

NC Collaborative for Children, Youth and Families

DATE: November 21, 2021

November is National Family Engagement Month!

We Have a Budget!!

Almost five months into the State Fiscal Year 2021-2022 the Governor has signed [a budget](#) into law. The tactic of Governor-House/Senate leadership negotiations behind closed doors seemed to work in the sense that we avoided the “mini-budget” scenario that played out in 2019. They moved a little closer to expanding Medicaid eligibility with extended eligibility for certain populations. Although they did not fully fund the Leandro plan, legislators did focus on education in the budget.

There are two documents that show the complete picture:

- 1) [S. 105](#), now SL2021-180, is the actual legislation
- 2) [Committee Report](#) (or “Money Report”) shows a breakdown of appropriations for line items.

Here's a breakdown of pertinent budget items to children, youth and families:

Medicaid Provisions

- Medicaid Expansion: The budget provision forms a Joint Legislative Committee on Access to Healthcare and Medicaid Expansion. There will be nine members each from the House and Senate. Proposed legislation must be filed by the end of the 2021 General Assembly (end of the Short Session in 2022).
- Extending Medicaid Eligibility:
 - Extends Medicaid eligibility for parents of children who have lost custody of their children and the child is in the foster care system;
 - NC DHHS will apply to the federal government to add Medicaid coverage for individuals residing in in-home living arrangements who qualify for State-County Special Assistance under the Social Security Optional State Supplement Program;
 - Continue Medicaid coverage for pregnant women twelve-months post-partum.
- Medicaid Coverage for Transportation at Public School Units: Study to be conducted and due to the NC General Assembly by 03/01/22.
- Medicaid Transformation funding transferred from the General Fund to the Medicaid Transformation Reserve.
- NCFASST maintenance and upgrade for Medicaid Transformation and deployment of the case management function.
- Creation of the Home and Community Based Services (HCBS) Fund: The HCBS Fund will consist of the savings that come from the federal receipts from the enhanced federal medical assistance percentage (FMAP) for home and community-based services

(HCBS) available to the State under the American Rescue Plan Act of 2021, P.L. 117-2 (ARPA). The fund can be used to increase Innovation waiver slots, to increase pay rates for workers and for the Transition to Community Living Initiative for adults with Severe Mental Illness to live in communities rather than residential or institutional settings.

- Expand Innovations Waiver slots by 1,000 over the course of months up until July 1, 2022. In addition, a study will be completed by 3/1/22 that outlines the plans for adding an additional 1,000 waiver slots in the 2023-2025 biennium.
- Increase pay rates to \$15.00/hour for direct support workers in Intermediate Care Facilities for individuals with intellectual-developmental disabilities and direct support workers providing home and community based services. In addition, a study will be completed by 3/1/22 and annually thereafter on direct support workers.
- The State Fiscal Recovery Fund will be used to provide a one-time bonus payment program for eligible direct care workers, including those that provide services under the Innovations and TBI waivers, in child residential facilities including PRTFs, and ICF-IIDs.
- LME/MCOs may choose the national accreditation they will attain during the first four years of contracts as BH/IDD Tailored Plans.
- NC Division of Health Benefits will evaluate their administrative functions and staffing needs and provide an initial report to the legislature by 3/1/22 and a final report by 3/1/24.
- Allow for Medicaid reimbursement of services provided in charter schools with nonfederal share paid for through public funds.
- Require DHB through Medicaid Direct and LME/MCOs to pay for behavioral health services provided to Medicaid beneficiaries awaiting hospital discharge who no longer meet the criteria for observation.
- 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. A behavioral health urgent care service definition will be developed and piloted for formal implementation as a State-funded and Medicaid service definition.
- Refines the Standard Plan benefit package MH/SUD services and adds behavioral health urgent care services.
- Two provisions for short-term funding for group homes and ICF-I/DDs.
- Temporary additional funding assistance for ICF-IDD facilities.
- Group Home Stabilization and Transition Initiative to provide recurring funding to incentivize LME/MCOs to develop and implement “in lieu of” service definitions and to look at changing rate structures, methodologies and models for group homes.

Education Provisions

- Increase funds per child with disabilities in school.
- Establishes the Children with Disabilities Reserve with \$25 million non-recurring.
- Provides 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.

- Student Transportation Support: Establishes the 2021 Smart School Bus Safety Pilot Program in certain counties and public school units. School buses are to be outfitted with technology appropriate for children with disabilities.
- Permit the use of the Special state Reserve Fund for transportation/establish Transportation Reserve Fund for homeless and foster children.
- Equity in Opportunity Act, see [H. 32](#).
- 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).
- Funds school safety grants program that includes grants for students in crisis, grants for training to increase school safety.
- To the extent funds are made available, the State Board of Education will establish a funding allotment for school psychologist positions. The State Board is authorized to adopt rules for the allocation of school psychologist positions. Local boards of education will ensure that each local school administrative unit employs at least one full-time, permanent school psychologist.
- School Psychologist Grant Program uses ARPA funds to recruit psychologists.
- School Health Support Personnel Professional Entry Report is due to the legislature by 5/15/22.
- School-Based Virtual Care Pilot Program to address health disparities in historically underserved areas disproportionately impacted by COVID-19. The funding is for Atrium Health to set up 10 pilot sites in Anson and Forsyth counties.
- Consolidates accounts to establish the Personal Education Savings Account for Children with Disabilities Program.

