

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 576  
Committee Substitute Favorable 4/2/09  
Committee Substitute #2 Favorable 5/12/09

Short Title: Remove Endorsement for Denied Access LME.

(Public)

Sponsors:

Referred to:

March 16, 2009

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT A LOCAL MANAGEMENT ENTITY'S AUTHORITY  
3 INCLUDES THE RIGHT OF ACCESS TO A PROVIDER FOR MONITORING AND IN  
4 RESPONSE TO COMPLAINTS OR EMERGENCIES AND TO CLARIFY THAT A  
5 LOCAL MANAGEMENT ENTITY MAY REMOVE A PROVIDER'S ENDORSEMENT  
6 IF ACCESS FOR THESE PURPOSES IS DENIED.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 122C-115.4(b) reads as rewritten:

9 "(b) The primary functions of an LME are designated in this subsection and shall not be  
10 conducted by any other entity unless an LME voluntarily enters into a contract with that entity  
11 under subsection (c) of this section. The primary functions include all of the following:

12 (1) Access for all citizens to the core services and administrative functions  
13 described in G.S. 122C-2. In particular, this shall include the implementation  
14 of a 24-hour a day, seven-day a week screening, triage, and referral process  
15 and a uniform portal of entry into care.

16 (2) Provider endorsement, monitoring, technical assistance, capacity  
17 development, and quality control. An LME may remove a provider's  
18 endorsement if a provider fails to meet defined quality criteria, fails to  
19 adequately document the provision of services, fails to provide required staff  
20 training, or fails to provide required data to the LME. provider fails to do any  
21 of the following:

22 a. Meet defined quality criteria.

23 b. Adequately document the provision of services.

24 c. Provide required staff training.

25 d. Provide required data to the LME.

26 e. Allow the LME access in accordance with rules established under  
27 G.S. 143B-139.1.

28 f. Allow the LME access in the event of an emergency or in response to  
29 a complaint related to the health or safety of a client.

30 If at anytime the LME has reasonable cause to believe a violation of  
31 licensure rules has occurred, the LME shall make a referral to the Division  
32 of Health Service Regulation. If at anytime the LME has reasonable cause to  
33 believe the abuse, neglect, or exploitation of a client has occurred, the LME  
34 shall make a referral to the local Department of Social Services, Child  
35 Protective Services Program, or Adult Protective Services Program.



- 1 (3) Utilization management, utilization review, and determination of the  
2 appropriate level and intensity of services. An LME may participate in the  
3 development of person centered plans for any consumer and shall monitor  
4 the implementation of person centered plans. An LME shall review and  
5 approve person centered plans for consumers who receive State-funded  
6 services and shall conduct concurrent reviews of person centered plans for  
7 consumers in the LME's catchment area who receive Medicaid funded  
8 services.
- 9 (4) Authorization of the utilization of State psychiatric hospitals and other State  
10 facilities. Authorization of eligibility determination requests for recipients  
11 under a CAP-MR/DD waiver.
- 12 (5) Care coordination and quality management. This function involves  
13 individual client care decisions at critical treatment junctures to assure  
14 clients' care is coordinated, received when needed, likely to produce good  
15 outcomes, and is neither too little nor too much service to achieve the  
16 desired results. Care coordination is sometimes referred to as "care  
17 management." Care coordination shall be provided by clinically trained  
18 professionals with the authority and skills necessary to determine  
19 appropriate diagnosis and treatment, approve treatment and service plans,  
20 when necessary to link clients to higher levels of care quickly and  
21 efficiently, to facilitate the resolution of disagreements between providers  
22 and clinicians, and to consult with providers, clinicians, case managers, and  
23 utilization reviewers. Care coordination activities for high-risk/high-cost  
24 consumers or consumers at a critical treatment juncture include the  
25 following:
- 26 a. Assisting with the development of a single care plan for individual  
27 clients, including participating in child and family teams around the  
28 development of plans for children and adolescents.
- 29 b. Addressing difficult situations for clients or providers.
- 30 c. Consulting with providers regarding difficult or unusual care  
31 situations.
- 32 d. Ensuring that consumers are linked to primary care providers to  
33 address the consumer's physical health needs.
- 34 e. Coordinating client transitions from one service to another.
- 35 f. Conducting customer service interventions.
- 36 g. Assuring clients are given additional, fewer, or different services as  
37 client needs increase, lessen, or change.
- 38 h. Interfacing with utilization reviewers and case managers.
- 39 i. Providing leadership on the development and use of communication  
40 protocols.
- 41 j. Participating in the development of discharge plans for consumers  
42 being discharged from a State facility or other inpatient setting who  
43 have not been previously served in the community.
- 44 (6) Community collaboration and consumer affairs including a process to  
45 protect consumer rights, an appeals process, and support of an effective  
46 consumer and family advisory committee.
- 47 (7) Financial management and accountability for the use of State and local funds  
48 and information management for the delivery of publicly funded services.

49 Subject to all applicable State and federal laws and rules established by the Secretary and  
50 the Commission, nothing in this subsection shall be construed to preempt or supersede the  
51 regulatory or licensing authority of other State or local departments or divisions."

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**SECTION 2.** This act is effective when it becomes law.