

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: April 4, 2005

SUBJECT: Update Concerning Mental Health Issues

ATTACHMENTS: Staff Memo

SUMMARY OF REQUEST:

Considering the community's interest in issues surrounding the "reform" of the State's mental health system, staff feels that it is an appropriate time to update the Board on local and regional mental health issues. The attached memo provides a comprehensive update.

COUNTY MANAGER'S RECOMMENDATION/ACTION REQUIRED:

No action requested.



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MEMORANDUM

March 24, 2005

To: Board of Commissioners
Through: David E. Nicholson, County Manager
From: Justin B. Hembree, Assistant County Manager
Subject: Update Concerning Mental Health Issues

As the Board is well aware, the "reform" of the State's mental health system continues to present numerous challenges for county governments across the State. Furthermore, recent media coverage, especially by the *Times-News*, has greatly increased the public's awareness of this issue. The purpose of this memorandum is to provide the Board with an update concerning specific mental health issues that are having or will impact our community, the region, and the State.

Henderson County Maintenance of Effort Grants

In December 2004, the Board approved maintenance of effort (MOE) funding and performance agreements with three agencies that agreed to establish new mental health initiatives in Henderson County focusing primarily on crisis response, management, and prevention. These three agencies are Henderson County Public Schools, the Department of Juvenile Justice and Delinquency Prevention, and Mountain Laurel Community Services.

Henderson County Public Schools was awarded \$18,880 in MOE funds. These funds are being used for four primary purposes that directly relate to crisis response/management: 1) to establish School Safety and Critical Response Teams at each school in the County, 2) to develop a standard System-wide policy for critical response, 3) to train System staff in crisis response/management, and 4) to review and revise policies and training procedures on an annual basis. The County's performance agreement with the School System requires the System to provide an annual status report to the County. However, at this point in the year, it appears all of the segments of this program will meet the established time line and are well on their way toward implementation.

The Department of Juvenile Justice and Delinquency Prevention was awarded \$1,100 in MOE funds. These funds are being used to assist with costs associated with the County's only all girls' therapy group for females adjudicated by the Court as being delinquent and/or undisciplined. The overall goals of this program are to: 1) reduce runaway episodes, 2) reduce recidivism, 3) increase school attendance, 4) improve grades, and 5) enhance the family experience. As with the other MOE funded programs, the Department of Juvenile Justice and Delinquency Prevention is required to provide an annual status report to the County. However, it should be noted that informal contact with the Department has shown that the program is meeting all expectations.

Mountain Laurel Community Services was awarded \$508,362 in MOE funds. These funds are being used for four broad initiatives that will improve crisis services in Henderson County. These initiatives include: 1) enhance access to all mental health services, 2) improve care for the most severely mentally ill and substance abusing populations, 3) reduce the incidence of psychiatric emergencies and hospitalizations, and 4) make available free training and educational programs regarding mental illness and substance abuse to Henderson County organizations. Mountain Laurel Community Services is required to provide an annual status report to the County. However, Mountain Laurel staff has been providing periodic progress reports. As of January 28, 2005, Mountain Laurel has reported the following activities as part of the MOE program: established an 800 access number for Henderson County, recruited and hired a switchboard operator, expanded clinic hours (effective March 1), secured additional psychiatric coverage (effective March 1), established formal relationship with Pardee Hospital (daily communication and attendance at treatment team meetings), established emergency intake slots for Pardee Emergency Room discharges, recruiting and interviewing for telephone intake screeners, executed contract for after hours coverage, hired Clinical Manager for Adult Services, reviewing model for Mobile Assessment Team, completed needs assessment for mobile services, completed needs assessment for expansion of Substance Abuse Services, hired two additional Case Managers, and recruiting for an Intensive Case Manager. As can be seen, Mountain Laurel has been, and will continue to be, extremely busy with the implementation of the MOE initiatives.

