

Proposed Legislative Bills Followed by the DSS Board

There are many proposed bills in both the Senate and House that effect the Social Services System, the children, adults, and families that it serves. I have highlighted some that I believe would have the most impact fiscally on our workload and affect consumers. If you would like to see the complete bill, you can follow this link to the NC General Assembly website and enter the bill number in the bill search area in the right top corner of the page. <https://www.ncleg.gov/>. The latest update on the bills is listed in bold.

NC FAST P4 (Child Welfare) Update

Senator Bill 212/House Bill 320 – 5/7 - 2nd Chamber – Senate to House (Rules and Operations)

<https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S212v3.pdf>;

<https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H320v1.pdf> - *Child Welfare/Aging*

Component/NC FAST. These bills have been introduced to suspend NC FAST P4 as it relates to case management in Child Welfare and Adult Services and to use existing costs to continue to develop and improve case-management functionality for the Child Welfare component. Only the 11 counties that participated in the initial pilot program prior to January 1, 2019 would continue with both Intake and Assessments and Case Management. The remaining 23 counties that have rolled out the system would have the option of continuing Intake and Assessment at this time. The major concern about these bills is that they state that the system should not be deployed statewide prior to October 1, 2019. Deployment of the case management component should not occur until NC FAST is agreed to be working well in the pilot counties by the pilot county Directors or another solution is found and deployed that is proven to work better. For FY 2018-19, the current expenditures to date for Child Welfare are \$92M, of which \$42 is State and \$50M is Federal. There are an estimated \$11M in expenditures for the remainder of the year, of which \$5M is State and \$6M is Federal. DHHS states that if the system is suspended indefinitely, it could result in a \$52M payback. NC FAST P4 was also part of the State's Program Improvement Plan with the Feds, as it was supposed to fix the issues identified in the Federal review. This could result in \$750,000 in fines. After the suspension, it is estimated to cost \$2.1M in State funds for rehiring and retraining contractors and \$3.8M to re-implement in the 23 additional pilot counties. If the system is not in place, it is likely that the next State review could result in the same deficiencies; but with the faulty NC FAST system, it likely will anyway. Rutherford was initially scheduled to go live in July 2019, with training and readiness beginning in March 2019. This is currently on hold. The majority of the Counties that were scheduled to go live in March have chosen to wait until this bill passes or does not pass before moving forward.

6/7/2019 - The lobbyist for the Director's Association and Association leadership is working with Senate sponsors of the bill. Some of the changes being considered are giving prioritization to availability of 24/7 access to the system and to reliable and validated data. Also, continue to postpone until DHHS has examined other systems to determine the best one for our State's Child Welfare system; that these issues be reported to the Legislative Oversight Committee on Health and Human Services by February 1,

2020; and that the State shall not move forward with a case management system until an act of the General Assembly in the 2020 session.

Update 7/10/2019 – Senate Bill 212 was amended to include several issues. Regarding NC FAST P4, the bill now states that the system should not be deployed statewide prior to May 1, 2020. Including a date remains a concern as deployment should not occur until NCFast is agreed to be working well in the pilot counties by the pilot county Directors or another solution is found and deployed that is proven to work better. However, with a later date for deployment, this is some progress, and there will be an opportunity to advocate for further changes during the short session in the Spring. The bill also now requires the Joint Legislative Program Evaluation Oversight Committee to conduct a study of the case-management functionality of the Child Welfare component of NC FAST and submit it to the Joint Legislative Committee by May 1, 2020.

The other issues now included in this bill are changes in the qualifications for early childhood staff; changes in the use of service plans completed for Medicaid personal care services assessment for the activities of daily living portion of service plans or care plans; and changes in qualifications for assisted living administrators.

Senate Bill 3/House Bill 5 - <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S3v1.pdf>, <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H5v1.pdf> - Close the Medicaid Coverage Gap. No movement since 1/31/19. These are proposed bills to close the Medicaid coverage gap for families and individuals in North Carolina. It has passed the first reading in both the Senate and House. This bill proposes what is commonly termed Medicaid Expansion. This would provide for individuals, ages 19 to 64, to qualify for Medicaid under an Alternative Benefit Plan if they have a modified adjusted gross income that is at or below 133% of the federal poverty level. If these bills pass, it will have a significant impact on the Agency's work in Medicaid. We do not know at this point how many individuals would potentially be eligible under this program. Under current Medicaid policy, the only adults that are eligible are those 65 and over or disabled adults, or adults eligible under the Family and Children's Program. While this bill would benefit citizens, it would be very difficult to administer at the local level without additional staff. Would additional State funding be available for staffing?

