



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

March 31, 2023

LME-MCO CEOs
For Electronic Delivery

LME-MCO CEOs,

I know that we share a commitment that every child grows up in a safe, nurturing family and community with the opportunity to achieve their full potential. Towards that goal, the Department of Health & Human Services remains determined to significantly improve the way we support children and families in crisis who have come to the attention of child welfare services.

Over the last several years, the Department has launched a number of initiatives toward achieving this goal: the new [Division of Child & Family Wellbeing](#), a coordinated [action plan](#) to transform child welfare, the Governor's [\\$1 billion behavioral health investment plan](#), and a plan to contract with single vendor to provide a [statewide system of care for DSS-involved children](#) and by doing so, give our county partners the always-on support and rapid-response they desperately need.

As you know, every week there are still more than 50 children with complex behavioral health needs across North Carolina who are living in DSS offices and Emergency Departments awaiting placements. This situation continues to be an urgent crisis and a top priority for the Department.

In 2020, the Department launched a Rapid Response Team (RRT) of our own staff to facilitate action and manage care across LME-MCOs and county DSSs to address the needs of these children, whose care is your responsibility to manage. Since 2021, referrals to the RRT have been required when a child is in an ED or DSS office without access to medically necessary treatment. Since then, the number of children being referred is increasing. Our team spends 122 staff hours per week on RRT activities, while also compensating LME/MCOs to manage this care. As of March 2023, there are more than 120 children with open RRT referrals, awaiting appropriate placement to get the treatment they need.

I appreciate that you have collectively taken steps to begin to address this crisis. In May 2022, you announced the NC Child and Family Improvement Plan, in which you named nine objectives to improve access to quality care for children in foster care. These goals included establishing a statewide provider network for residential treatment and other services, establishing rapid access to care, and increasing the capacity for crisis care across the state.

The Department has not been able to determine your progress against these nine objectives. And further, our focus is not on process changes but on the outcomes they are driving for children. All evidence available to my team suggests that, while there may be pockets of progress here and there, there is still a very long way to go.

The data show that significant change is still needed:

- From December 2022 through February 2023, 71 children were waiting for clinical care in emergency departments or DSS office/housing.

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- Since 2021, we have seen no improvements in the number of children and adolescents going to the Emergency Department (~1100 per quarter) and no improvements in readmission rates (~12% being readmitted within 30 days).
- Across the state, inpatient stays for children and adolescents have become longer since 2021, increasing from 4.4 days to 11.4 days (age 3-12) and from 36 to 72 for ages 3-17.
- Length of stay has also increased since 2021. The average inpatient stay for children ages 3-12 increased from 27 days to 32 days. Average length of stay for adolescents ages 13-17 went from 28 days to 41.
- Since 2020- we have seen a decrease in the number of children served in Treatment Foster Care, Level 3-4 group homes, and PRTF and a \$60,000 reduction in spend for residential services in that same time.
- We have also seen a notable decrease in spend (\$15m less since 2020) in key community-based services for children and adolescents such as Intensive In Home (IIH) and Multisystemic Therapy (MST).
- PRTF readmission rates have increased, from 9% in 2021 to 15% in 2022. This speaks to lack of an adequate reentry and wraparound process to ensure that children are transitioned to adequate services within the community.
- Since 2021, DMHDDSUS customer service has received more than 100 complaints from families about children not receiving appropriate access to care. This number does not consider complaints or grievances received by LME-MCOs or other DHHS agencies.

These data points are consistent with the feedback we have received from county DSS directors that they do not see meaningful change or progress towards the seamless, standardized access to quality care that is the stated goal of your NC Child and Family Improvement Plan.

They are also consistent with the experience of the Department's Rapid Response Team, which received referrals for 235 children in 2022 so that DHHS help children find appropriate residential and community-based treatment. We do not see any appreciable change or improvement in our RRT case numbers.

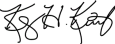
I know that this work is incredibly challenging for everyone involved, including LME-MCO leadership and staff. I also know that your intentions are good, and that many of these issues are driven by deeper systemic problems that cannot be fully resolved without more investment.

Despite these challenges, we have a shared obligation to do better for these children. The status quo is not acceptable. I appreciate your efforts to begin making changes. The current pace and magnitude of change, however, is not in line with what these children need.

Thank you again for your partnership. I look forward to continued collaboration to build on the work already being done to drive transformational change in how our system delivers behavioral health services to children in the child welfare system.

With warm personal regards, I am,

very truly yours,

DocuSigned by:

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CC: North Carolina County Managers
North Carolina County Commissioners
North Carolina DSS Directors
North Carolina General Assembly Senate & House Health Chairs