

NC Collaborative for Children, Youth and Families

DATE: August 14, 2021

Date and Time	Committee	Location
Tuesday, August 17, 10:00 am	House Health (S. 693 on agenda)	Legislative Office Building (LOB) Legislative Building (LB) Audio link: https://www.ncleg.gov/Audio 643 LOB, livestream

House Passes Their Budget Proposal:

As expected, the House expedited their budget process and passed their proposal for the biennium very quickly.

Medicaid expansion was not a part of either the Senate or House proposal. But they did include provisions that would *extend* Medicaid eligibility for specific populations.

- 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 both the House and Senate budget proposals.
- Medicaid eligibility would be continued for pregnant women for twelve months post-partum. This provision was only included in the Senate budget proposal.
- Extend Medicaid to charter schools. The charter schools will be responsible for the non-federal share and Medicaid reimbursable services can be provided in charter schools.

Of course, the beginning of the fiscal year on July 1 has already come and gone. State government agencies are operating based on the funding levels from the previous budget. Below are additional provisions related to MH/IDD/SUD services that are included in either the House or Senate budget proposals or are included in both proposals. When both proposals include the same provision, it is not in contention and is generally expected to be a part of the final proposal.

Senate or House version of budget?	Provision
Senate House	Medicaid Transformation funding transferred from the General Fund to the Medicaid Transformation Reserve. Funding levels are different in Senate and House versions.
Senate House	Increase funds per child with disabilities in school
House	Funds to engage a consultant (already named) to make recommendations on how to categorize and set tiered funding levels for the allocations related to students with disabilities

Senate	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).
House	Establishes a plan for School Threat Assessment Teams
Senate House	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.
House	Establishes the COVID-19 ADM and Children with Disabilities Reserve with \$40 million non-recurring when enrollment exceeds expected number of students.
Senate	Establishes the K-12 ADM Fund when administrative costs exceed expected amounts and does not specify funding for children with disabilities with \$22 million non-recurring.
Senate	\$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.
Senate	Establishes the NC Personal Education Student Accounts for Children with Disabilities Program. \$9.65 million recurring is appropriated.
Senate	Permit the use of the Special State Reserve Fund for transportation and to establish the Transportation Reserve Fund for homeless and foster children.
House	NC DHHS required to submit a proposal to add Medicaid Coverage for Transportation provided by public school units to the legislature by 3/1/22
House	Paid parental leave for public school employees to care for newborn child (8 weeks) or newly placed adopted, foster, or otherwise legally placed child under the age of 18 (4 weeks).
House	Funds for rapid rehousing, home improvements, and home repairs for individuals and families at risk of homelessness, \$15 million non-recurring.
Senate House	NCFast maintenance and upgrade for Medicaid Transformation and deployment of the case management function.
Senate House	Expand Innovations Waiver slots by 1,000 over the next two State fiscal years. The House also included a provision that requires recommendations by 3/1/22 for how slots can be increased in the next biennium.
House	Creates the Home and Community-Based Services (HCBS) Fund with \$274.8 million funding saved from federal appropriations through the American Rescue Plan Act (ARPA). The Fund can be used to increase the number of waiver slots in the Innovations and CAP waivers.
Senate House	Extends Medicaid eligibility for parents of children who have lost custody of their children and the child is in the foster care system
Senate House	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.
Senate House	Allow LME/MCOs operating as BH/IDD Tailored Plans to choose a national accreditation.
Senate House	Evaluate the NC Division of Health Benefits staffing needs for Medicaid managed care.
House	Includes several telehealth provisions including: improving access to care through telehealth language, \$10 million non-recurring for a virtual behavioral health services grant program, and \$1 million non-recurring to Atrium Health for a school-based virtual care pilot program to address health disparities in historically underserved areas disproportionately impacted by COVID-19.
Senate House	Allow for Medicaid reimbursement of services provided in charter schools
House	Extends for the final time the temporarily increased Medicaid reimbursement rates for certain providers until 11/30/21
House	Require LME/MCOs to pay for behavioral health services provided to Medicaid beneficiaries awaiting hospital discharge.
Senate House	Opioid settlement funds (does not specify funding for children and youth).
Senate	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.
House	Authorizes the transfer of up to \$30 million to single stream funding if there is a certified surplus in Medicaid.

