THE BOARD OF COUNTY COMMISSIONERS
DURHAM, NORTH CAROLINA

Monday, November 10, 2003

4:00 P. M. Training for the County Commissioners
as Governing Board of the Durham Local Management Entity (LME)

Place: Commissioners' Room, second floor, Durham County Government Administrative Complex, 200 E. Main Street, Durham, NC

Present: Chairman Ellen W. Reckhow, Vice-Chairman Joe W. Bowser, and Commissioners Philip R. Cousin Jr., Becky M. Heron, and Mary D. Jacobs

Absent: None

Present: The Durham Center Area Board members: Vice-Chairman Nancye Bryan, Terrance McCabe, George Quick, and Colleen Kilsheimer

Presider: Chairman Reckhow

Chairman Reckhow welcomed everyone to the November 10, 2003 special training session on the Local Management Entity. She invited Interim Director Ellen Holliman, The Durham Center, to introduce special guests.

Ms. Holliman recognized the following guests: Margaret Brown, Chairman, Orange County Board of Commissioners; Tom Maynard, Orange-Person-Chatham Mental Health (MH); Thomisina Kennedy, East Point Area MH; Foster Norman, VGFW Area MH; Debra Dihoff, Pitt County MH; and Daniel Hahn, Alamance-Caswell Area MH. Ms. Holliman also introduced Dr. Chris Thompson, former "Lifeways" Program Director in Michigan, who currently works as a consultant with the State of North Carolina.

Dr. Thompson complimented Ms. Holliman and the Area Board for their work involving the Local Management Entity process. Dr. Thompson acknowledged that the process is difficult and painful, especially as it relates to divestiture of services, displacement of staff, and the establishment of a new provider network.

Dr. Thompson reported that Lifeways was a pilot system, winning a national award for the best system in the country. An objective of Lifeways was to increase flexibility, a crucial step in contracting for consumer services in a timely manner. She stressed that contracts should be processed in a short timeframe so new providers can be brought on quickly if current providers choose to discontinue their services or provide services in an unacceptable manner or timeframe.

Highlights from Dr. Thompson's PowerPoint presentation follow:

- Clinical Care: Allows a different public policy approach where services are provided to a greater number of consumers with the same amount of dollars.
- Divestiture of Services: Gives consumers choices and promotes competition among providers, which results in better services.
- Community Presence: Represents the people of the community. Marketing and advertising are necessary.
- LME Functions: The LME is the manager of public funds and services. Ample risk coverage must be obtained through insurance or risk reserve fund. Procurement is a highly litigious activity; Medicaid coverage is another. Claim payment may involve liability and litigation.
- General Administration and Governance: LBP Model: Update strategic plan annually, including mission and vision with public input. Incorporate the LME plan into the County's strategic plan, if possible. Public feedback during the year is important.
- Board: The Durham Center Area Board will be restructured as an advisory board, necessitating a Board resolution from the County Commissioners and Program. The Advisory Board will comprise sub-committees to ensure quality management, customer service, etc.
- Organizational Structure: The LME must meet State requirements for personnel policies, employ a medical/clinical director, and divest of direct services. Established rates are paid for authorized services.
- Medical/Clinical Director: Provides consultation to CEO, second opinions, etc. Clinical liability is involved, requiring liability coverage in the event of gross negligence.
- Business Management & Accounting: Much the same as standard business procedures. In the area of Human Resources, recruiting and retaining staff with suitable technical skills is difficult. Salaries must remain competitive.
- Claims and Billing: Tracking claims against authorization must be ongoing. The ability to track use of incurred, unreported claims is necessary to free encumbered dollars. Service demands for the year must be estimated for resource management.
- Coding Requirements and HIPAA: A part of the Federal legislation and requires additional IT capability.
- Billing Reviews: Audits must be performed to determine whether providers actually provided and documented authorized services.
- Contracts Management: The State is proposing a contract for LMEs to review in January.
- Information Management: The LME must have an adequate system connected to providers so authorization numbers can be sent electronically and services can begin immediately. The system will enable providers to access vital consumer information. Firewalls can be installed to share information on a need-to-know basis and to prevent data from being accessed inappropriately. The department must remain HIPAA compliant.

- Dr. Thompson referenced technical assistance and support for providers, stating that boundaries must be established regarding responsibilities to providers. Three FTEs

will be needed to provide training to providers. Dr. Thompson emphasized the need for a sophisticated IT system to track reports; the State IPRS system must be used. Tracking is imperative, providing information concerning the number of clients that can be served, which services are provided, diagnosis, costs, as well as 300-400 additional indicators. The MIS team defines the reports and tests reliability of the data.