Foster Care, Youth and Young Adult Provisions

- Use of Juul Settlement Funds: The Youth Electronic Nicotine Dependence Abatement Fund is created within NC DHHS, Division of Public Health. Funds will be used to develop tobacco cessation campaigns for youth and young adults with a focus on getting to youth and young adults before they begin smoking as well as data tracking.
- The Intensive Family Preservation Services (IFPS) Program will provide intensive services to children and families in cases of abuse, neglect, and dependency where a child is at imminent risk of removal from the home and to children and families in cases of abuse where a child is not at imminent risk of removal. Funding will be distributed through a performance-based funding protocol.
- Foster Care and the Guardianship Assistance Program: Provides authority to use foster care funds to allow for continued financial support of children who are deemed to be (i) in a permanent family placement setting, (ii) eligible for legal guardianship, and (iii) otherwise unlikely to receive permanency. Funds can also be used for the Guardianship Assistance Program (GAP) to extend guardianship services for individuals and youth who exited foster care through the Guardianship Assistance Program after 14 years of age or who have attained the age of 18 years and opt to continue to receive guardianship services until reaching 21 years of age if the individual is (i) completing secondary education or a program leading to an equivalent credential, (ii) enrolled in an

institution that provides postsecondary or vocational education, (iii) participating in a program or activity designed to promote, or remove barriers to, employment, (iv) employed for at least 80 hours per month, or (v) incapable of completing the educational or employment requirements of this section due to a medical condition or disability. The Guardianship Assistance Program rates will reimburse the legal guardian for room and board and be set at the same rate as the foster care room and board rates.

- Child Welfare Postsecondary Support Program: Funds are used to continue providing assistance with the "cost of attendance" 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.
- 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.
- Increase foster care rates starting on 1/1/22.
- 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. The pilot will be in four counties—Davie, Rockingham, Forsyth and Stokes.
- Full implementation of seven regional offices by March 1, 2024 for further regionalization of DSS with offices in the seven regions. Funds to implement a Child Protective Services hotline.
- Provides funding for the Permanency Innovation Initiative to improve permanency outcomes for children living in foster care settings. The special provision limits administrative funds.
- Funds for rapid rehousing, home improvements, and home repairs for individuals and families at risk of homelessness.
- TANF/Work First Families to receive two payments to provide financial assistance needed due to COVID-19.
- Several provisions to expand broadband access by providing grants to counties to expand.
- Provides funding to cover a loss in federal receipts from the Family First Prevention Services Act, which limits Title IV-E funding for congregate care to 14 days starting October 1, 2021.

General MH/IDD/SUD Funding Provisions

- Allows for the transfer of \$30 million from Medicaid to Division of MH/DD/SAS to be distributed to LME/MCO single stream funding IF a budget surplus is certified. Further prohibits LME/MCOs from reducing funding in home and community-based services and the Transition to Community Living Initiative. Accounts for the intergovernmental transfer from LME/MCOs to Medicaid.
- Use of Opioid settlement funds (does not specify funding for children and youth).

- 3-way (DHHS, LME/MCO, hospital) inpatient psychiatric beds studies due on 12/1/22 and 12/1/23.
- Funding for new licensed behavioral health beds in certain rural hospitals. Funding is from the sale of Dorothea Dix property.
- Additional funding for Mecklenburg and Forsyth counties crisis behavioral health partnership with local providers.
- 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.
- Provides funding to group homes for temporary, short-term financial assistance in the form of monthly payments on behalf of residents meeting specified criteria.

Juvenile Justice Provisions

- Creates Division of Juvenile Justice within the Department of Public Safety
- Creates Department of Adult Correction
- Creates Division of Prisons within Department of Adult Correction
- Updating language to designate drug treatment courts as Accountability and Recovery Courts.

BH/IDD Tailored Plan Provider Trainings an Opportunity for Children, Youth and Families:

If you have missed some of the weekly webinar series that began on October 1, you can find the webinar recordings and presentations at this [link](#).

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	Register for the webinar series .
Dec. 3, 2021	Billing
Dec. 10, 2021	Oversight and Quality Measurement/Improvement

Resources:

- Another story from the Fayetteville Observer news series on Psychiatric Residential Treatment Facilities was published. Access the story through this [link](#).
- The ECAC is conducting a survey of parents of children with special needs, ages birth-26. Parents completing the survey can be entered to win a \$100 Amazon gift card. To complete the survey, use this [link](#).
- A presentation from ECAC’s Youth Advisory Team, *Gratitude is Attitude*, Tuesday, November 23rd, 6:30 pm – 7:30 pm. To register for this free event, use this [link](#).
- ECAC has developed Family Engagement Month resources that can be accessed at [this link](#).

Bills on the Move:

SL 2021-180, [S. 105](#), 2021 Appropriations Act, signed into law by 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. 110](#), Landlord Submission of HOPE Application
- [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/NCFAS
- [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. 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. 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. 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)
[SL 2021-118](#): Expand Expunction Eligibility
[SL 2021-123](#): Various Raise the Age Changes/JJAC Recs.
[SL 2021-132](#): Expedite Child Safety and Permanency
[SL 2021-144](#): Foster Parents' Bill of Rights
[SL 2021-180](#): 2021 Appropriations Act