



**A Message from
Dan Coughlin
Area Director/CEO**

What can I say about a year that has been as full of activity as 2004-2005? It began with the celebration of our 30th Anniversary. By way of preparation for this event, we took measure of how far we have come over the past 30 years. We grew from a three county Area Program of 172,000 to a five county Area Program of 644, 971; and transformed ourselves from a service provider to a systems manager. On our 30th, we celebrated the stability and success of Piedmont Behavioral Healthcare, the result of the excellent management of our Boards of Directors over the years, the commitment of many, many staff, and the excellent provider network that has evolved. I am only the third Area Director over the past 30 years. I was very fortunate to assume leadership of PBH in 2000, and am proud of what *we have achieved together* in just a few short years.

On these pages, you see the highlights of 2004-2005. The items that we have included represent thousands and thousands of details, and the very hard work of our staff, providers and communities. The implementation of the PBH waivers was the final step in building the foundation for comprehensive changes in our local systems and services. We have built the "airplane" ... and it can fly. We are now learning to fly it in the right direction, at the right speed, and the right altitude, without coming too close to the ground or outer space. We will learn. *It is a process, not an event.* We *will* make some wrong turns, go too high, or too low to the ground, *not from negligence or incompetence but because we have chosen to take the lead in exploring utterly new frontiers. And on the way, we will become better and stronger, never having compromised our commitment to excellence.* Our mission is to make this flight as smooth as possible for those that are riding along with us: consumers, staff, providers, and our communities.

The Board of Directors for PBH and I as Area Director, want to express our gratitude to our consumers who have helped us build the "airplane", to our communities that have weathered this transition, to the providers that have signed up to fly along with us, and to our staff who have spent untold hours putting this demonstration together.

Annual Report 2004 — 2005



Creating solutions, One person at a time

Our New Logo

In Spring 2005, PBH (Piedmont Behavioral Healthcare) redesigned our name and logo. This design reflects our role as a mental health system manager that is responsible for managing both the financing and delivery of services to persons who need treatment and community supports.

PBH Board Members - 2005-2006

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Bart Kean	Lemar Underwood
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For Information, Assessment, Crisis Care & Referral
Visit us on our web site at: www.pbhcare.org



Creating solutions, One person at a time

Cabarrus ♦ Davidson ♦ Rowan ♦ Stanly ♦ Union

*Managing a System of
Care for Children and
Adults with Mental Illness,
Developmental Disabilities, and
Substance Abuse Disorders*

Annual Report Highlights of 2004 - 2005

Piedmont Cardinal Health Plan

The Piedmont Cardinal Health Plan waivers were approved by the Centers for Medicare and Medicaid (CMS) on October 7, 2004 and implemented April 1, 2005. The Piedmont Cardinal Health Plan is a combination of two waivers, a Managed Care waiver for mental health and substance abuse services, and a Home and Community Based Waiver for developmental disabilities. Through the management authority provided under the Medicaid Waivers, and through contracts with the NC Division of Mental Health, Developmental Disabilities and Substance Abuse Services as well as the NC Division of Medical Assistance, PBH has been able to consolidate multiple funding streams (state, federal, Medicaid) in order to streamline resources across the PBH counties, and provide for efficiencies in service delivery and management. Waiver implementation was the final step in putting this new system together.

PBH is now responsible for access to care, management of financial resources and quality of services for all mental health, developmental disabilities and substance abuse services that are funded with public dollars for the people of our region. This responsibility includes the development of a network of approved providers. This Provider Network includes a range of different agencies and licensed practitioners in order to ensure that consumers have choice of providers. Over 180 providers were enrolled by June 30, 2005.

The Home and Community Based waiver for Developmental Disabilities is named Innovations. Innovations is an Independence Plus waiver, which is a type of waiver that offers consumers and families the option to more directly manage their services and supports. This is called Self Direction. Self Direction is a best practice approach to services for people with developmental disabilities. The waiver that covers mental health and substance abuse services is called the Cardinal Health Plan. This waiver includes the same services that are in the North Carolina state mental health plan, but allows for greater local input into the management of these services, as well as provisions for using savings to fund services not included in the state plan. The greater local input allows PBH to encourage providers to use best practice methods of treatment that have proven to be effective. This is important for ensuring the achievement of outcomes, efficient use of resources, and quality of care.

