

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40432-MRa-95A

Short Title: Strengthening Care for Families and Children. (Public)

Sponsors: Representative Lambeth.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TRANSFORMING BEHAVIORAL HEALTH AND RESILIENCE AND
3 SUPPORTING CHILD AND FAMILY WELL-BEING.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Appropriation of Funds. – There is appropriated from the ARPA
6 Temporary Savings Fund, established under Section 1.3 of S.L. 2023-7, to the Department of
7 Health and Human Services the sum of one billion dollars (\$1,000,000,000) in nonrecurring
8 funds for the 2023-2025 fiscal biennium to be allocated and used as provided in Section 2 of this
9 act. Except as otherwise provided, these funds shall not revert.

10 **SECTION 2.(a)** Allocation of Funds for Child Welfare and Family Well-Being
11 Transformation. – The Department of Health and Human Services shall allocate a portion of the
12 funds appropriated in Section 1 of this act to the following Divisions within the Department as
13 follows:

- 14 (1) The following amounts to the Division of Child and Family Well-Being:
- 15 a. Eight million dollars (\$8,000,000) to expand access to family partners
16 capable of supporting the caregivers of children with high behavioral
17 health needs, to expand intensive supports in the community that
18 facilitate the coordination of wraparound services for families, and to
19 increase structured options for trained and licensed parents to meet the
20 needs of children in crisis, such as Intensive Alternative Family
21 Treatment services.
 - 22 b. Sixteen million dollars (\$16,000,000) to strengthen and expand
23 specialized behavioral health treatment options in community,
24 residential, and inpatient settings for children to divert them from
25 emergency departments. These options may include treatment to
26 safely stabilize children experiencing a behavioral health crisis,
27 specialty treatment programs for children with complex behavioral
28 health needs, and intensive supports in the community.
 - 29 c. Eleven million dollars (\$11,000,000) to launch community assessment
30 teams to facilitate the provision of behavioral health services to
31 children within their communities by clinicians who specialize in
32 working with children. Each community assessment team would
33 include a behavioral health clinician who would collaborate with the
34 appropriate Child and Family Team to make holistic and
35 individualized recommendations for level of care, services and



- 1 supports, and other considerations for treatment and disposition
2 planning.
- 3 (2) The following amounts to the Division of Mental Health, Developmental
4 Disabilities, and Substance Abuse Services:
- 5 a. Twenty-one million dollars (\$21,000,000) for behavioral health
6 mobile crisis teams able to address the needs to children experiencing
7 a behavioral health crisis.
- 8 b. Eleven million dollars (\$11,000,000) to increase the number of youth
9 crisis stabilization beds available statewide and to create reserve crisis
10 stabilization bed capacity.
- 11 (3) The following amounts to the Division of Social Services:
- 12 a. Six million dollars (\$6,000,000) to provide Division-based supports
13 for families, including professional foster parenting programs.
- 14 b. Sixteen million dollars (\$16,000,000) to provide funding for intensive
15 supports in the community, such as (i) programs that specialize in
16 collaborating with parents who struggle with substance use and (ii)
17 teams that coordinate and provide wraparound family services,
18 including any of the following:
- 19 1. Sobriety Treatment and Recovery Team (START), a program
20 model that pairs child welfare workers trained in family
21 engagement with family mentors, who are peer support
22 employees in long-term recovery, using a system-of-care and
23 team decision-making approach with families, treatment
24 providers, and the court. The program model provides for
25 quick entry to START services to safely maintain child
26 placement in the home, when possible, and rapid access to
27 intensive addiction/mental health assessment and treatment.
- 28 2. Safe Babies Court, a pilot program that builds partnerships
29 among the courts, child welfare agencies, and local agencies to
30 provide services to children from birth through 3 years of age
31 who are in foster care due to abuse or neglect. The program
32 connects children and families with wraparound support and
33 services to promote healthy child development and expeditious
34 discharges from the foster care system.
- 35 c. Ten million dollars (\$10,000,000) to strengthen and expand the child
36 welfare workforce. Funds provided pursuant to this subdivision shall
37 be used to supplement, not supplant any county funding.

