



2015-2016 General Assembly

HOUSE BILL 97: 2015 Appropriations Act, Sec. 12F.7: Dorthea Dix Hospital Property Fund and Plan for Use of Funds

Committee:
Introduced by:
Analysis of: Sec. 12F.7 of S.L. 2015-241

Date:
Prepared by: Augustus Willis
Staff Attorney

SUMMARY: *Sec. 12F.7 of S.L. 2015-241 establishes a fund to receive the net proceeds of the sale of the Dorthea Dix Hospital property and requires the Department of Health and Human Services (DHHS) to submit a plan to use the funds to produce 150 new behavioral health inpatient beds and recommendations to increase the availability of community-based behavioral health treatment and services to the Joint Legislative Oversight Committee on Health and Human Services no later than April 1, 2016.*

This section became effective July 1, 2015.

BILL ANALYSIS: This section amends G.S. 143C-9-2 to create the Dorthea Dix Hospital Property Fund and orders the State Controller to transfer \$49,899,456 for the 2015-2016 fiscal year from the net proceeds of the sale of the Dorthea Dix Hospital property into the fund.

DHHS is required to develop a plan to use a portion of the funds deposited into the Dorthea Dix Hospital Property Fund not to exceed \$25,000,000 to produce 150 new behavioral health inpatient beds.

The plan must include the following components:

- Conversion of existing unused physical health hospital beds in addition to the construction of new inpatient behavioral health facilities
- Allow hospitals in rural areas to convert unused acute care beds into licensed, inpatient psychiatric or substance abuse beds without undergoing certificate of need review by the Division of Health Service Regulation
- An estimate of the amount from the Dorthea Dix Hospital Property Fund needed to pay for the construction of new beds and the renovation or building costs associated with converting existing acute care beds into licensed, short-term inpatient behavioral health beds designated for voluntarily and involuntarily committed patients
- A method for ensuring that the 150 inpatient beds are distributed equitably around the State and that the distribution of beds addresses the projected unmet bed need in each LME/MCO catchment area as determined in the 2015 State Medical Facilities Plan produced by the Division of Health Services Regulation
- A proposal for funding the recurring operating cost of the new behavioral health inpatient beds, including the identification of potential new funding sources
- The newly created behavioral health inpatient beds and facilities shall be named in honor of Dorthea Dix.

O. Walker Reagan
Director



Research Division
(919) 733-2578

House Bill 97

Page 2

DHHS is further required to submit recommendations to increase the availability of community-based, behavioral health treatment and services that will reduce the need for costly emergency department and inpatient services.