Cultural Competence

PBH began the Cultural Competence Study Process in September 2004 with the formation of the Cross-Functional Cultural Competence Committee. In January 2005, a Cultural Competence Study Group was formulated with culturally diverse representatives from the community, network providers, and PBH staff. PBH and its network providers participated in a cultural competence self-assessment in March 2005. The recommendations from the Cultural Competence Study Group and the cultural competence self-assessment are included in PBH's Cultural Competency Study Report. This report will be used to develop PBH's Cultural Competence Plan that will be completed in Fall 2005.

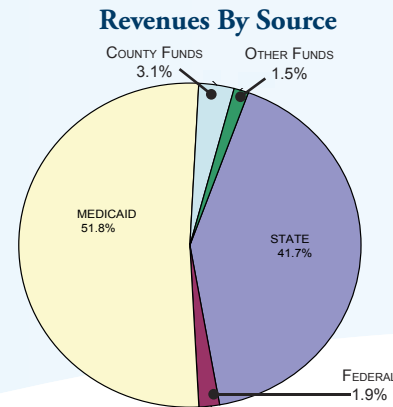
Additionally, PBH has developed and implemented a multi-faceted outreach program for the Latino/Hispanic community called the Latino Outreach Plan.

The Cultural Competency Study Report and the Latino Outreach Plan can be found on our web site: www.pbhcare.org.

Provider Network Council

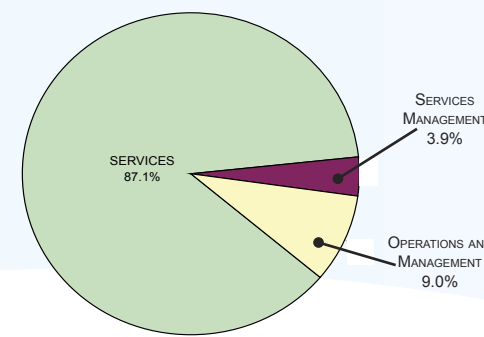
The PBH Network Council is a unique partnership between PBH, our network providers, and consumer and family members. The Network Council is a forum where people that receive services, providers of services, and those who manage services come together for discussion, planning and problem resolution. Since its inception in October 2004, the Network Council has met monthly. Over the past year, members have addressed a number of issues and provided feedback to PBH about provider orientation competencies, provider manuals, provider concerns, web site enhancements, forms and processes under development.

Financial Report



Effective April 1, 2005 PBH began to receive capitated payments for the Medicaid Population of the PBH counties.

Expenditures By Function



With the advent of the Medicaid waivers on April 1, 2005 PBH began to receive all funding in two streams: funding for services and funding for administration. Service funds cannot be used for administrative services and PBH is now limited to 9.5% administrative costs.

PBH Network of Community Providers

The PBH Network of Community Providers has grown from approximately 100 providers to over 180 contracted agencies and licensed practitioners. Licensed practitioners such as psychologists, psychiatrists, and social workers are credentialed by PBH to assure our consumers have access to highly qualified practitioners. Agency based providers such as group homes and vocational providers are qualified through an extensive review process.

Type	Provider Type	Number of Providers
Community	125
Community Innovations	53
ICFMR	12
Outpatient	44
Inpatient	0
Residential	77
Total No. of Network Providers	182

Some providers offer more areas of service

As of June 30, 2005

Community Advisory Councils

One year ago PBH created 5 Community Advisory Councils to build collaborative relationships with our community stakeholders in Cabarrus, Davidson, Rowan Stanly and Davidson Counties. These councils examined issues regarding Mental Health System Reform and the role that PBH would play as a pilot program. The councils consisted of representatives from DSS, the Health Departments, the Board of Education, Local Law Enforcement, the Department of Juvenile Justice, and the Employment and Security Commission. In addition, the National Alliance for the Mentally Ill (NAMI), the Association for Retarded Citizens (ARC), and the Mental Health Association actively participated. In April, a special Law Enforcement Advisory Council was created to discuss the important role that Law Enforcement plays as "First Responders". These forums have been extremely valuable to PBH as it redefines itself as a local management entity. The Advisory Councils will continue to provide feedback regarding future PBH initiatives and offer PBH a comprehensive view of the community, and the people we serve.

