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May 23, 2011

Representative Jeffrey Barnhart
Legislative Office Building
Raleigh, NC 27603

Dear Representative Barnhart:

The National Alliance on Mental Illness (NAMI) North Carolina

Our organization is grassroots- we represent those living with mental illnesses, and their family members. So what we think about the expansion should really count- we are the people who will have to live with the consequences.

We know that the finances of health care and mental health care specifically right now in North Carolina are untenable, and unsustainable. Our budget shortfall is real, and must be dealt with today, not a year from now. ***We support the expansion of the waiver because we want to be a part of the repair and shaping of our system.*** We agree that we must learn how to use our money in a smarter way, and we must learn in fact to do better with less. We know from our history that we simply cannot continue to do business as usual under the traditional models. Unless it is managed, there is waste, and there is a tendency to stay with the current models and not move forward.

We also believe this is a far better alternative than wholesale cutting of optional services. We support the fact that the waiver will be **publicly** operated- all profits will go back into improving services. And we like that there are **local** LMEs involved, who care about their local communities, and who know their needs best.

We believe it is a system that actually can be built around contracting with providers who achieve good outcomes – far superior to the any willing and qualified provider scenario that has led to mismanagement, vast number of appeals, and waste. We like that rates can be applied differentially to reward those who achieve these things- like decreased hospital rates through innovative use of supported housing, model transition programs, and wellness management. It can actually incentivize services that are unsustainable in a

fee for service environment, and many of those are the very services most needed by those with mental illness.

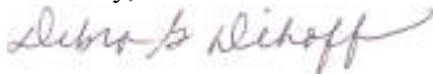
But we do have concerns about which we would like to offer some recommendations:

1. Families and consumers will need education regarding what this means- and it must be an ongoing process since the waiver will take some time to roll out. We must adjust expectations downward for the first couple of years, which will be consumed with just getting the finances of the waiver under control.
2. We have concerns about the degree of skill required to adequately manage the waiver –and we would ask that the Division provide for technical assistance from people who have actually operated within a waiver. With many LMEs consolidating, we are still concerned that there will be a shortage of the right talent at the LMEs. After all, PBH is the only one, and they have taken over five years to get to where they are today.
3. We are concerned that we keep recovery at the focus of our goals for the waiver – with recovery, people can lead productive lives- in local housing, with jobs, and with easy access to medical care. We must insist on these outcomes occurring and would expect to see a gradual, over time shift of resources. We hold out hope that peer support and wellness centers will emerge as a key aspect, and would ask the Division to begin to monitor for these types of services and their connection to good outcomes.
4. We want long term results, and we know the Department and the General Assembly does as well. To that end, we would ask that we compare systemic outcomes under the waiver with other states as we make progress in implementation. Specifically, do we have a movement to stabilize people in housing? Are there more people getting employed? Are we reducing the hospital stays, recidivism, and ER visit rate? Are we keeping more people out of the criminal justice system? By focusing on these service types, and through timely service provision and prevention, we move away from the expense and heartache of a crisis driven system.
5. We would like the system to make sure there is reasonable choice for every service type and that this adheres to federal guidelines
6. We would like there to be a high percentage of revenue spent on direct service.
7. North Carolinians have been through a tremendous amount of change in how they get mental health service needs met. If there is anything that might be done to slow the process down to one that is more reasonable, we would support that wholeheartedly.
8. We consider the waiver an opportunity for more fully integrating physical health and mental health, but would like more oversight, technical assistance, and the like to make sure this is done well.
9. We have concerns about the lack of IT compatibility across our systems – if we are to integrate primary and behavioral health care, they need to have electronic access for appropriate information. And we need to connect to the hospital ERs, state hospitals, behavioral providers, even the jails.

10. We want to be sure the appeals provisions are equal or superior to those of a non waiver site.

We believe we are embarking upon a time of tremendous possibility. We absolutely must be successful in this; we no longer have the resiliency to endure more systems failures. We want to be at the table to help this be successful.

Sincerely,



Debra G. Dihoff
Executive Director



David Bullins
President
Board of Directors



Michael Mayer
Public Policy Chair

cc: Secretary Cansler
Senator Hartsell
Pat Porter
Representatives Insko, Burr and Dollar