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NC Collaborative for Children, Youth and Families

DATE: June 28, 2021

| Date and Time | Committee | Location Legislative Office Building (LOB) Legislative Building (LB) Audio link: https://www.ncleg.gov/Audio |
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| Tuesday, June 28, 8:30 am | House Education Appropriations Subcommittee | 643 LOB, livestream |
| Tuesday, June 28, 10:00 am | House Health and Human Services Appropriations Subcommittee | 643 LOB, livestream |
| Tuesday, June 28, 3:00 pm | House Judiciary 1 (S. 693 on agenda) | 421 LOB, livestream |
| Wednesday, June 29, 9:00 a.m. | House Justice and Public Safety Appropriations Subcommittee | 415 LOB, livestream |

Senate Budget Proposal Unveiled and Passed in Same Week:

As anticipated, the Senate moved quickly when they finally unveiled their budget proposal and passed it on Friday. [S. 105](#) is the vehicle for the budget right now. It will now be sent over to the House where they will undergo their own deliberation. Chances are that the House leadership already has it's own version of the budget so the main unknown is how much the House version and Senate version will overlap. That unknown will determine how long they stay in session this summer. The House has appropriations subcommittees meeting on Tuesday, an indicator that they are ready to deliberate. There are two documents that tell the story of the Senate budget proposal. [S. 105](#) is the bill language that includes the special provisions. The [Committee Report](#) includes all of the funding line items.

Some highlights of the Senate budget proposal:

- Small steps to extend Medicaid eligibility--
 - Medicaid eligibility would be extended for parents of children in foster care: [S. 93](#) was originally introduced to accomplish this and now it is a provision of the budget bill. To accomplish this, the Senate has included recurring funding of \$8.1 million in State Fiscal Year (SFY)21-22 and \$18

million in SFY22-23. The NCCCYF Policy and Research Work Group supports this provision and has created an [Action Alert](#).

- Continue Medicaid eligibility for pregnant women for twelve months post-partum (page 121).
- Extend Medicaid to charter schools (page 126). The charter schools will be responsible for the non-federal share and Medicaid reimbursable services can be provided in charter schools.
- Creates a School Psychologist Allotment and funds at least one full-time school psychologist per each local school administrative unit funded by a transfer from the Instructional Support Allotment and additional funding (page 40).
- The State Board of Education will be able to allocate additional funds for children with disabilities on the basis of \$4,549.88 per child for fiscal years 2021-2022 and 2022-2023 (page 34). The Committee Report Item 56 provides additional one-time \$40 million to the Department of Public Instruction (DPI) to establish the Students with Disabilities Reserve for the FY 2021-22 school year. The reserve is to be used in cases where the enrollment of students with disabilities exceeds the original anticipated enrollment of students with disabilities.
- Creates a Department of Corrections and Division of Prisons.
- Creates a Division of Juvenile Justice that will remain under the Department of Public Safety.

Here is an index of other pertinent Senate budget provisions:

| S. 105 provisions are Pages Committee Report appropriations are Items | Provision |
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| Page 11 | Medicaid Transformation SFY21-22 \$215 million SFY22-23 \$246 million transferred from the General Fund to the Medicaid Transformation Reserve |
| Page 28, Item 25 | Funds a two-year pilot program at two community college campuses for training programs that provide opportunities for a micro-credential or other credentials that lead to increased employment outcomes for individuals with intellectual and developmental disabilities (IDD). |
| Page 48, Item 64 | Funds school safety grants program that includes grants for students in crisis, grants for training to increase school safety. \$10 million for both fiscal years non-recurring. |
| Page 55 | \$15 million for contracted school health services. Public school units receiving the funds shall contract with school health support personnel to provide additional physical and mental health support services for students in response to COVID-19. |

