

NOVEMBER 8, 2011

**MINUTES OF MECKLENBURG BOARD OF COUNTY COMMISSIONERS  
MECKLENBURG COUNTY  
NORTH CAROLINA**

The Board of Commissioners of Mecklenburg County, North Carolina, met in Budget/Public Policy Session in Conference Center Room 267 of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street at 3:00 p.m. on Tuesday, November 8, 2011.

**ATTENDANCE**

**Present:** Chairman Jennifer Roberts and Commissioners  
Karen Bentley, Dumont Clarke, Harold Cogdell, Jr.  
Neil Cooksey, George Dunlap  
Vilma Leake and Jim Pendergraph  
County Manager Harry L. Jones, Sr.  
County Attorney Marvin A. Bethune  
Clerk to the Board Janice S. Paige

**Absent:** Commissioner Bill James

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*Commissioner Bentley was absent when the meeting was called to order and until noted in the minutes.*

*The meeting was called to order by Chairman Roberts, after which the matters below were addressed.*

**(2) PUBLIC ASSISTANCE OVERVIEW AND DRUG TESTING OPTIONS**

The Board received a report on public assistance programs and drug testing options, as it relates to public assistance recipients.

Deputy County Attorney Tyrone Wade and Director of Social Services Mary Wilson gave the Report, which was in response to questions posed by Board members, specifically, Commissioners Pendergraph and Cogdell.

The following was covered:

- \* Applicable statutes & occurrences in other states
- \* States are authorized to require testing but when it's required there must be a basis for that requirement.
- \* In North Carolina local governments are specifically prohibited from drug testing individuals as a condition precedent to receiving public assistance.
- \* Public Assistance Programs
  - Food and Nutrition Services (FNS)
  - Medicaid
  - North Carolina Work First
- \* Number of Residents Served by DSS
- \* County Cost
- \* Eligibility for Public Assistance Programs
- \* Drug Testing Options Available
  - Only State DHHS may decide to impose drug testing
  - Currently random testing only done in AZ, MO (TANF only)

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Mandatory, pre-application testing temporarily blocked in FL (TANF only)  
NC utilizes assessment and screening in 2 programs: Work First and FNS  
Potential Impact if implemented in Mecklenburg County  
13,000 applicants a month in Mecklenburg  
Estimated cost \$6 million a year to implement drug testing  
Research shows < 2% test positive  
Return on \$6 million would be 113 applicants rejected

Comments

Commissioner Cooksey asked about the difference between drug screening and drug testing, which was addressed.

***Commissioner Bentley entered the meeting.***

Commissioner Clarke asked was it correct that local governments in North Carolina were prohibited from imposing any eligibility requirements, other than those set forth within state or federal law or regulation. *The response was yes.*

Commissioner Cooksey asked was random drug testing permissible for recipients of assistance. *Director Wilson said if Work First recipients are assessed and screened and found to have a substance abuse problem, treatment is required in order for that person to receive benefits. Further, that as part of their Mutual Responsibilities Agreement they are subject to continuous testing.*

Commissioner Pendergraph asked was there anything DSS can do if someone reports suspected drug use by someone receiving assistance. *The response was no. Director Wilson said currently there was no way for DSS to receive a referral from anyone to say that they suspect a person receiving assistance was using drugs and then DSS would test that individual.*

Director Wilson said under the current process, if someone applies for food stamps and they've been convicted of a felony related to controlled substances, that person has to agree to a screening and testing.

Commissioner Pendergraph said the reason for his inquiry was because of questions asked by constituents.

Commissioner Leake asked about the County's drug testing policy for employees and was the City of Charlotte's policy different, which was addressed by Human Resources Director Chris Peek.

Commissioner Leake asked how much was the County currently spending on drug testing and the types of drugs that would be a violation, which was addressed.

Commissioner Dunlap said based on the information provided by staff, it would not be a good return on the County's investment (an estimated \$6 million) to do this.

Commissioner Dunlap said he felt the County has taken a responsible position by doing what it currently does with respect to the Work First program and Food Stamp program.

Commissioner Bentley asked how did staff come up with the estimated cost of \$6 million, which was addressed.

Commissioner Cogdell asked for clarification regarding the Work First Program assessment process, which was addressed.

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Commissioner Cogdell asked was there any communication between the police department and DSS if they go into a home of a recipient and see drugs present. *Director Wilson said it would depend on a case by case situation, because the police could go into a home and not know that the person was a recipient of public assistance.*

Director Wilson said if DSS is contacted by the police, DSS works cooperatively with them and acts upon any information received if it goes against the Mutual Responsibilities Agreement and against that person moving forward toward self-sufficiency.

Commissioner Cooksey asked if it was a goal of Mecklenburg County to be the county with the fewest number of substance abuse users receiving public assistance, what would staff recommend be done to achieve that goal with the least amount of administrative cost and impact.

Director Wilson said the current program was “satisfactory and sufficient” to minimize the number of people who may be drug users who are also receiving public assistance. Director Wilson said to reduce that number would cost the County money. She said the way that she would do it, would be to create incentives, so people who are drug users are motivated to get treatment; so that they can become productive citizens.

Director Wilson said in an Incentive program that’s outside of the Work First Program, Food Stamp Program or Medicaid, you can impose different requirements.

Commissioner Dunlap asked Director Wilson to comment on a means of separating children from parent(s), in terms of providing assistance to families that have been identified as having a substance abuse issue. Commissioner Dunlap said he was concerned about making sure children don’t fall through the cracks as a result of their parent(s) having a substance abuse issue. *Director Wilson responded by commenting on the TANF Child Only cases.*

Commissioner Pendergraph said at some point the Board needs to discuss the future of children in the custody of parents that have substance abuse problems and the impact of that on those children. He noted how so many children in this type of environment drop out of school and often end up being incarcerated.

