Report to

House of Representatives Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services

Report on Mental Health Changes on the Service Authorization Process

Session Law 2008-107
Section 10.15(w)

January 2009

North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities
and Substance Abuse Services

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Legislative Background

During the 2008 legislative session, the North Carolina General Assembly passed Session Law 2008-107, Section 10.15.(w) which outlines the following requirement:

> *The Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, shall develop a service authorization process that requires a comprehensive clinical assessment to be completed by a licensed clinician prior to service delivery, except where this requirement would impede access to crisis or other emergency services. The Department shall require that the licensed professional that signs a medical order for behavioral health services must indicate on the order whether the licensed professional (1) has had direct contact with the consumer, and (ii) has reviewed the consumer's assessment. The Department shall report the failure of a licensed professional to comply with this requirement to the licensed professional's occupational licensing board.*
>
> *The Department shall report on the development of the service authorization process to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services not later than October 1, 2008.*
>
> *The Department shall not implement the service authorization process until 15 days after it has notified the House of Representatives Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities and Substance Abuse Services.*

Plan of Action

In order to meet the requirements of this legislation, the Division of Mental Health, Developmental Disabilities and Substance Abuse Services and the Division of Medical Assistance have collaborated to modify the Person Centered Plan (PCP) format and the Person Centered Planning Instruction Manual. The Divisions have also provided instruction via Implementation Updates. The revised Person Centered Plan and Instruction Manual were posted on the NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services' web site on December 1, 2008 and can be accessed at http://www.ncdhhs.gov/mhddsas/pcp.htm.

The Department will implement the use of these new documents following the submission of this report. The following actions, via these documents, will occur:

1. **Comprehensive Clinical Assessment (CCA):** Prior to completing a consumer's Person Centered Plan, the consumer must have a comprehensive clinical assessment. The comprehensive clinical assessment must be completed by a licensed clinician with the cost covered by billing codes that only licensed clinicians may use. The comprehensive clinical assessment must be completed prior to the delivery of any services except crisis or emergency services designed to stabilize a person in an urgent or emergent condition.
2. **Licensed Professional (LP) Attestation:** The revised PCP form (and parallel instructions) include a specific area on the signature pages of the PCP for the licensed professional to order behavioral health services and at the same time to attest to whether he/she had direct contact with the individual, and whether he/she reviewed the comprehensive clinical assessment. The service authorization agency (ValueOptions or an authorized Local Management Entity (LME) for Medicaid services, LMEs for state-funded services) will return as incomplete PCPs with missing information in this area. Failure to check the appropriate boxes will invalidate the service order/verification of medical necessity completed by the licensed professional.
3. **Reporting to Occupational Licensing Boards:** DHHS, via the Division of Medical Assistance, Program Integrity Section (DMA/PI) will report any licensed professional ordering services to his/her licensing board if he/she fails to comply with the above requirement (#2).The Qualified Professional (QP) responsible for completing the PCP will submit an on-line form to DMA/PI indicating the name and license number of the licensed professional who did not comply with the requirement to indicate whether or not he/she had direct contact with the individual to whom the PCP belongs and whether or not he/she reviewed the CCA. Follow-up review will take place during regular Medicaid compliance audits completed by DMH/DD/SAS Accountability Team staff to verify the QP submission of information to DMA/PI.