38 **SECTION 2.(b)** Allocation of Funds to Strengthen the North Carolina Behavioral
39 Health Crisis System. – The Department of Health and Human Services shall allocate a portion
40 of the funds appropriated in Section 1 of this act to the Division of Mental Health, Developmental
41 Disabilities, and Substance Abuse Services as follows:

- 42 (1) Twenty million dollars (\$20,000,000) for the 988 Suicide & Crisis Lifeline.
- 43 (2) Twenty million dollars (\$20,000,000) to be used as start-up funding for new
44 mobile crisis teams throughout the State.
- 45 (3) Sixty million dollars (\$60,000,000) to develop new behavioral health urgent
46 care and facility-based crisis combination facilities, peer drop-in facilities, and
47 additional North Carolina Systemic, Therapeutic, Assessment, Resources and
48 Treatment (NC START) respite locations.
- 49 (4) Eighty million dollars (\$80,000,000) for a pilot program transporting
50 individuals needing psychiatric hospitalization from hospital emergency

1 departments and behavioral health urgent care facilities to the inpatient facility
2 at which a bed has been located for each individual.

- 3 (5) Twenty million dollars (\$20,000,000) to be used for housing supports for
4 individuals with serious mental illness and competitive integrated
5 employment training that enhances employment opportunities for individuals
6 with intellectual and developmental disabilities.

7 **SECTION 2.(c)** Allocation of Funds for Community and School-Based Behavioral
8 Health. – The Department of Health and Human Services shall allocate a portion of the funds
9 appropriated in Section 1 of this act to the following Divisions within the Department as follows:

- 10 (1) The following amounts to the Division of Mental Health, Developmental
11 Disabilities, and Substance Abuse Services:

- 12 a. Thirty-eight million dollars (\$38,000,000) to be used to expand the
13 number of certified community behavioral health clinics in this State.
14 b. Ten million dollars (\$10,000,000) to be used for an education
15 campaign to reduce stigma around mental health.
16 c. Thirty million dollars (\$30,000,000) for the development of a
17 workforce training center that provides training to behavioral health
18 and intellectual and developmental disabilities providers at no charge
19 to the provider.

- 20 (2) Seven million dollars (\$7,000,000) to the Division of Health Benefits to
21 increase connections between primary care providers and psychiatry services
22 by funding the start-up costs associated with primary care practice adoption
23 of the collaborative care model and by continuing funding for the North
24 Carolina Psychiatric Access Line supporting primary care providers caring for
25 children with complex needs.

- 26 (3) Fifty million dollars (\$50,000,000) to the Division of Central Management
27 and Support, Office of Rural Health, to expand the North Carolina Loan
28 Repayment Program to include all licensed providers of behavioral health
29 services practicing in rural and underserved areas of the State who are enrolled
30 Medicaid providers.

- 31 (4) Forty million dollars (\$40,000,000) for statewide expansion of school
32 behavioral health services. The Division of Child and Family Well-Being, in
33 collaboration with the Department of Public Instruction, may use these funds
34 to address the challenges and implement the strategies outlined in the NC
35 Unified School Behavioral Health Action Plan dated March 2023, such as
36 school-based tele-behavioral health pilot programs, Project AWARE
37 (Advancing Wellness and Resiliency in Education), Project ACTIVATE
38 (Advancing Coordinated and Timely InterVentions, Awareness, Training, and
39 Education), a statewide school-based electronic health records system, locally
40 driven behavioral health initiatives, and training to connect schools to local
41 behavioral health providers. To meet the needs of young children in schools
42 and early child care and education settings, these allocated funds may be used
43 to expand access to professional development, technical assistance, screening
44 and evaluation, and services for teachers, providers, and families to enable
45 positive behavioral supports for children.

46 **SECTION 2.(d)** Allocation of Funds for Justice-Related Behavioral Health Matters.
47 – The Department of Health and Human Services shall allocate a portion of the funds
48 appropriated in Section 1 of this act to the Division of Mental Health, Developmental Disabilities,
49 and Substance Abuse Services as follows:

- 50 (1) One hundred eight million dollars (\$108,000,000) to operate
51 community-based pre-arrest diversion and reentry programs and to fund local

- 1 partnerships between law enforcement, counties, and behavioral health
2 providers.
- 3 (2) Forty million dollars (\$40,000,000) to operate both community-based and
4 detention center-based restoration programs.
- 5 (3) Two million dollars (\$2,000,000) to be used for judicial education programs
6 designed to increase understanding of mental health issues and behavioral
7 health treatment options.

8 **SECTION 2.(e)** Allocation of Funds to Improve the Capacity of the State Psychiatric
9 Facilities. – The Department of Health and Human Services shall allocate a portion of the funds
10 appropriated in Section 1 of this act to the Division of Mental Health, Developmental Disabilities,
11 and Substance Abuse Services as follows:

- 12 (1) Thirty million dollars (\$30,000,000) to be used to support individualized
13 community-based treatment and support for adults with long lengths of stay
14 or repeated stays at State-operated psychiatric hospitals.
- 15 (2) Forty million dollars (\$40,000,000) to recruit and retain the healthcare
16 workforce at State-operated healthcare facilities.
- 17 (3) Twenty-seven million dollars (\$27,000,000) to implement electronic medical
18 records in all State-operated healthcare facilities.
- 19 (4) Three million dollars (\$3,000,000) for the purchase of automated medication
20 dispensing cabinets at State-operated healthcare facilities.

