills. 100% of participants reported increased knowledge about advocacy from baseline, and 100% reported they would take action with policy makers as a result of the training. Another training is scheduled for January 12, 2016. Stay tuned for details.
- + MHA also delivered two Advocacy 101 trainings. These trainings are one to two hours and focus on current and projected mental health legislation in NC, as well as how to contact elected officials. One was delivered to 27 UNCC students in the School of Social Work. 100% of participants reported increased knowledge about advocacy from baseline, and 93% reported they would take action with policy makers as a result of the training. The other was delivered to four parents of youth attending McClintock Middle School. 100% of participants reported increased knowledge about advocacy from baseline, and 100% reported they would take action with policy makers as a result of the training.
- + MHA has been elected to serve on our national affiliates Regional Policy Council (RPC). Through the Council, we have been tasked with disseminating knowledge of federal legislation to 6 states in the southeast and serving as a “clearinghouse” for affiliates to share information on policy issues affecting the entire region. Also through this Council, MHA has provided input to our national affiliate on 4 federal comprehensive mental health bills (H.R. 2646, S. 1945, S. 2002, and S. 1893) wherein if passed, would affect mental health patients in North Carolina. In June, MHA participated in the northeast RPC regional meeting, reaching approximately 50 affiliates and stakeholders. MHA has also begun working on a regional meeting in the southeast to be held in December in Nashville TN.

Summary of Enacted/Not-Enacted Bills

The following public law provisions were enacted during the 2015-2016 session with effective dates of July 1, 2015 through January 1, 2016. Please note: This is not a comprehensive list. For additional assistance please contact a member of the Legislative Library staff at (919) 733-9390. For a complete list of bills passed during the most recent session, visit the North Carolina General Assembly website for bill look up by text, number or sponsor.



| Bill Id | Sponsor | Title | Summary | Recent Action | Bill Status |
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| HB 13 | Torbett | Amend School Health Assessment Requirement. | Amends the law that requires children entering kindergarten in the NC school system to have health assessments to ALL children entering the NC school system at any grade level. | State Law 2015-222 | Enacted |

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| HB 97 | Dollar | 2015 Appropriations Act. | Establishes the North Carolina budget for 2015-2016. (See budget summary below.) | State Law 2015-241 | Enacted |
| HB 372 | Dollar | Medicaid Transformation and Reorganization. | Outlines the compromise reached by both chambers. The measure creates a new state agency—the Division of Health Benefits which will be responsible for submitting a 1115 waiver by June 1, 2016 to the Centers for Medicare & Medicaid Services (CMS) to further define the proposed new Medicaid delivery system. The reform privatizes the new system, allowing 3 private companies to bid on contracts to offer statewide health insurance plans. The state will also contract with 10 provider-lead entities (PLEs) to deliver Medicaid services regionally. The measure calls for a capitated payment model, as opposed to the traditional fee-for-service model, wherein MCOs and PLEs will be budgeted a flat fee for each patient they see, regardless of how sick that individual becomes. | State Law 2015-245 | Enacted |
| HB 451 | Cunningham | LRC/Study Suicide Prevention. | Would have directed the Legislative Research Commission to examine ways to prevent suicide among minors, veterans, and emergency responders in North Carolina. | Referred To Com On Rules, Calendar, and Operations of the House | Not Enacted |
| HB 556 | Avila | Achieving a Better Life Experience Act. | Allows people with disabilities and parents of children with disabilities to set up 529 accounts to pay for expenses associated with the disability. | State Law 2015-203 | Enacted |
| HB 562 | Schaffer | Amend Firearm Laws. | This gun reform overhaul bill originally contained provisions that would have prevented health care providers from asking their patients if they own a gun. This section was removed before it was signed into law. | State Law 2015-195 | Enacted |
| SB 154 | Bingham | Clarifying the Good Samaritan Law. | Improves existing 911 Good Samaritan law to extend more protections to people on probation/parole and victims of alcohol poisoning, as well as to clarify that pharmacists can dispense Naxolone under a physician's order. | State Law 2015-94 | Enacted |
| SB 288 | Cook | Amend Laws Regarding Mental Commitment Bars. | Would have allowed individuals who have been found to lack the capacity to manage their own affairs “due to marked subnormal intelligence, mental illness, or incompetency” to file a petition to remove firearms disabilities after restoration to competency. The measure would also have more narrowly restricted the types of incompetence findings that must be | Referred to the Com on Rules, Calendar, and Operations of the House, if favorable, Judiciary I | Not Enacted |

