



HOUSE BILL 746: LME/MCO Board Amendments

2015-2016 General Assembly

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| Committee: | House Health | Date: | April 22, 2015 |
| Introduced by: | Reps. Dollar, J. Bell, Avila | Prepared by: | Theresa Matula Committee Staff |
| Analysis of: | First Edition | | |

SUMMARY: House Bill 746 amends the appointment process for LME/MCO governing boards to provide that the optional process by which county commissioners can appoint members to an area board requires the adoption of a resolution by two-thirds of the constituent counties and authorizes the Secretary of DHHS to approve an alternate appointment process that includes constituent counties delegating appointment authority to intermediary bodies, created by the counties, to represent regions of a multicounty area authority.

BILL ANALYSIS: House Bill 746 amends G.S. 122C-118.1 which provides for the structure of area Local Management Entity/ Managed Care Organization (LME/MCO) board.

The removal of current law on lines 12-14 of the bill, is actually relocation to lines 9-10 of the bill to place it in subsection (a).

A new subsection (a1) is created which prescribes the process for appointing members to ensure participation from each of the constituent counties of a multicounty area authority. Under the current law, the boards of county commissioners within a multicounty area with a catchment population of at least 1,250,000 have the option to appoint members of the area board in a manner or with a composition other than as required by the section by each county adopting a resolution to that effect and receiving written approval from the Secretary. The new language requires at least two-thirds of the constituent counties to adopt the resolution and authorizes the Secretary of DHHS to approve an appointment process that includes the constituent counties delegating appointment authority to intermediary bodies created by counties to represent regions of a multicounty area authority.

EFFECTIVE DATE: House Bill 746 would become effective when it becomes law.

CURRENT LAW: G.S. 122C-118.1 provides for the structure of area local management entity/managed care organization (LME/MCO) governing boards. The law requires an area board to have no fewer than 11 and no more than 21 voting members. The board of county commissioners, or boards of county commissioners within the area appoint members to the area board consistent with requirements outlined in G.S. 122C-118.1(b) which requires the membership of the area board to reside within the catchment area and be composed as follows:

- (1) At least one member who is a current county commissioner.
- (2) The chair of the local Consumer and Family Advisory Committee (CFAC) or the chair's designee.
- (3) At least one family member of the local CFAC, as recommended by the local CFAC, representing the interests of the following:
 - a. Individuals with mental illness.
 - b. Individuals in recovery from addiction.
 - c. Individuals with intellectual or other developmental disabilities.

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- (4) At least one openly declared consumer member of the local CFAC, as recommended by the local CFAC, representing the interests of the following:
 - a. Individuals with mental illness.
 - b. Individuals with intellectual or other developmental disabilities.
 - c. Individuals in recovery from addiction.
- (5) An individual with health care expertise and experience in the fields of mental health, intellectual or other developmental disabilities, or substance abuse services.
- (6) An individual with health care administration expertise consistent with the scale and nature of the managed care organization.
- (7) An individual with financial expertise consistent with the scale and nature of the managed care organization.
- (8) An individual with insurance expertise consistent with the scale and nature of the managed care organization.
- (9) An individual with social services expertise and experience in the fields of mental health, intellectual or other developmental disabilities, or substance abuse services.
- (10) An attorney with health care expertise.
- (11) A member who represents the general public and who is not employed by or affiliated with the Department of Health and Human Services, as appointed by the Secretary.
- (12) The President of the LME/MCO Provider Council or the President's designee to serve as a nonvoting member who shall participate only in Board activities that are open to the public.
- (13) An administrator of a hospital providing mental health, developmental disabilities, and substance abuse emergency services to serve as a nonvoting member who shall participate only in Board activities that are open to the public.

Except as provided in subdivisions (12) and (13) of this subsection, an individual that contracts with a local management entity (LME) for the delivery of mental health, developmental disabilities, and substance abuse services may not serve on the board of the LME for the period during which the contract for services is in effect. No person registered as a lobbyist under Chapter 120C of the General Statutes shall be appointed to or serve on an area authority board. Of the members described in subdivisions (2) through (4) of this subsection, the boards of county commissioners shall ensure there is at least one member representing the interest of each of the following: (i) individuals with mental illness, (ii) individuals with intellectual or other developmental disabilities, and (iii) individuals in recovery from addiction.

G.S. 122C-118.1(c) provides that board of county commissioners may elect to appoint a member of the area authority board to fill concurrently no more than two categories of membership if the member has the qualifications or attributes of the two categories of membership.