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| Page 90, Item 119 | Establishes the NC Personal Education Student Accounts for Children with Disabilities Program. \$9.65 million recurring is appropriated. |
| Page 103, Items 35-38 | NCFAST upgrade for Medicaid Transformation and deployment of the case management function. Approximately \$20 million of recurring and \$36 million of non-recurring funds are appropriated. |
| Page 119, Item 95 | Expand Innovations Waiver slots by 1,000 over the next two State fiscal years. \$7.1 million recurring for SFY21-22 and \$25.8 million recurring for SFY22-23. |
| Page 122, Item 97 | Increase the pay rate of certain direct support workers to \$15.00 /hour to begin on July 1, 2022. \$17.5 million recurring is appropriated beginning on 7/1/22. |
| Page 124 | allow LME/MCOs operating as BH/IDD Tailored Plans to choose a national accreditation. |
| Page 125 | evaluate the NC Division of Health Benefits staffing needs for Medicaid managed care. |
| Page 129 | Opioid settlement funds (does not specify funding for children and youth). |
| Page 132, Item 147 | Authorizes the transfer of \$30 million recurring to single stream funding to replace cuts in previous years. Single stream funding (for State-funded services) now totals \$301.4 million. |
| Page 132 | 3-way (DHHS, LME/MCO, hospital) inpatient psychiatric beds studies due on 12/1/22 and 12/1/23. |
| Page 135 | Funding for new licensed behavioral health beds in certain rural hospitals. Funding is from the sale of Dorothea Dix property. |
| Page 136, Item 179 | Authorizes a two-year behavioral health urgent care pilot program at the Dix Crisis Intervention Center in Onslow County to be contracted through Trillium Health Resources and RI International. \$500,000 non-recurring in SFY21-22 and \$1,500,000 in SFY22-23 non-recurring is appropriated. A behavioral health urgent care service definition will be developed and piloted for formal implementation as a State-funded and Medicaid service definition. |
| Page 136 | Adds behavioral health urgent care, cleans up list of behavioral health services covered by PHPs. |
| Pages 137-138, Items 175 (group homes) and 140 (ICF-I/DD) | Two provisions for short-term funding for group homes and ICF-I/DDs. \$1.8 million non-recurring for both years of the biennium for group homes. State Fiscal Recovery Funds are used for the short-term funding for ICF-I/DDs. |
| Page 149 | Child Welfare Post-Secondary Support Program (NC Reach) funding to be used to continue providing assistance with the "cost of attendance" as that term is defined in 20 U.S.C. § 1087II for the educational needs of foster youth aging out of the foster care system, youth who exit foster care to a permanent home through |

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| | the Guardianship Assistance Program (GAP), or special needs children adopted from foster care after age 12. |
| Page 150, Item 269 | Authorization to continue the Successful Transition/Foster Care Youth Initiative. The Foster Care Transitional Living Initiative Fund will continue to fund and support transitional living services that demonstrate positive outcomes for youth, attract significant private sector funding, and lead to the development of evidence-based programs to serve the at-risk population. |
| Page 151, Item 270 | Provides funding for the Permanency Innovation Initiative to improve permanency outcomes for children living in foster care settings. The special provision limits administrative funds. \$2 million recurring for both years of the biennium. |
| Page 152, Item 266 | Increase foster care rates starting on 10/1/21. \$2.4 million recurring appropriated in SFY21-22. \$3.25 million recurring appropriated in SFY22-23. |
| Page 152, Item 268 | Authorizing a child welfare/BH pilot project. The purpose of the pilot project is to establish a trauma-informed integrated health foster care model to facilitate partnerships between county departments of social services and local management entities/managed care organizations (LME/MCOs) regarding children placed in foster care. \$300,000 non-recurring is appropriated for SFY21-22. |
| Page 154 | Full implementation of seven regional offices (in the 7 Standard Plan regions) by March 1, 2024 for further regionalization of DSS with offices in the seven regions. |
| Page 211 | Updating language to designate drug treatment courts as Accountability and Recovery Courts. |
| Page 239 | Creation of Division of Prisons replaces Division of Adult Corrections and Juvenile Justice and refers to Department of Adult Corrections. |
| Page 243 | Creation of Division of Juvenile Justice of the Department of Public Safety. |
| Item 111 | Transformation Pilots and Projects: Provides funds to support the transition to Medicaid managed care and the Healthy Opportunities pilot program. The State share of costs, \$133.1 million in FY 2021-22 and \$119.0 million in FY 2022-23, will be transferred from the Medicaid Transformation Fund. |