Chairman Roberts suggested that at a future Budget/Public Policy meeting, the Board receive a presentation on Foster Care and the process for removing children from their home.

Commissioner Bentley asked how did the County’s number of residents served by DSS compare to other counties, which was addressed.

This concluded the discussion. The above is not inclusive of every comment but is a summary.

No action was taken or required.

#### **(1) MEDICAID WAIVER UPDATE**

The Board received an update on the status of the Medicaid Waiver.

General Manager Michelle Lancaster and Carlos Hernandez, Interim Director, Area Mental Health gave the update.

Note: On June 7, 2010, the NC Department of Health and Human Services (NCDHHS) informed Mecklenburg County Area Mental Health (AMH) that it had been selected as the next Local Management Entity (LME) to participate in the State’s Medicaid waiver. Under the waiver, all

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Medicaid-funded services provided to AMH consumers (for mental health, developmental disability, and substance abuse services) are joined into a single capitated funding model.

Legislation was adopted during the Short Session that would require a statewide implementation of the 1915 (b)(c) Medicaid Waiver by July 1, 2013. NC DHHS has asked Mecklenburg County to implement the Waiver by January 1, 2013.

This update was intended to provide information on the Waiver concept and particularly the financial and human resource implications for the County. It was noted that the Board would receive updates over the next several months.

**The presentation covered the following:**

- **Background**
- **Funding for services**
- **Current authorization process**
- **Medicaid waiver opportunity**
- **Becoming a Medicaid waiver site**
- **Benefits of waiving Medicaid rules**
- **How managing Medicaid works**
- **How funding amount is set**
- **Funding example @ \$160 M**
- **Medicaid dollars spent locally**
- **Advantages & Challenges/Risks for Mecklenburg County**
- **Pros for Mecklenburg County**
  - **Improve access to and quality of local services**
  - **Provide incentives to control Medicaid costs**
  - **Greater flexibility to distribute resources based on need and changing priorities of Mecklenburg County residents**
  - **Improve customer service through local point of contact for customers and providers**
  - **Reinvestment of savings into local services**
  - **Benefit from LME staff expertise in managed care**
  - **Gain local control of State hospital (Broughton) dollars**

**Next Steps**

- Funding needed for start-up \$1.7 million in current year
  - \$2.4 million for start-up will be included in FY 2013 recommended budget
- Authorization to recruit and fill eight positions in current fiscal year
  - Approximately 100 additional positions will be included in FY 2013 recommended budget
- Board will receive additional information at December and January board meetings – more specifics on business plan and waiver model

***A copy of the presentation is on file with the Clerk to the Board.***

Comments

Commissioner Cooksey asked who would be responsible for any overruns. *General Manager Michelle Lancaster said it's her understanding that the state would be assuming that accountability and responsibility going forward.*

Commissioner Cooksey asked about the Request for Proposal process, which was addressed.

Commissioner Cooksey asked was a reduction expected in the number of providers or would there be a change in the make-up of the providers. *General Manager Lancaster said the answer*

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*was probably yes because of the different needs in the community.*

General Manager Lancaster said in some instances there may be too many providers for a particular need and in others not enough. She said the intent was not to eliminate any providers that the County has currently, and that if they come out being the most qualified responder, they would keep the business.

Commissioner Dunlap said one issue of concern that's been expressed was consumer/client choice. He said if the County controls the network of providers, how would clients get their choice, which was addressed. *It was noted that the model staff would be using was a state required model that has a limited number of providers.*

***Commissioner Clarke left the meeting and was absent for the remainder of the meeting.***

Commissioner Dunlap said the concern in the community was that there might be a monopoly by companies that have been in business for a long time; who have relationships with people throughout the state; relationships that give them somewhat of an advantage. He asked what's the purpose of controlling the number of providers, provided they meet all of the criteria.

Interim Director Hernandez said he felt it had to do with cost and cost management; "as oppose to the County deciding you're qualified."

Commissioner Cogdell said it was important that providers be given clear direction on what they're going to be benchmarked on and evaluated on.

Chairman Roberts asked about the cons of doing this. *General Manager Lancaster said from staff's perspective the con was around financial risk for the County. She noted, however, that the County doesn't have an option because the state has said this has to be done. It was noted that if the County doesn't operate its own managed care operation, then another LME would manage this for the County.*

General Manager Lancaster said staff sees this as a positive for the continuum of care for the community. It was noted further that this was not an inexpensive endeavor to start up. Staff anticipates that it would cost a little over \$4 million. \$1.7 million is needed in this current fiscal year and \$2.4 million for the next fiscal year, which would be included in the County Manager's recommended budget.

Commissioner Leake asked about the number of employees that would be needed.

General Manager Lancaster said currently there were about 94 employees and that 103 employees would be added next year and about 100 more after that, for a total of about 300 employees.

This concluded the discussion. No action was taken or required.

## ADJOURNMENT

Motion was made by Commissioner Cooksey, seconded by Commissioner Pendergraph and carried 7-0 with Commissioners Bentley, Cogdell, Cooksey, Dunlap, Leake, Pendergraph, and Roberts voting yes, that there being no further business to come before the Board that the meeting be adjourned at 5:05 p.m.

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Janice S. Paige, Clerk

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Harold Cogdell, Jr., Chairman