



North Carolina Behavioral Healthcare – 2021 Legislative Priorities

North Carolina Behavioral Health Providers and Local Management Entity/Managed Care Organizations (LME/MCOs) work together to serve the mental health, intellectual/developmental disability (IDD), and substance use disorder (SUD) service needs of millions of North Carolinians in all 100 counties.

The seven LME/MCOs are responsible for managing Medicaid and other public funds for individuals who are enrolled in Medicaid or uninsured. Benchmarks and the North Carolina Providers Council (NCPC) represent the front-line healthcare professionals who provide these individuals with critical treatment and support. This public system is responsible for more than 2.5 million North Carolinians.

As North Carolina marks the next step in the evolution of our public healthcare system, we ask that the State continue to fully support the Medicaid Transformation pathway enacted by the General Assembly.

In 2015, the General Assembly enacted Medicaid Transformation and in 2018 it built on that legislation, creating a pathway to fully integrate healthcare for people with IDD and those experiencing serious mental illnesses and SUDs through Behavioral Health and IDD Tailored Plans. We enthusiastically support this vision and have been preparing for this evolution on a major scale. With the first phase of Medicaid Transformation going live in July 2021, associated organizations, providers, and agencies have spent years planning for the changes ahead, making significant infrastructure investments, customizing operations and allocating resources. *We support staying the current path set forth for the implementation of Medicaid Transformation to ensure stability and continuity of care for the people and families we serve.*

The following are our shared legislative priorities for 2021:

Address the Statewide Direct Support Worker (DSW) Workforce Crisis

Increase the wages of frontline DSW personnel to a minimum of \$15 per hour to be comparable with the current wage paid to employees working at State-operated developmental centers. This workforce investment must be covered by Medicaid and/or State funds in order to be sustainable.

- Staff turnover rates for DSWs, the professionals that provide services and support to individuals with IDD and/or mental health issues, have increased drastically in recent years and particularly during the COVID-19 pandemic. In 2019, the national turnover rate among Direct Support Professionals (a subset of DSWs who support individuals with IDD) was 46%.
- The nearly 120,000 North Carolina DSWs are frontline health care service providers who are responsible for various aspects of the day-to-day habilitation, care, and support of older adults and people with disabilities in numerous institutional and home and community-based settings.

- Real hourly wages for DSWs decreased from an average of \$11.08 to \$10.57 from 2009 to 2019, and many DSWs live in low-income households. Recruitment and retention of qualified DSWs are critical to the delivery of quality care and support and the continuity of care for the individuals who we serve.
- It is imperative that DSW wages be competitive with wages paid to employees in retail, food service, and State-operated developmental centers. The average hourly wage for retail employees in NC is \$13.20; the average hourly wage for food service employees in NC is \$11.35; and in 2018 the General Assembly enacted legislation that yielded an hourly wage of \$15 for DSWs working in State-operated facilities.

Strengthen the State's Safety Net for Behavioral Health Services

Preserve State Single-Stream Funding and other funding for behavioral health and crisis services. We commend the General Assembly for recent support of these resources to enhance access to behavioral health and IDD services for North Carolinians during the pandemic.

- Single-Stream Funding is the State funding to provide access to behavioral health services for North Carolinians who are uninsured and do not qualify for Medicaid.
- When people cannot get the behavioral healthcare and SUD treatment that they need, their conditions often manifest into severe crises resulting in avoidable ED visits, criminal justice system involvement, incarceration, and homelessness – scenarios that are traumatic and expensive for our families and that will exact more of an economic toll as our State struggles to recover from the impacts of the pandemic.
- DHHS leverages tens of millions of dollars in federal grants to address the statewide opioid epidemic, but thousands of uninsured individuals still cannot access the services they need. Single-Stream Funding is a critical funding source for sustaining access to opioid use disorder treatment services.
- LME/MCOs utilize savings derived from effective management of care to implement reinvestment initiatives to address unique service gaps and needs in our communities. This community reinvestment has yielded positive results including an increase in individuals served and a reduction of unnecessary hospital admissions. Single-Stream Funding is essential for the community reinvestment initiatives that expand access to behavioral health and SUD treatment services.

Invest Significantly in New Innovations Waiver Slots

Increase Innovations Waiver slots to meet the needs of approximately 14,000 North Carolinians who wait for years on the Registry of Unmet Needs waiting list for IDD services. We greatly appreciate the General Assembly prioritizing this matter by including 1,000 new slots in its most recent state budget proposal (HB 966 (2019 Appropriations Act)) and request that slots be increased on an ongoing multiyear basis to significantly reduce and hopefully eliminate this enormous waitlist.

- Waiver slots enable individuals with disabilities who qualify for institutional care to choose to receive support services in their homes and communities.
- The total number of slots is determined by the General Assembly and funded in the State budget.
- Keeping individuals stable in the home and community of their choice is integral to positive health outcomes. Although the landmark *Olmstead* case was decided by the U.S. Supreme Court more than two decades ago, individuals with IDD and their families continue to face considerable challenges around community inclusion and the right to choose home and community-based services instead of institutionalized settings.
- Direct Support Worker (DSW) workforce capacity (discussed above) is directly related to our State's ability to meet the needs of individuals with IDD who prefer to receive long-term care and support in their homes and communities.