Senate	3-way (DHHS, LME/MCO, hospital) inpatient psychiatric beds studies due on 12/1/22 and 12/1/23.
Senate House	Funding for new licensed behavioral health beds in certain rural hospitals. Funding is from the sale of Dorothea Dix property.
Senate	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.
Senate	Adds behavioral health urgent care, cleans up list of behavioral health services covered by PHPs.
Senate House	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.
House	Temporary additional funding assistance for ICF-IDD facilities, \$12.6 M non-recurring.
House	Group Home Stabilization and Transition Initiative, \$15 M recurring.
House	Additional funding for Mecklenburg and Forsyth counties crisis behavioral health partnership with local providers, \$25 M non-recurring
House	Study the shortage of psychiatrists at State-operated facilities and provide report no later than 4/1/22
Senate House	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 the Guardianship Assistance Program (GAP), or special needs children adopted from foster care after age 12.
Senate House	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.
Senate House	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.
House	Intensive Family Preservation Services funding, performance enhancements and report
House	\$320,000 non-recurring to SaySo for SFY22.
Senate House	Increase foster care rates starting on 10/1/21.
Senate	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.
Senate House	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.
Senate House	Funding for the Transition to Community Living Initiative to expand the number of individuals transitioning into housing slots, increases the number of referrals to supported employment, and serves more individuals in Assertive Community Treatment (ACT).n
House	TANF/Work First Families to receive two payments to provide financial assistance needed due to COVID-19, \$16.7 M non-recurring.
House	Appropriation of federal block grant funds for DHHS under the American Rescue Plan Act (ARPA)
Senate House	Provides funding for the Juvenile Justice section to expand wraparound services for youth who are transitioning from Youth Development Centers into their communities. Funds will expand capacity and necessary services to address the increase in youth detention following the passage of S.L. 2017-57 (Raise the Age) legislation during the COVID-19 pandemic.
Senate	Updating language to designate drug treatment courts as Accountability and Recovery Courts.
Senate	Creation of Division of Prisons replaces Division of Adult Corrections and Juvenile Justice and refers to Department of Adult Corrections.
House	Creation of Division of Adult Corrections of the Department of Public Safety.
Senate House	Creation of Division of Juvenile Justice of the Department of Public Safety.

House	Creation of a NC Council for Women and Youth Involvement to advise the Governor and administration on issues such as domestic violence and child fatality.
Senate House	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.
House	Several provisions to expand broadband access by providing grants to counties to expand.

Opportunities:

- The NC Council on Developmental Disabilities is offering a provider focus group webinar to provide input into the NC Strategic Housing Plan on Monday, August 16th from 10:00 a.m. – 11:30 a.m. Register at this [link](#).
- The Exceptional Children Division of DPI is [accepting proposals](#) for their 70th Conference on Exceptional Children. Proposals must be submitted by August 25th and the conference will be held on November 18-19 in Greensboro.

Resources:

- NC Political News published [an article](#) about the Centers for Disease and Prevention new residential eviction moratorium that will be in placed through October 3, 2021.

Bills on the Move:

[S. 105](#), 2021 Appropriations Act, passed by House and Senate, sent to Senate for concurrence and conference committee will be needed if no concurrence

[S. 301](#), Expand Expunction Eligibility – MET CROSSOVER, passed House

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. 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. 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. 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-119 Response and Relief
[SL 2021-61](#): Medicaid Modernized Hospital Assessments
[SL 2021-62](#): Medicaid Administrative Changes and Technical Corrections
[SL 2021-77](#): DHHS Revisions
[SL 2021-88](#): GSC Technical Corrections 2021
[SL 2021-100](#): Juvenile Code Rev's/CIP Recommendations—AB (Agency Bill)