

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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HOUSE BILL 855

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

Sponsors: Representatives Lambeth, Sasser, K. Baker, and Cunningham (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Health, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

April 26, 2023

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



1 appropriate Child and Family Team to make holistic and
2 individualized recommendations for level of care, services and
3 supports, and other considerations for treatment and disposition
4 planning.

5 (2) The following amounts to the Division of Mental Health, Developmental
6 Disabilities, and Substance Abuse Services:

- 7 a. Twenty-one million dollars (\$21,000,000) for behavioral health
8 mobile crisis teams able to address the needs to children experiencing
9 a behavioral health crisis.
10 b. Eleven million dollars (\$11,000,000) to increase the number of youth
11 crisis stabilization beds available statewide and to create reserve crisis
12 stabilization bed capacity.

13 (3) The following amounts to the Division of Social Services:

- 14 a. Six million dollars (\$6,000,000) to provide Division-based supports
15 for families, including professional foster parenting programs.
16 b. Sixteen million dollars (\$16,000,000) to provide funding for intensive
17 supports in the community, such as (i) programs that specialize in
18 collaborating with parents who struggle with substance use and (ii)
19 teams that coordinate and provide wraparound family services,
20 including any of the following:
21 1. Sobriety Treatment and Recovery Team (START), a program
22 model that pairs child welfare workers trained in family
23 engagement with family mentors, who are peer support
24 employees in long-term recovery, using a system-of-care and
25 team decision-making approach with families, treatment
26 providers, and the court. The program model provides for
27 quick entry to START services to safely maintain child
28 placement in the home, when possible, and rapid access to
29 intensive addiction/mental health assessment and treatment.
30 2. Safe Babies Court, a pilot program that builds partnerships
31 among the courts, child welfare agencies, and local agencies to
32 provide services to children from birth through 3 years of age
33 who are in foster care due to abuse or neglect. The program
34 connects children and families with wraparound support and
35 services to promote healthy child development and expeditious
36 discharges from the foster care system.
37 c. Ten million dollars (\$10,000,000) to strengthen and expand the child
38 welfare workforce. Funds provided pursuant to this subdivision shall
39 be used to supplement, not supplant any county funding.

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

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

- 1 (4) Eighty million dollars (\$80,000,000) for a pilot program transporting
2 individuals needing psychiatric hospitalization from hospital emergency
3 departments and behavioral health urgent care facilities to the inpatient facility
4 at which a bed has been located for each individual.
- 5 (5) Twenty million dollars (\$20,000,000) to be used for housing supports for
6 individuals with serious mental illness and competitive integrated
7 employment training that enhances employment opportunities for individuals
8 with intellectual and developmental disabilities.

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

- 12 (1) The following amounts to the Division of Mental Health, Developmental
13 Disabilities, and Substance Abuse Services:
- 14 a. Thirty-eight million dollars (\$38,000,000) to be used to expand the
15 number of certified community behavioral health clinics in this State.
16 b. Ten million dollars (\$10,000,000) to be used for an education
17 campaign to reduce stigma around mental health.
18 c. Thirty million dollars (\$30,000,000) for the development of a
19 workforce training center that provides training to behavioral health
20 and intellectual and developmental disabilities providers at no charge
21 to the provider.
- 22 (2) Seven million dollars (\$7,000,000) to the Division of Health Benefits to
23 increase connections between primary care providers and psychiatry services
24 by funding the start-up costs associated with primary care practice adoption
25 of the collaborative care model and by continuing funding for the North
26 Carolina Psychiatric Access Line supporting primary care providers caring for
27 children with complex needs.
- 28 (3) Fifty million dollars (\$50,000,000) to the Division of Central Management
29 and Support, Office of Rural Health, to expand the North Carolina Loan
30 Repayment Program to include all licensed providers of behavioral health
31 services practicing in rural and underserved areas of the State who are enrolled
32 Medicaid providers.
- 33 (4) Forty million dollars (\$40,000,000) for statewide expansion of school
34 behavioral health services. The Division of Child and Family Well-Being, in
35 collaboration with the Department of Public Instruction, may use these funds
36 to address the challenges and implement the strategies outlined in the NC
37 Unified School Behavioral Health Action Plan dated March 2023, such as
38 school-based tele-behavioral health pilot programs, Project AWARE
39 (Advancing Wellness and Resiliency in Education), Project ACTIVATE
40 (Advancing Coordinated and Timely InterVentions, Awareness, Training, and
41 Education), a statewide school-based electronic health records system, locally
42 driven behavioral health initiatives, and training to connect schools to local
43 behavioral health providers. To meet the needs of young children in schools
44 and early child care and education settings, these allocated funds may be used
45 to expand access to professional development, technical assistance, screening
46 and evaluation, and services for teachers, providers, and families to enable
47 positive behavioral supports for children.

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

- 1 (1) One hundred eight million dollars (\$108,000,000) to operate
2 community-based pre-arrest diversion and reentry programs and to fund local
3 partnerships between law enforcement, counties, and behavioral health
4 providers.
- 5 (2) Forty million dollars (\$40,000,000) to operate both community-based and
6 detention center-based restoration programs.
- 7 (3) Two million dollars (\$2,000,000) to be used for judicial education programs
8 designed to increase understanding of mental health issues and behavioral
9 health treatment options.

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

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

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

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

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

48 **SECTION 2.(h)** Allocation of Remaining Funds. – Of the funds appropriated in
49 Section 1 of this act, the sum of one million dollars (\$1,000,000) shall be allocated to the
50 Department of Health and Human Services to be used for administrative purposes related to one

1 or more programs for which funds have been allocated under subsections (a) through (g) of this
2 section.

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

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

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

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

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

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