Southern Piedmont Health Partners Project

PBH (Piedmont Behavioral Healthcare) and the Southern Piedmont Community Care Plan have received a grant from the Community Care Network of North Carolina to expand collaboration between primary care physicians and behavioral health professionals. The two-year project, which began on June 1, 2005, will work to reduce and eliminate barriers and gaps in the mental health and primary health service delivery system of Cabarrus, Rowan, and Stanly Counties. The project's overall objective is to provide supports to physicians in treating people with depression in Primary Care settings and to ensure that people needing specialty behavioral health services are linked to the right resources. The project will use a disease management approach and focus on standardized protocols and patient education. The Southern Piedmont Health Partners Project is one of four similar collaboratives in North Carolina.

Housing Initiative

On November 19, 2004 Piedmont Behavioral Healthcare held "A Summit on Community Based Housing Options for People with Disabilities in Cabarrus, Davidson, Rowan, Stanly, and Union Counties". Dan Coughlin, Area Director, Stephen Tomlinson, Director of Community Relations, and James Curtin, Housing Specialist for Piedmont, discussed the steps needed to make affordable housing a reality for people with disabilities. Guest speakers were: Martha Are, Homeless Policy Specialist, NC Department of Health and Human Services and Lou Adkins, Commission Member and Community Development Coordinator for the Salisbury Community Development Corporation and a member of the NC Commission on Mental Health, Developmental Disabilities and Substance Abuse Services, Housing Task Force.

As part of the Housing Initiative, we have developed working relationships with Public Housing Authorities, Community Development Corporations, Departments of Social Services, and many other organizations, agencies, and stakeholders throughout our five county area.

These relationships have enabled us to reactivate the Davidson Continuum of Care Committee and expand it into the Piedmont Regional Continuum of Care (PRCoC), that conducts monthly meetings. We requested and received the services of a technical assistance consultant from the State Interagency Council on Coordinating Homeless Programs. In coordination with the consultant and the many involved stakeholders working with our PRCoC, we put together and submitted a package of proposals for the maximum amount of HUD superNOFA dollars that were available to the PBH counties (\$683,412).

The Technical Assistance Collaborative (TAC) completed the "Needs Assessment of Housing Opportunities for People with Disabilities in the PBH Area" in August 2004. As a result of this assessment, PBH's 2004 Housing Development Plan was completed on October 1, 2004. Both of these documents can be found on our web site: www.pbhcare.org.

Pillowtex Textile Outreach

Piedmont Behavioral Healthcare (PBH) played an active role in assisting the approximately 4,340 Cabarrus and Rowan residents who lost their jobs when Pillowtex Corporation filed for bankruptcy on July 30, 2003. PBH has continued to assist former employees. Through the efforts of Congressman Robin Hayes, PBH secured a grant from SAMHSA, Substance Abuse Mental Health Services Administration, to provide community outreach. Consumer Planning and Support Services, a division of PBH, is administering this grant. The Textile Outreach Coordinator informs individuals of available resources, provides referrals for access of mental health treatment and substance abuse prevention/treatment, provides individuals with an understanding of resources, and empowers individuals to make informed life decisions.



PBH 30th Anniversary Celebration

On September 10, 2004, PBH celebrated our 30th Anniversary. The anniversary celebration had over 350 people in attendance. The celebration commemorated 30 years of services to people needing Mental Health, Developmental Disabilities, and Substance Abuse services. PBH Board Members, PBH's former area directors, PBH staff, PBH network providers, stakeholders, consumers, and advocates attended the celebration. Secretary of Department of Health and Human Services, Carmen Hooker Odom and Congressman Robin Hayes, North Carolina 8th District highlighted the theme "Getting There... The Road To Recovery, Independence, Choice, & Empowerment" at the celebration. Consumers from the Piedmont catchment area were honored on storyboards and in the program booklet for their success toward recovery.