CHAPTER 17
INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES

Background Information

Area mental health, developmental disability and substance use disorder authorities (G.S. 122C-117(a)(2)) have responsibility by law to ensure provision of services to people in need within their catchment areas. A certificate of need application for a new or expanded Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) should contain written comments from the Local Management Entity/Managed Care Organization (LME-MCO) of the area authority relative to its endorsement of the project and involvement in the development of a client admission/discharge agreement. The LME-MCOs shall serve as the portals of entry and exit for the admission and discharge of clients in ICF/IID facilities (G.S. 122C-115.4) within the applicable Mental Health, Developmental Disabilities, and Substance Abuse Services (MH/DD/SAS) catchment areas. This involvement is essential to ensure that only clients in need of the intensive array of services provided in an ICF/IID program are admitted and served as close as possible to their own homes, and ensured coordination with services outside the facility.

The North Carolina Department of Health and Human Services is committed to the integration of people with intellectual disabilities/developmental disabilities into community living to the fullest extent possible. Community-based alternatives are encouraged, particularly through the transfer of ICF/IID beds from state developmental centers. Other alternatives may include small, community-based, non-ICF/IID residential options as well as other sites through the Medicaid Waiver Community Alternatives Program (CAP) - MR/DD Program.

Facilities proposing to transfer ICF/IID beds from state developmental centers to communities shall demonstrate that they are committed to serving the same type of residents normally served in state operated developmental centers. To ensure that relocated beds will serve those people, any certificate of need application for beds allocated under the above policy must meet the requirements of Chapter 858 of the 1983 Session Laws. The application for transferred beds shall include a written agreement by the applicant with the following representatives which outlines the operational aspects of the bed transfers: director of the LME-MCO serving the county where the program is to be located; the director of the applicable state developmental center; the director of the North Carolina Division of State Operated Healthcare Facilities; and the Secretary of the North Carolina Department of Health and Human Services.

Alternatively, notwithstanding the requirements of Chapter 858 of the 1983 Session Laws, facilities proposing to operate transferred beds shall submit an application to Certificate of Need demonstrating a commitment to serve children ages birth through six years who have severe to profound developmental disabilities and are medically fragile. To help ensure the relocated beds will serve these residents, such proposals shall include a written agreement with the following representatives: director of the LME-MCO serving the county where the program is to be located; the director of the applicable state developmental center; the director of the North Carolina Division of State Operated Healthcare Facilities; and the secretary of the North Carolina Department of Health and Human Services.

Changes from the Previous Plan

One substantive change to the ICF/IID methodology has been incorporated into the 2018 State Medical Facilities Plan. The service areas for need determinations were updated to reflect Nash County's move from the Eastpointe LME-MCO to the Trillium LME-MCO, effective July 1, 2017.

Basic Principles
People with conditions other than an intellectual disability (such as autism, cerebral palsy, epilepsy or related conditions) may be appropriate for placement in an ICF/IID setting if they are in need of the services the program is certified to provide. In the development of services for this population, the full continuum of services should be explored to determine the most appropriate level of care for their needs.

Services for people with a developmental disability should be organized in such a way that a continuum of care is available. For most individuals, admission to a community-based facility is preferable to admission to a regional, state operated facility because community-based treatment provides greater potential for reintegration into the community. The role of state facilities is to complement and supplement the community mental health system. State facilities should be the treatment setting of last resort and should provide services that cannot be economically provided in the community. Development of community programs may be accomplished through establishing appropriate treatment programs and support services in the community to avoid institutionalization of individuals with a developmental disability, and relocating people from state facilities to community programs to the extent appropriate services are developed in the community.

Summary of ICF/IID Bed Supply and Utilization
Intermediate Care Facilities for Individuals with Intellectual Disabilities or developmental disabilities is a category of group home care designated by the federal-state Medicaid program. A total of 5,102 certified ICF/IID beds are in operation. This total includes four state facilities and their 2,317 beds. The beds located in state facilities are excluded from the regular bed inventory because such facilities are not subject to the state's certificate of need law.

