

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1796*

Short Title: Expand Inpatient Psych. Bed Capacity/Funds. (Public)

Sponsors: Representatives Insko, England, M. Alexander, Earle (Primary Sponsors); Bell,
Farmer-Butterfield, Gill, Harrison, Hughes, McLawhorn, Parfitt, Pierce,
Tarleton, Wainwright, and Weiss.

Referred to: Appropriations.

May 19, 2010

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR THE EXPANSION OF LOCAL
INPATIENT PSYCHIATRIC BEDS OR BED DAYS.

The General Assembly of North Carolina enacts:

SECTION 1. Section 10.12(b) of S.L. 2009-451 reads as rewritten:

"SECTION 10.12.(b) Of the funds appropriated in this act to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, the sum of twenty million one hundred twenty-one thousand six hundred forty-four dollars (\$20,121,644) for the 2009-2010 fiscal year and the sum of ~~twenty million one hundred twenty-one thousand six hundred forty-four dollars (\$20,121,644)~~ thirty-two million one hundred twenty-one thousand six hundred forty-four dollars (\$32,121,644) for the 2010-2011 fiscal year shall be allocated for the purchase of local inpatient psychiatric beds or bed days. ~~These beds or bed days shall be distributed across the State according to need as determined by the Department.~~ The Department shall work to ensure that these beds or bed days are distributed equitably across the State. The Department shall enter into contracts with the LMEs and community hospitals for the management of these beds or bed days. Local inpatient psychiatric beds or bed days shall be managed and controlled by the LME, including the determination of which local or State hospital the individual should be admitted to pursuant to an involuntary commitment order. Funds shall not be allocated to LMEs but shall be held in a statewide reserve at the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to pay for services authorized by the LMEs and billed by the hospitals through the LMEs. LMEs shall remit claims for payment to the Division within 15 working days of receipt of a clean claim from the hospital and shall pay the hospital within 30 working days of receipt of payment from the Division. If the Department determines (i) that an LME is not effectively managing the beds or bed days for which it has responsibility, as evidenced by beds or bed days in the local hospital not being utilized while demand for services at the State psychiatric hospitals has not reduced, or (ii) the LME has failed to comply with the prompt payment provisions of this subsection, the Department may contract with another LME to manage the beds or bed days, or, notwithstanding any other provision of law to the contrary, may pay the hospital directly. The Department shall develop reporting requirements for LMEs regarding the utilization of the beds or bed days. Funds appropriated in this section for the purchase of local inpatient psychiatric beds or bed days shall be used to purchase additional beds or bed days not currently funded by or through LMEs and shall not be used to supplant other funds available or otherwise appropriated for the purchase of psychiatric inpatient services under contract with community hospitals, including beds or bed days being purchased



1 through Hospital Utilization Pilot funds appropriated in S.L. 2007-323. ~~Not later than March 1,~~
2 ~~2010, the Beginning~~ September 1, 2010, the Department shall report semiannually to the House
3 of Representatives Appropriations Subcommittee on Health and Human Services, the Senate,
4 the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and
5 Substance Abuse Services, and the Fiscal Research Division on a uniform system for beds or
6 bed days purchased (i) with local funds, (ii) from existing State appropriations, (iii) under the
7 Hospital Utilization Pilot, and (iv) purchased using funds appropriated under this subsection."

8 **SECTION 2.** This act becomes effective July 1, 2010.