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| | | | reported to the National Instant Criminal Background Check system. | | |
| SB 423 | Barringer | Foster Care Family Act. | Amends the law to study the use of the 1915(c) Medicaid waiver for children who qualify under "Serious Emotional Disturbance" (SED), which could help keep children in foster care with severe emotional disturbances in their homes and out of institutions. The bill also allows foster children to participate in various activities that non-foster children have access to, such as apply for a driver's license or play sports in school, thereby reducing stigma for foster care children. | State Law 2015-135 | Enacted |
| SB 445 | Krawiec | Burt's Law. | Increases punishment for abuse, neglect, or exploitation of a consumer enrolled in a mental health, developmental disability, or substance abuse program. | State Law 2015-36 | Enacted |
| SB 490 | Barefoot | Increase Access to MH Services. | Would have directed the Legislative Research Commission to study a public-private hospital partnership to increase access to mental health services. | Referred To Com On Rules and Operations of the Senate | Not Enacted |
| SB 496 | Davis | Protect MH/DD/SA Clients From Abuse. | Would have increased penalties for employees who fail repeatedly to report abuse, neglect, exploitation, or injury of people being served in a facility for mental illness, developmental disabilities, or substance abuse. | Re-referred Com On Judiciary I | Not Enacted |
| SB 676 | Apodaca | Autism Health Insurance Coverage. | Ensures insurance coverage for Autism Spectrum Disorders (ASD) in NC. | State Law 2015-271 | Enacted |
| SB 705 | Pate | Ensure Fair Sale of Dorothea Dix Property. | Would have put the Dorothea Dix property up for bid, starting at \$52 million. The sale of the Dorothea Dix property was passed in the final version of the budget. | Re-referred Com On Health Care | Not Enacted |

BUDGET SUMMARY

For more detailed budget information, please visit the North Carolina General Assembly website and search for [HB97/S.L. 2015-241](#).



- ✚ \$110m in cuts to mental health LMEs/MCOs. This is far better than the \$185m in cuts which was originally proposed by the Senate, but a far cry from the \$2m increase proposed by the House. Your advocacy assuredly impacted the final cuts to come down from \$185m. The measure also calls for \$152m in cuts next fiscal year, however that amount is not certain. The legislature will fine-tune the budget for next year in the 2016 short session which is slated to begin next April. The LMEs/MCOs will have to make up the deficit out of their cash savings.
- ✚ Maintains funding for the Wright School (provides residential mental health treatment to North Carolina's children, ages six to twelve, with serious emotional and behavioral disorders.)

- ✦ Provides \$1.5m in funds to expand SMART (Systematic, Therapeutic, Assessment, Resources, and Treatment) Team services to children and adolescents with Intellectual and Developmental Disabilities (IDD).
- ✦ Provides funds to increase the number of TASC (Treatment Alternatives for Safer Communities) case managers who provide substance abuse assessment and referral services to criminal offenders who are maintained in the community instead of sentenced to prison or those who have been released from prison and are under supervision of a probation officer.
- ✦ Funds ABLA Act (Achieving a Better Life Experience Act) as outlined in HB 556. Allows for caretakers to open 529 accounts to care for persons with disabilities.
- ✦ Fully restores cuts to the Home and Community Care Block Grant which provides funding for mental health services and prescription assistance to seniors.
- ✦ Ensures that funding from the sale of the Dorothea Dix property is allocated to the Mental Health Trust Fund in a separate account. The legislature has the authority to determine how the money is spent, however \$25m is allocated to establish 150 inpatient beds across the state.
- ✦ Raises the Foster Care age to 21.
- ✦ Funds 66 positions at the Central Prison Mental Health Facility to open 72 additional beds.
- ✦ Provides funds for establishing mental health behavior treatment units at eight close custody prisons. Four units are effective January 1, 2016 and four units are effective January 1, 2017.
- ✦ Sets up \$225m per year for Medicaid Transformation/Reform. The logistics of the bill were pulled out of the budget and outlined in HB 372.

Traditionally, the NC General Assembly convenes for a short session on even-numbered years to fine-tune the budget. The legislature is scheduled to convene for 2016 on April 25 for the budget-focused session, and MHA will once again be sending out updates and alerts, asking AIMWell members to urge your legislators to eliminate cuts to mental health funding.

SOURCES (For more information, please visit these sites)

- ✦ MHA of Central Carolinas, www.mhacentralcarolinas.org
- ✦ North Carolina General Assembly website: <http://ncleg.net>
- ✦ NC Department of Health & Human Services (NC DHHS) website, www.ncdhhs.gov
- ✦ Governor's website, <http://www.governor.state.nc.us>
- ✦ NC Policy Watch website, <http://www.ncpolicywatch.org>
- ✦ NC Psychiatric Association, <http://www.ncpsychiatry.org/>
- ✦ NC Psychological Association, <https://ncpsychology.org/>
- ✦ The Coalition, <http://www.thecoalitionnc.org/>
- ✦ NC Child, <http://www.ncchild.org/>
- ✦ Disability Rights NC, <http://www.disabilityrightsncc.org>
- ✦ Autism Society of North Carolina, <http://autismsociety-nc.org/>
- ✦ News & Observer, <http://www.newsobserver.com>
- ✦ NC Health News, <http://www.northcarolinahealthnews.org/>
- ✦ The Charlotte Observer, <http://www.charlotteobserver.com/>
- ✦ WRAL, <http://www.wral.com/>