- Providers receive a manual explaining State standards and requirements such as accreditation. The State is in the process of determining the required accreditation.

- Dr. Thompson reported good news associated with the Access, Screening, and Triage & Referral System that was initiated in children's services. In the first month, the number of children served increased by 200. Consumers receive immediate services from their choice of providers based on routine, urgent, or emergent need. The triage staff will comprise trained clinicians, psychologists, psychiatric nurses, etc.

- Dr. Thompson noted a problem—hospitals may currently authorize inpatient care. Unless this is changed, people will not utilize community resources.

- Providers should not be directly enrolled by Medicaid; this process takes money from Mental Health. Dr. Thompson encouraged the group to educate and encourage legislators to move this forward.

- Providers must not authorize services. The LME authorizes services based on the consumer's clinical level of need.

- A system must be created for other departments to manage payee-ship and guardianship for the consumers. Case managers and providers should not be responsible for these functions.

- Transition Planning: A system of community-based alternatives and support must be established so consumers' needs can be met without entering State facilities. Dr. Thompson pointed out that when Lifeways began divesting services, 186 consumers were in hospitals. Within two years, no consumers were in hospitals. She stated that consumers are receiving better services, and as a result, their health is improving.

- Non-target populations: How do you help people access services if they do not need the level of care MH provides? The LME will help locate services for these people. The faith-based community is an example of an excellent resource.

- Person-Centered Planning: This is a State requirement. Consumers need to be involved in their treatment plan. Mental Health must be careful not to "over promise". Professionals offer choices that will work best for the consumer. The consumer chooses the service provider. The State is writing "Utilization Standards".

- Utilization Managers: The most qualified clinicians should be Utilization Managers, representing cross disciplines and populations. Clinicians must be retrained to provide concise therapy to control costs and avoid keeping consumers in the system longer than necessary.

- Case Reviews: Utilization Manager performs the reviews. The LME Board needs data on trends, population penetration, number of consumers, how many consumers are readmitted to the hospital within 10 days, etc.

- Treatment Protocols: The State has adopted treatment protocols from Lifeways.

- Customer Services: This is an important arena for the LME. A good customer service system encourages complaints and resolves complaints between the consumer and clinician. Complaints involve services, fees, providers, and customer satisfaction. Dr. Thompson recommended making “mystery calls”.

- QI & Outcome Evaluation: Culture has to do with identifying the customer as the state, county, board of directors, consumers, providers, etc.

- The LME should have a report card for each provider to help consumers make the best choice for needed service(s).

- The LME must research and make logical conclusions, paying attention to innovative programming.

- Ethical standards: Clear-cut and professional standards are needed agency wide.

Dr. Thompson responded to Commissioner Jacobs’ question that providers may not bill for a “no show”.

Commissioner Jacobs inquired about gross negligence.

Dr. Thompson responded that gross negligence is not doing what one knows should be done. A clinician completing a petition for involuntary commitment and allowing the consumer to walk out to smoke a cigarette, and the consumer disappears, is an example of gross negligence.

County Attorney Chuck Kitchen stated that according to North Carolina General Statutes, there would be no County liability in this circumstance.

Commissioner Cousin expressed his concern about protecting clients. He did not want to presuppose that The Center serves a highly functioning consumer.

Per Dr. Thompson, the most severely impaired are served. If a citizen does not have a severe disability, or is the “walking worried”, the LME will help locate private community resources, such as pastors and school counselors.

Commissioner Cousin asked how consumers access services.

Dr. Thompson responded that consumers must call only one telephone number. The LME directs consumers to the appropriate location for obtaining services in a timely manner. The difference in a private HMO and the public system is that the public system is responsible for advertising the ACCESS Center.

Commissioner Bowser inquired about whether the provider holds the risks.

Dr. Thompson explained two types of risks. To provide treatment, the contracted provider must have insurance. If the employee from the LME authorizes the treatment and makes a mistake, the LME would have the liability. The County will decide whether to insure the clinicians or become self-insured. The State of Michigan requires staff to carry malpractice insurance, and the agency insures them. The County currently requires physicians to obtain their own malpractice insurance.

Commissioner Bowser expressed concerns about having adequate human resources to monitor providers.

Dr. Thompson addressed Vice-Chairman Bowser's concerns by stating the objective—to balance the number of providers to give the consumer adequate choices, and to have adequate competition versus the costs to the LME to write contracts, monitor, etc. When possible, two choices should be presented, with three being better. Quality and price must be compared.

Chairman Reckhow raised an issue concerning budgeting with open-ended contracts, especially during the first year.

Dr. Thompson conveyed that she would provide Durham County with baseline data of what to expect.

<u>Adjournment</u>

Chairman Reckhow adjourned the training session at 5:45 p.m.