Resources:

The [NC Task Force for Racial Equity in Criminal Justice](#) is conducting free open technical sessions led by Justice Earls and Attorney General Stein. The sessions will include discussion about the American Rescue Plan local funding that is available and how NC can use it to address racial equity in the criminal justice system.

Bills on the Move:

[H. 383](#), Medicaid Modernized Hospital Assessments – MET CROSSOVER, ratified and presented to the Governor.

[H. 734](#), Dept. of Health and Human Services Revisions – MET CROSSOVER, ratified and presented to the Governor.

[S. 594](#), Medicaid Administrative Changes and Technical Corrections – Agency Bill – MET CROSSOVER, ratified and presented to the Governor.

Bills:

[H. 29](#), Verification of Immigration Status: SAVE

[H. 32](#), Equity Opportunity Act – MET CROSSOVER

[H. 42](#), 2020 COVID Relief Bill Modifications

[H. 91](#), Reduce Regulation to Help Children with Autism – MET CROSSOVER

[H. 132](#), Juvenile Code Rev's/CIP Recommendations—AB (Agency Bill) – MET CROSSOVER

[H. 149](#), Improving Access to Care through Telehealth – MET CROSSOVER

[H. 173](#), Separate Divisions, Juvenile Justice and Adult Corrections—AB (Agency Bill)

[H. 183](#), Juvenile Court Counselors/Sensitivity Training—AB (Agency Bill) – MET CROSSOVER