As with all other issues, please feel free to contact staff if you have any questions about the MOE programs. Staff will continue to keep you updated. As a side note, the County's MOE Grant Program has been nominated through the North Carolina Association of County Commissioners Outstanding County Awards Program.

Regional Activities

The Western Highlands Network (WHN) Board of Directors has made crisis response, management, and prevention the top priority for WHN staff. During the past several months, WHN staff has worked to identify funds to assist with the cost of new programs and has issues requests for proposals for various crisis-related programs. Included below is a comprehensive list of all new crisis-related programs that have been funded through WHN since the beginning of 2005 or are being considered by the WHN Board of Directors:

Mobile Crisis Team

In order to more effectively deal with children's crisis issues, \$40,000 was provided for the expansion of the Mobile Crisis Team managed by Families Together, Inc. This allowed the team to be expanded from a four county service area to serve the entire eight county region. The program offers emergency mobile services during and after regular working hours, as appropriate for the needs of the children served.

Therapeutic Foster Care Program

\$68,000 was provided for a therapeutic foster care program for hard-to-serve/at risk children. This program is managed by Meridian Behavioral Health Services. The program differs from all other therapeutic foster care programs in that Meridian will serve all high-risk youth referred, including those for whom no prior service has been provided by other providers. Meridian is also using therapeutic foster families for short-term crisis placements on a space available basis.

Enhancement of Services – Neil Dobbins Center, ARP-Phoenix

\$10,000 has been provided to enable ARP-Phoenix to provide treatment to a difficult to serve group of clients at the Neil Dobbins Center, the only non-hospital medical detoxification program in the WHN region. The enhancement has allowed for the purchase of medications and laboratory services.

Crisis Stabilization Bed

\$10,000 has been provided for costs associated with a contract with Eliada Home for an additional crisis stabilization bed. This involves the use of Medicaid funds as reimbursement for a Level III residential treatment bed for adolescents, age 10 to 17, who need emergency out-of-home placement due to behavioral difficulties that cannot be addressed using community initiatives.

Intensive Outpatient Services

A request for information for intensive outpatient services with a family intervention component for adolescents resulted in contracts being issued to two service providers that will provide services in Henderson and Buncombe Counties – ARP-Phoenix and Horizon Recovery, Inc. Efforts are being made to encourage providers to develop intensive outpatient services in the remainder of the counties in the WHN region, with a planned start-up in Fiscal Year 2005/2006.

Adult Care Homes Services

The WHN Board of Directors is considering the establishment of a program for short-term use of beds in adult care homes throughout the WHN region. These beds would be used as an alternative to hospitalization at Broughton Hospital for adults with mental illness. Under this program, the length of stay would be limited to a one to seven day time period. Consumers would agree to this short-term admission as an alternative to a Broughton Hospital admission. New Vistas staff would provide clinical crisis stabilization services, monitoring of safety, monitoring of medication responses, etc. In addition, case management/case support services would be provided and physicians would be available for telephone consultation. During the remainder of the current fiscal year, New Vistas staff would work out arrangements for the reservation of beds at adult care homes at the current monthly State Board rate (\$1,088 per month). New Vistas would receive reimbursement for staff support at a level of about \$500 per month for each occupied bed. An initial grant of \$20,000 would allow for a demonstration of the concept in a few selected adult care homes which would be recommended by the local Department of Social Services agencies. The objective of this proposal is to use homes throughout the eight-county region. The WHN Board of Directors will be taking action on this proposal during their next meeting.

Up to 23-Hour Crisis Stabilization Bed Capacity

A request for information has been issued for an up to 23-hour crisis stabilization bed capacity to four hospitals (including Pardee) in the region which have psychiatric inpatient units. The objective of this action is to encourage local hospitals to add this service to their emergency services, so that adult consumers with mental illness can be served in a crisis stabilization/observation bed rather than admitted to Broughton Hospital. The hospitals are encouraged to enter into negotiations with WHN to determine the cost of establishing a 23-hour bed. WHN would seek to provide reimbursement for the start-up costs with the goal of entering into reimbursement for the operating costs not covered by Medicaid.

