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## **NC Collaborative for Children, Youth and Families**

**DATE: March 3, 2023**

*To access the NC General Assembly calendar use this [link](#)*

### **NC General Assembly Heats Up!**

#### **Budget:**

The budget bill will start in the House this year but joint House and Senate appropriations discussions have already begun. Things to watch for that signal progression in the budget bill:

Legislators receive the **revenue forecast** for the State budget: They have received the first forecast (see link below) with an anticipated \$3+ billion surplus. This means that legislators can look at increasing funds for programs and new initiatives. Legislators will not spend the entire surplus and it is at their discretion as to how much they want to use of it.

The **Governor's budget priorities** are expected to be released this month. This will tell us where the Governor and his administration see the need for increased funding and new initiatives.

The **initial House budget proposal** is expected in April. Depending on how much deliberation and agreement has occurred behind closed doors about the specific budget provisions, it could move quickly through the House. It will then be sent to the Senate.

The **Senate version of the budget proposal** will then be finalized. Again, the expediency of the process will depend on how much deliberation and agreement has occurred already.

Assuming the House and Senate versions of the budget have differences, **a conference committee will negotiate a final budget version.**

The negotiated budget will likely be a quick vote for the House and Senate and will go to the **Governor for his signature**, veto, or no action (which allows it to still become statute after 10 days).

*Documents:*

## [Fiscal Year 2023-2025 Revenue Forecast Presentation](#)

Budget Primer: [Presentations](#) to Joint Health and Human Services Appropriations Committee members on Department of Health and Human Services (DHHS) divisions. This information is a good primer on the budget components of the divisions under DHHS.

### **House and Senate Agree on Medicaid Expansion:**

*Upside:* After years of strong advocacy, there are very promising indicators that North Carolina will opt into Medicaid Expansion. The NC House introduced and passed [H. 76](#) quickly in the beginning of this 2023 Long Session. It was announced on March 2nd by House and Senate leadership that they have reached an agreement around the provisions that will be included in the Medicaid expansion legislation for North Carolina. They also announced that it will be tied to the budget process. News outlets report that the legislative language will include the authority to move forward with Medicaid expansion as well as provisions around the certificate of need process that regulates health care facility beds. This will also allow North Carolina to receive the funding incentive from the federal government that is over \$1 billion.

*Downside:* Again, they also announced that it will be tied to the budget process. That brings up two potential challenges: 1) the budget process is sometimes lengthy so it cannot become effective as quickly as many would like; 2) this approach will be most successful if there is some discussion and negotiation between the NC General Assembly and the Governor because there will be an even bigger delay if there is disagreement about other items in the State budget.

### *Articles about the Medicaid Expansion Proposal:*

- North Carolina Health News, 3/3/23, [“NC House and Senate Republicans reach milestone Medicaid expansion deal, but Democratic governor questions the timeline”](#)
- North Carolina Department of Health and Human Services, 3/2/23, [press release](#) on Medicaid Expansion

### **Tailored Plans Delay Discussed in NC General Assembly:**

NC Department of Health and Human Services Secretary, Kody Kinsley, [presented](#) to the Joint Appropriations on Health and Human Services Committee about the postponement of BH/IDD Tailored Plan implementation to October 1, 2023. The presentation includes a chart that indicates the projected number of Medicaid members each BH/IDD Tailored Plan will serve and implementation work yet to be done by LME/MCO. Secretary Kinsley noted three main reasons for the delay:

1. 20,000 to 30,000 Medicaid beneficiaries who are a part of the 143,000 projected members of BH/IDD Tailored Plans cannot remain with their primary care network at this time because contracts are not in place. Note: if one network serves a significant number of Medicaid members, e.g. a large health system,

that one contract has an impact on availability of services for all of those Medicaid members in that network.

2. The most recent State operational system testing showed variations related to pharmacy and filling prescriptions that could impact access to medications.
3. The Department does not have the legal tools they need if a single BH/IDD Tailored Plan fails.

### **Highlighted Bills:**

[H. 58/S. 74](#), **Parents' and Students' Bill of Rights**. The language in both bills is exactly the same, making them companion bills. The bill specifies several rights for both parents and students in education and schools. That includes parental rights around school transparency that is timely and includes data about the child. Student rights include adequate access to mental health and substance use services, a feeling of safety and comfort at school without discrimination. The bills have both been referred to Rules committees and not assigned a path for processing through other committees at this time.