~~**Other States' ICF/IID Bed Totals**~~
~~The agency has surveyed the southeastern states that cover ICF/IID beds under their certificate of need statutes. The research found:~~

~~In the state of Tennessee, the legislature has capped the number of beds at 668. If the ratio of beds to population is calculated, it is the following:~~

~~5,368,198 ÷ 668 = 8,036 people per bed~~

~~If North Carolina used the above methodology and used the same year population, it would be the following:~~

~~7,425,183 ÷ 8,036 = 924 beds instead of 5,102 beds~~

~~In the state of Kentucky, the number of beds is capped at 1,208. There are not any plans to increase the number of beds. If the ratio of beds to population is calculated, it is the following:~~

~~3,908,124 ÷ 1,208 = 3,235 people per bed~~

~~If North Carolina used the above methodology and used the same year population, it would be the following:~~

~~7,425,183 ÷ 3,235 = 2,295 beds instead of 5,102 beds~~

~~In the state of South Carolina, the number of beds is 2,714. There are not any plans to increase the number of beds. If the ratio of beds to population is calculated, it is the following:~~

~~3,760,181 ÷ 2,714 = 1,385 people per bed~~

~~If North Carolina used the above methodology and used the same year population, it would be the following:~~

~~7,425,183 ÷ 1,385 = 5,361 beds instead of 5,102 beds~~

~~In the state of Virginia, the number of beds is 2,090. There are not any plans to increase the number of beds. If the ratio of beds to population is calculated, it is the following:~~

~~6,733,996 ÷ 2,090 = 3,222 people per bed~~

~~If North Carolina used the above methodology and used the same year population, it would be the following:~~

~~7,425,183 ÷ 3,222 = 2,305 beds instead of 5,102 beds~~

~~**Comparison of North Carolina to Other States and Need Determination Methodology**~~
~~If North Carolina used any of the individual state's ratios above or need methodologies (except for South Carolina's), the need for ICF/IID beds would indicate that the present number of 5,102 beds providing service in the state is an adequate number of beds.~~

~~If North Carolina used the average of the ratios for people per bed from the above four states, the need for ICF/IID beds would equal to 1,870 beds:~~

~~7,425,183 ÷ 3,970 = 1,870 beds instead of 5,102 beds~~

~~In the publication State of Tennessee's Health Guidelines for Growth, it is stated that~~

> ~~"the population-based estimate of the total need for ICF/MR facilities is .05 percent of the general population. This estimate is based on the estimate for all mental retardation of 1 percent. Of the 1 percent estimate, 5 percent of those are estimated to meet level 1 criteria and be appropriate for ICF/MR services."~~

~~If North Carolina used the .05 percent of its general Year 2016 population, the need for ICF/IID beds would equal to 5,079 beds:~~

~~10,158,475 x .01 = 101,584 x .05 = 5,079 beds instead of 5,102 beds~~

~~The North Carolina Division of Health Service Regulation's basic position continues to be that additional ICF/IID beds in North Carolina are in conflict with the experience and practice of surrounding states that indicate that North Carolina has a more than adequate number of ICF/IID beds in comparison to other southeastern states.~~

Need Determination for ICF/IID Beds

The service area for an ICF/IID bed is the catchment area for the LME-MCO for developmental disability and substance use disorder services in which the bed is located. LME-MCO catchment areas for mental health, developmental disability and substance use disorder services are listed in Table 17A: Inventory of ICF/IID Facilities and Beds.

In accordance with the policy titled: POLICY ICF/IID-2: TRANSFER OF ICF/IID BEDS FROM STATE OPERATED DEVELOPMENTAL CENTERS TO COMMUNITY FACILITIES FOR INDIVIDUALS

WHO CURRENTLY OCCUPY THE BEDS, a proposal was submitted by the North Carolina Division of MH/DD/SAS to facilitate the downsizing of the state operated developmental centers.

The proposal indicated that the North Carolina Division of MH/DD/SAS will transfer existing adult certified ICF/IID beds in state operated developmental centers through the certificate of need process to establish ICF/IID group homes in the community to serve people with complex behavioral challenges and/or medical conditions for whom a community ICF/IID placement is appropriate, as determined by the individual's treatment team and with the individual/guardian being in favor of the placement.

Sources of Data
North Carolina Department of Health and Human Services, Division of State Operated Healthcare Facilities; Division of Health Service Regulation, Mental Health Licensure and Certification Section and Division of Health Service Regulation, Healthcare Planning and Certificate of Need Section.