21 **SECTION 2.(f)** Allocation of Funds to Improve Behavioral Health Data and
22 Technology. – The Department of Health and Human Services shall allocate a portion of the
23 funds appropriated in Section 1 of this act to the following Divisions within the Department as
24 follows:

- 25 (1) Twenty million dollars (\$20,000,000) to the Division of Central Management
26 and Support, Office of Rural Health, to increase access to telehealth services
27 in rural and underserved areas of the State. These funds shall be used to
28 purchase equipment and infrastructure for healthcare providers practicing in
29 rural and underserved areas of the State and for broadband expansion in these
30 areas. As used in this subdivision, "broadband expansion" means a program
31 designed to expand broadband infrastructure or broadband utilization.
- 32 (2) The following amounts to the Division of Mental Health, Developmental
33 Disabilities, and Substance Abuse Services:
- 34 a. Twenty million dollars (\$20,000,000) to expand the centralized bed
35 registry, known as BHSCAN.
- 36 b. Ten million dollars (\$10,000,000) to provide funding and
37 technological assistance to behavioral healthcare providers related to
38 the modernization of data and technology, including funds to assist
39 with connection to the Health Information Exchange (HIE), new staff,
40 and changes in billing practices.

41 **SECTION 2.(g)** Allocation of Funds to Invest in Medicaid Rates. – Of the funds
42 appropriated in Section 1 of this act, the Department of Health and Human Services shall allocate
43 the sum of two hundred twenty-five million dollars (\$225,000,000) to the Division of Health
44 Benefits to be used to increase rates paid to Medicaid behavioral healthcare providers for a period
45 of three years.

46 **SECTION 2.(h)** Allocation of Remaining Funds. – Of the funds appropriated in
47 Section 1 of this act, the sum of one million dollars (\$1,000,000) shall be allocated to the
48 Department of Health and Human Services to be used for administrative purposes related to one
49 or more programs for which funds have been allocated under subsections (a) through (g) of this
50 section.

1 **SECTION 2.(i)** Authorization for Time-Limited Positions. – As part of the
2 implementation or administration of the programs for which funds have been allocated under
3 subsections (a) through (g) of this section, the Department of Health and Human Services is
4 authorized to create up to 48 time-limited positions.

5 **SECTION 3.** Timing of Funding. – The funds appropriated in Section 1 of this act
6 shall become available during the course of the 2023-2025 fiscal biennium as the funds are
7 deposited into the ARPA Temporary Savings Fund, established under Section 1.3 of S.L. 2023-7.
8 The Department of Health and Human Services (DHHS) shall not provide allocations of the
9 funds appropriated in Section 1 of this act until the funds are available within the ARPA
10 Temporary Savings Fund, in whole or in part. When any portion of the funds appropriated in
11 Section 1 of this act becomes available, the Secretary of DHHS shall promptly allocate those
12 funds for the uses described in Section 2 of this act and, at the discretion of the Secretary, shall
13 prioritize the allocations, taking into account any time lines for the use of the funds, the best
14 interest of the citizens of the State, and the avoidance of any disruption in services to those
15 citizens.

16 **SECTION 4.** Report on Use of Funds. – In addition to any report required under this
17 act or any other law, the Department of Health and Human Services shall submit a quarterly
18 report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal
19 Research Division beginning on January 1, 2024, detailing the use of funds appropriated in this
20 act. Each report required under this section shall include the amount of funds received to date,
21 how the funds were used during the quarterly reporting period, and the amount of funds that
22 remained unspent at the end of the quarterly reporting period. The requirement under this section
23 to submit a quarterly report shall end upon submission of the final report, which shall be no later
24 than 90 days from the date the allocated funds have been fully expended.

25 **SECTION 5.(a)** Section 1 of this act is effective on the date the Current Operations
26 Appropriations Act for the 2023-2024 fiscal year becomes law or July 1, 2023, whichever is later.

27 **SECTION 5.(b)** If, by June 30, 2024, no Current Operations Appropriations Act for
28 the 2023-2024 fiscal year has become law, then this act shall expire on that date.

29 **SECTION 6.** Except as otherwise provided, this act is effective when it becomes
30 law.