[H. 150](#), **School Contracted Health Services**. This bill allows children with disabilities who were receiving services in their communities prior to beginning school, to continue to receive those same services from the same provider when they are in school. This is accomplished by requiring the Local Education Agency to provide the opportunity for service providers to contract outside of the typical Request for Proposal process if they meet certain criteria. The bill also requires a preschool program where a child with a disability is enrolled to make a reasonable effort for the child to continue receiving services from the same service provider, also based on criteria. The bill has been referred to House Committee on Education K-12.

[S. 115](#), **Repurpose RJ Blackley Center as Psych Hospital**. The RJ Blackley Center that has been used for an alcohol and drug treatment center will be repurposed to become a psychiatric hospital for children and adolescents. The bill language includes a ceasing of alcohol and drug treatment services on March 1, 2023 and the beginning of psychiatric services for children and adolescents on April 1, 2023. The bill has passed the Senate and been referred to House Health.

### **Opportunity for Feedback and Other Resources:**

- The Federal Emergency Management Agency is seeking feedback from whole community partners on the draft [Achieving Equitable Recovery: A Post-Disaster Guide for Local Officials \(Equity Guide\)](#). The goal of the guide is to help local officials incorporate diversity, equity, inclusion, and accessibility in their post disaster recovery management work. Successful disaster recovery requires the whole community to rebuild in a thoughtful, equitable, and resilient manner. An open comment period is now open and will end on Wednesday, March 15. To provide comments or recommendations to the draft equity guide, use

the [comment matrix](#) and email [FEMA-CA-RSF@fema.dhs.gov](mailto:FEMA-CA-RSF@fema.dhs.gov) no later than 5 PM ET on Wednesday, March 15, 2023.

- NC Health News [article](#), February 23, 2023, “Teen girls ‘engulfed in a growing wave of sadness, violence and trauma,’ latest youth survey shows”
- On February 14th, the **Administration for Children and Families (ACF)** [announced a proposed rule](#) that will make it easier for child welfare agencies to license relatives to foster children whose parents cannot care for them. This rule addresses one of the significant challenges facing grandparents and other relative caregivers, and fulfills a [key federal commitment](#) made in the [2022 National Strategy to Support Family Caregivers](#). [Public comments](#) are due by April 17th, 2023.
- NC DHHS [webpage](#) on moving NC Health Choice children to NC Medicaid on April 1, 2023.

### **Bills Introduced:**

[H. 26](#), Education Omnibus, passed House, sent to Senate

[H. 47](#), School Protection Act, referred to House Committee on Education K-12

[H. 58/S. 74](#), Parents’ and Students’ Bill of Rights, H. 58 referred to House Rules Committee, S. 74 referred to Senate Rules Committee

[H. 76](#), Access to Healthcare Options, passed by House, referred to Senate Healthcare then Senate Finance then Senate Appropriations then Senate Rules

[H. 83](#), Funds for AWAKE in Swain County, referred to House Appropriations Committee

[H. 142](#), Protect our Students Act – Agency Bill, reported favorably by House Education K-12, referred to House Judiciary 2 and then House Pensions and Retirement and then House Rules

[H. 145](#), Social Services Reform, referred to House Committee on Family, Children, Aging Policy

[H. 150](#), School Contracted Health Services, referred to House Committee on Education K-12

[H. 156](#), Funds for Establishing Safe Cultures, referred to House Appropriations

[H. 186](#), Division of Juvenile Justice Modifications – Agency Bill, referred to House Judiciary 1 then House State Government then House Rules

[H. 187](#), Equality in Education, referred to House Appropriations

[H. 188](#), Standards of Student Conduct, referred to House Committee on Education K-12 then House Judiciary 1 then House Rules

[H. 190](#), Dept. of Health and Human Services Revisions – Agency Bill, referred to House Health then House State Government then House Rules

[H. 197](#), Broadband Changes, DIT – Agency Bill, referred to House State Government then House Energy and Public Utilities then House Rules

[H. 206](#), Increase Dropout Age/Completion Indicator, referred to House Committee on Education K-12 then House Rules

[H. 253](#), Prevent Students from Harm Act, referred to House Committee on Education K-12 then House Rules

[H. 259](#), 2023 Appropriations Act, filed (does not yet include funding and provisions)

[H. 263](#), 2023 Appropriations Act, filed (does not yet include funding and provisions)

[S. 49](#), Parents Bill of Rights, passed by Senate, referred to House Rules Committee

[S. 74/H. 58](#), Parents' and Students' Bill of Rights, S. 74 referred to Senate Rules Committee, H. 58 referred to House Rules Committee

[S. 115](#), Repurpose RJ Blackley Center as Psych Hospital, passed Senate, referred to House Health

[S. 156](#), Medicaid Children and Families Specialty Plan, reported favorably by Senate Healthcare, referred to Senate Rules