



NC DEPARTMENT OF  
**HEALTH AND  
 HUMAN SERVICES**  
 Division of Mental Health,  
 Developmental Disabilities and  
 Substance Abuse Services

**ROY COOPER** • Governor  
**MANDY COHEN, MD, MPH** • Secretary  
**JASON E. VOGLER, PhD, CSSBB** • Senior Director

April 20, 2018

**MEMORANDUM**

**TO:** LME-MCO Directors, LME-MCO Contract Managers, LME-MCO Points of Contact

**FROM:** Lisa Haire, Assistant Director *LH*

**RE:** State Fiscal Year 2018 Monitoring of State and Federally-Funded Services

The SFY 2018 annual monitoring of State and Federally-Funded Services will take place from May 14, 2018-July 31, 2018. This review will consist of a Block Grant Review and a Clinical Services Review which will include the Community Mental Health Services Block Grant (CMHSBG), the Substance Abuse Prevention and Treatment Block Grant SAPTBG) and the Social Services Block Grant (SSBG), the Planning Grant for Expansion of Comprehensive Mental Health Services for Children and their Families (System of Care Planning Grant), and state-funded services.

To assist in preparing for the review, we are providing the following technical assistance. Please mark your calendars for these important dates:

Ongoing	A special mailbox is available to receive questions about the 2018 audit. These questions will be routed to the appropriate subject matter expert for a response. The mailbox address is <a href="mailto:LME.Monitoring@dhhs.nc.gov">LME.Monitoring@dhhs.nc.gov</a> .
April 27, 2018	Audit Tools (in Excel Format) and Guidelines will be posted on the Audit Information page.
*April 30, 2018 -- 1:00 PM – 3:00 PM ➤ toll-free number 1-888-273-3658 ➤ access code 2490768#	The webinar will present an overview of the tools, new areas that will reviewed and sample selection. LME-MCO staff responsible for the special programs and services that are included in the systems review are invited to attend the webinar.

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES AND SUBSTANCE ABUSE SERVICES**

LOCATION: 306 N. Wilmington Street, Bath Building, Raleigh, NC 27601  
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 www.ncdhhs.gov • TEL: 919-733-7011 • FAX: 919-508-0951

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



\*Webinar Information

Topic: State Fiscal Year 2018 Monitoring of State and Federally-Funded Services Webinar

Event number: 664 831 898 Event password: DMH097

Event address for attendees:

<https://dsohf.webex.com/dsohf/onstage/g.php?MTID=ef6c04010b1ae3f4c6a7f0b293f25c698>

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Audio conference information  
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Please dial 1-888-273-3658 with access code 2490768# for the audio portion of the meeting.

**Following is a brief description of each review:**

**Block Grant Review**

The Block Grant Review is conducted to ensure compliance with the requirements of 45 CFR Part 96, Subpart I, the Substance Abuse Prevention and Treatment Block Grant (SAPTBG) and 42 USC Part B, Subpart I, Block Grants for Community Mental Health Services (CMHSBG). The System of Care Expansion Planning Grant (CFDA 93.104) will also be included as part of the Block Grant Review. Block grant monitoring includes a program review and a record review of the following programs. The tools and guidelines, which will be posted April 27, 2018 provide details about the specific areas of each review.

Program Reviews

- CASAWORKs for Families™ Residential Initiative
- SAPTBG Set Aside Programs for Women Who are Pregnant, Who Have Dependent Children and/or Are Seeking Custody of a Child(ren) (WSAF)
- SAPTBG Work First/Child Protective Services Substance Use Initiative
- SAPTBG Individuals Using Substances Intravenously (SAPTBG IV)
- Juvenile Justice Substance Abuse Mental Health Partnership (JJSAMHP)
- Community Mental Health Services Block Grant (CMHSBG)