[H. 192](#), COVID Response, Supplemental Spending 2020-2021

[H. 205](#), Abuse & Neglect Resources in Public Schools – MET CROSSOVER

[H. 212](#), Social Services Reform

[H. 215](#), Early Childhood Data Analytics/Pilot/Guilford

[H. 232](#), LRC Study – Affordable Housing, MET CROSSOVER

[H. 247](#), Standards of Student Conduct – MET CROSSOVER

[H. 249](#), Children with Disabilities Funding Formula

[H. 261](#), Raise Min. Age/Juvenile Jurisdiction

[H. 262](#), Smart Start Funds

[H. 274](#), 2021 Current Operations Appropriations Act

[H. 277/S. 249](#), The SAVE Act

[H. 298](#), 2021 Current Operations Appropriations Act

[H. 300](#), 2021 Pandemic Recovery Appropriations Act

[H. 305](#), 2021 Omnibus Coronavirus Relief Act

[H. 313](#), 2021 Pandemic Recovery Appropriations Act

[H. 314](#), 2021 Omnibus Coronavirus Relief Act

[H. 325](#), 2021 Omnibus Coronavirus Relief Act

[H. 382](#), Hospital ED Care/Medicaid Behavioral Health Service

[H. 389/S. 350](#), NC Innovations Waiver Act of 2021

[H. 424](#), Juveniles/Eliminate LWOP/Parole Eligibility

[H. 430](#), Advisory Council on PANS & PANDAS

[H. 470](#), Medicaid Expansion

[H. 516](#), Raise Dropout Age to 18

[H. 568/S. 721](#), Youth Mentoring Services Act

[H. 579](#), School Self-Defense Act
[H. 615](#), Juvenile Court Mental Health Assessments – MET CROSSOVER
[H. 621](#), Increase Drop Out Age/Completion Indicator – MET CROSSOVER
[H. 653](#), Mental Health and SUD Parity Report
[H. 657](#), School Safety/Threat Assessment Teams – MET CROSSOVER
[H. 658](#), Deploy Child Welfare & Aging Component/NCFAST
[H. 664](#), County Service Districts/Early Childhood Education – MET CROSSOVER
[H. 665/S. 610](#), Address Direct Support Staffing Crisis/Medicaid
[H. 732](#), Peer Support Specialist Certification Act
[H. 747](#), Merge NC Health Choice & Medicaid
[H. 749](#), Healthy Students – School Psychologists/COVID-19
[H. 769](#), Foster Parents’ Bill of Rights – MET CROSSOVER
[H. 809](#), NC Healthy Family Act
[H. 823](#), Child Advocacy Centers/Share Information – MET CROSSOVER
[H. 837](#), Increase Student Access to School Counselors
[H. 882](#), Behavioral Health Services for Students
[H. 908](#), Access to Affordable Health Care Coverage for All
[H. 914](#), Support our Direct Care Workforce
[H. 928](#), Opioid Overdose Prev. Pilot Program/Funds
[H. 934](#), Student Success Program
[H. 946](#), Sound Basic Education for Every Child
[H. 947](#), The GREAT Broadband Expansion Act
[H. 952](#), Mental Health Unit Triage Pilot Program
[H. 953](#), Funds for School Mental Health Support Persons
[S. 37](#), In-Person Learning Choice for Families, ratified, vetoed by Governor on 2/26
[S. 61](#), Dental Services/Medicaid Transformation
[S. 78](#), A Safe Return for In-Person Learning
[S. 86](#), Medicaid Recs/School-Based Health and InCK evaluation/ Child Well-Being Transformation Council Rec
[S. 88](#), NC FAST Child Welfare Case Mgmt./PED Study
[S. 89](#), Regional Supervision/Child Well-Being Transformation Council Rec
[S. 90](#), Social Services Reform/Inter-County Collaboration/Child Well-Being Transformation Council Rec
[S. 93](#), Assisting NC Families in Crisis
[S. 105](#), 2021 Appropriations Act
[S. 106](#), 2021 Appropriations Act
[S. 107](#), 2021 Appropriations Act
[S. 154](#), Fully Funded School Social Works and Psychologists
[S. 207/H. 252](#), Various Raise the Age Changes/JJAC Recs. – MET CROSSOVER
[S. 301](#), Expand Expunction Eligibility – MET CROSSOVER
[S. 350/H. 389](#), NC Innovations Waiver Act of 2021
[S. 402](#), Close the Medicaid Coverage Gap
[S. 463](#), Deploy Child Welfare & Aging Component/NCFAST

[S. 501](#), Create Department of Adult Corrections
[S. 514](#), Youth Health Protection Act
[S. 515](#), Health Care Heroes Conscience Protection Act
[S. 518](#), Protecting and Supporting NC's Children
[S. 530](#), Medicaid for Twelve Months Postpartum
[S. 593](#), Special Education Due Process Hearings – MET CROSSOVER
[S. 595](#), Taskforce on Adverse Childhood Experiences
[S. 610/ H. 665](#), Address Direct Support Staffing Crisis/Medicaid
[S. 615](#), Direct Care Worker Wage Passthrough/Medicaid
[S. 622](#), 2021 Governor's Budget
[S. 693](#), Expedite Child Safety and Permanency – MET CROSSOVER
[S. 721/H. 568](#), Youth Mentoring Services Act

Bills Signed into Law:

[SL 2021-1](#): COVID Relief Bill Modifications
[SL 2021-3](#): 2021 COVID-19 Response and Relief
[SL 2021-4](#): The Reopen the Schools Act of 2021
[SL 2021-7](#), Summer Learning Choice for NC Families
[SL 2021-8](#): Excellent Public Schools Act of 2021
[SL 2021-18](#): Modify Termination of Parental Rights Appeals
[SL 2021-22](#): Reduce Regulation to Help Children with Autism
[SL 2021-25](#): Additional COVID-19 Response and Relief