Balsam Center

Negotiations continue on a contract for the purchase of services through the Adolescent Unit at the Balsam Center – Smoky Mountain Center. This will provide financial support for purchase of crisis stabilization services for children at the residential program located at Balsam Gap in Haywood County. The adolescent unit is expected to open in late April.

Multi Service Outpatient Efforts

Planning continues for financial support of multi service outpatient provider efforts to provide sufficient medical/physician alternative services to meet current and anticipated demand. Changes in the State Medicaid Plan, especially with respect to service definitions for Diagnostic Assessment, pose significant potential bottlenecks in access to service across the board for adults and children needing services for mental illness and substance abuse. A specific plan of action will be presented to the WHN Board of Directors during their next meeting.

Regional Crisis Stabilization Facility

Planning continues for the establishment of a 16 to 18-bed regional crisis stabilization facility. Again, the lack of new Medicaid rates and changes in service definitions make this an extremely difficult program to plan for. However, the WHN Board of Directors is scheduled to review initial architectural drawings for the facility during their next meeting.

Hopefully, these regional initiatives along with local programs can help address some major issues as the State continues its "reform" of the mental health system. No one believes that any one of these initiatives is the "silver bullet." However, this combined, decentralized approach in the area of crisis management is the most feasible alternative available to our region. As always, please contact staff if you have any questions or need additional information concerning these regional efforts.

Medicaid and New Service Definition Transition

As you are aware, the State has been in the process of developing a new Medicaid Plan for the past several years. An update concerning these pending changes is included below:

Date of New Medicaid Plan

The effective date remains July 1, 2005. This date may be subject to change depending upon action of the Center for Medicaid-Medicare Services, United States Department of Health and Human Services, on the new mental health service definitions. However, State officials are continuing to emphasize July 1 as the implementation date. Mental health professionals, consumers, and advocates are increasingly worried that the transitional steps necessary for successful implementation will not be possible by July 1. Issues include insufficient time to hire and train staff for Community Support Teams once the definition and reimbursement rates are finally approved and insufficient numbers of certain professional personnel to timely perform the assessments required for persons to enter the mental health service system. The WHN Board of Directors has voiced these concerns to the Division of Mental Health.

Direct Enrollment/Direct Billing

This process will possibly begin in March and extend until July 1, 2005, when all large multi-service providers (i.e. New Vistas, Mountain Laurel, Universal, ARP-Phoenix) must begin direct billing. The impact on these large providers will be particularly felt with respect to cash flow. The enrollment and billing contractor will not have a method for providing cash advances to service providers. Mountain Laurel and New Vistas, in particular, have relied heavily on cash advances from WHN, a practice that will end when direct enrollment/billing is implemented. Again, the WHN Board of Directors has voiced these concerns to the Division of Mental Health.

Endorsement

Providers must be endorsed by an LME in order to enroll with the enrollment and billing contractor as a provider of enhanced benefit services. Endorsement is a quality assurance process using statewide criteria and procedures. Given the size of WHN's provider network, accomplishment of this process during the first year will be a major challenge.

Impact of Changes in Service Definitions

For some consumers, there will be a major reduction in the amount of services available for clients in the change from Community-Based Services/Case Management to Community Support Services/Community Support Teams. This change will be particularly felt for some children with mental health needs who receive services in school settings. Parents are particularly concerned about the loss of one-on-one aides who are serving children in school settings. School systems are developing plans for contending with the anticipated loss of services.

Reimbursement Rates for Services

The final rates have not yet been released. However, to no one's surprise, the draft rates raised questions about the viability of some of the new services.

Staff realized this is extremely detailed and technical information. Hopefully, it will provide a feel for the administrative issues that WHN is struggling with while trying to deal with major needs in service delivery. Again, please feel free to contact staff with any questions or requests for additional information.