Record Reviews

- SAPTBG
- CASAWORKs for Families™ Residential Initiative
- SAPTBG Set Aside Programs for Women Who are Pregnant, Who Have Dependent Children and/or Are Seeking Custody of a Child(ren)



- SAPTBG Work First/Child Protective Services Substance Use Initiative
- SAPTBG Individuals Using Substances Intravenously
- Juvenile Justice Substance Abuse Mental Health Partnership (JJSAMHP)
- Community Mental Health Services Block Grant (CMHSBG)

#### Sample Selection

SAPTBG, WSAF, SAPTBG IV and CMHSBG sample will be pulled from NC TRACKS. For CASAWORKS, Work First and JJSAMHP the LME-MCO will need to provide a list of individuals served in the current fiscal year using the attached spreadsheet. It is important to complete all sections and return the spreadsheet securely to Barbara Flood at [barbara.flood@dhhs.nc.gov](mailto:barbara.flood@dhhs.nc.gov) by April 27, 2018.

#### **Clinical Services Review**

##### Adult MH, SUD and I/DD

Clinical monitoring is inclusive of the SAPTBG, CMHSBG, SSBG and State-Funded services. SFY 2018 clinical monitoring will focus on the review of persons identified in the current LME-MCO contract as high priority/high risk populations to determine if those individuals:

- 1) received care coordination based on parameters set forth in the current contract,
- 2) received referrals to approved follow up services,
- 3) met the criteria for the identified DMH/DD/SAS Benefit Plan, and/or
- 4) met eligibility criteria for services.

#### A. Sample Selection & LME-MCO Record Review for MH and SUD

- Sample Selection: Adults with substance use disorders (SUD) or with mental health (MH) disorders who were discharged from a state psychiatric hospital, ADATC, community psychiatric hospital, facility based crisis program, or non-hospital medical detoxification service with paid claims between July 1, 2017 and September 30, 2017.  
LME-MCO-Record Review: The records of adults with SU and MH disorders will be reviewed to determine the outcome for the individual 30 calendar days following discharge.
- Sample Selection: Adults who received Substance Abuse Intensive Outpatient Program (SAIOP) services from July 1, 2017 through February 28, 2018.  
LME-MCO Record Review: records will be monitored based on the approved DMH/DD/SAS Benefit Plan and service definition eligibility criteria.



B. Sample Selection & LME-MCO Record Review for I/DD

- Sample Selection: Adults who received all levels of Supervised Living and Group Living services funded by SSBG and/or State dollars will be reviewed.  
LME-MCO Record Review: Records will be monitored based the approved DMH/DD/SAS Benefit Plan and service definition eligibility criteria.

Child MH and SUD Clinical Monitoring

The purpose of clinical monitoring for child services this year is to determine if LME-MCO policies and procedures clearly articulate and support the identification of eligible children and their access to appropriate services. The monitoring will consist of a desk review of relevant LME-MCO policies and procedures. LME-MCOs will submit documentation showing evidence of policy/procedures related to nine identified contractual responsibilities (see attached list and required documentation). **LME-MCOs should submit their documentation in Word, Excel, or PDF format via email to Eric Harbour, Child Mental Health Lead, at [Eric.Harbour@dhhs.nc.gov](mailto:Eric.Harbour@dhhs.nc.gov) by June 1, 2018.**

The systems review will be conducted at the location designated by the LME-MCO and will be completed in one day as in previous years. Please ensure that the appropriate staff and documentation are available at the time of the review.

Barbara Flood will coordinate scheduling the onsite reviews.

cc: Jason Vogler, Ph.D.  
Kathy Nichols, Assistant Director of Clinical Operation  
Dennis Farley, Team Lead, Financial Audit Team  
Walt Caison, Section Chief, Mental Health Services  
DeDe Severino, Manager, Addictions and Operations  
Mya Lewis, I/DD Team Leader  
Barbara Flood, Mental Health Program Coordinator  
LME-MCO Systems Performance Liaisons