6/7/2019 – This bill would have a positive impact on the provision of Child Welfare services, especially to Foster Care. This would allow parents that receive Medicaid to continue to receive after their children enter the Foster Care system. Currently, adults ages 18-65 cannot receive Medicaid unless there are minor children in the home, unless they are disabled. This makes it difficult for parents to get the necessary mental health and substance abuse treatment to work toward reunification with their children. An alternative plan, that has been advocated for in the past, is that parents of children

involved in the Child Welfare system and placed outside the home should continue their Medicaid coverage to ensure that they are receiving the services needed to allow for the safe return of the child(ren). This is not in the Senate or House budget, so it will not be in the final budget presented to the Governor. The Governor wants this, so this could result in a budget veto, but also likely to be overturned.

7/10/2019 – Funding for any type of Medicaid Expansion was not included in the House and Senate Compromised budget. The Governor has vetoed this budget and a final budget has not been approved. It is anticipated that in reaching a final State budget, there may be compromises that could result in some form of Medicaid Expansion.

House Bill 655 – <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H655v1.pdf> - *NC Health Care for Working Families*. No movement since 4/10/2019. This bill was introduced on April 9 and would close the coverage gap for health insurance. It would require DHHS to design a health care program for individuals that cannot qualify for Medicaid due to income limits, but are unable to afford health insurance. Participants would have a modified adjusted gross income that does not exceed 133% of the federal poverty level. The program would be known as NC Health Care for Working Families. It instructs DHHS to get waivers or permission from the Center for Medicaid and Medicare Services to implement the program and to advocate for the highest level of federal financial participation. The program would require an annual premium of 2% of the participant's household income. There are some exemptions for premium requirements. In addition, there would be required co-payments similar to those under the NC Medicaid State Plan. There would be work requirements with certain exemptions for participants similar to those of the ABAWD policy under Food and Nutrition Services. The Fiscal Research Division estimates 300,000 uninsured individuals will be covered if the bill is passed and 200,000 additional individual on Medicaid if it passes. It is expected to generate \$80M for the State each year. The PHP under Medicaid Transformation would manage the benefits. While this bill would benefit citizens, it would be very difficult to administer at the local level without additional staff. Would additional state funding be available for staffing?

7/10/2019 – This bill passed the House Health Committee on July 9, 2019 and was headed to the full House for a vote the same day. No vote was held, but it has been added to the calendar. At this update, there has been no further movement.

House Bill 335 – <https://www.ncleg.gov/BillLookup/2019/h335> - *Reduce Waitlist for HCCBG Services/Funds*. No movement since 3/19/20. This bill would appropriate \$7,000,000 in recurring funds for the 2019-20 fiscal year and \$7,000,000 for fiscal year 2020-21 to reduce the current wait for Home

and Community Care Block Grant services. In Rutherford County, this would include In-Home Aide Services, Meals on Wheels, Congregate Meal Sites, Adult Day Care and Adult Day Treatment. The County provides a 10% match for HCCBG funds. The older population continues to increase; approximately 10,000 citizens are currently on a waiting list statewide for services. 1.2 million more people are expected to turn 60 years of age by 2034. Rutherford has approximately 120 on the waiting list for In-Home Aide Services.

7/10/2019 – No movement since 3/19/20.

Senate Bill 538/House Bill 539 – <https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S538v1.pdf> <https://www.ncleg.gov/Sessions/2019/Bills/House/PDF/H539v1.pdf> - *Temporary Financial Assistance/SA Facilities*. No movement since 4/3/19. This bill would provide \$19,872,000 in nonrecurring funds for the 2019-20 fiscal year and the same amount for the 2020-21 fiscal year for temporary financial assistance for facilities that accept State-County Special Assistance. This would be in the amount of \$184 per month for each resident. Counties share 50% of the cost of SA with the State. We have 196 SA recipients in facilities, so this would increase the budget approximately \$36,000 (\$18,000 County cost). This proposed monthly assistance does not include clients receiving SA In-Home Services. These bills basically continue the extra payment facilities have been receiving for the past several years. There have been much advocacy through the years to increase the SA rate, but this has not happened yet; instead they are paid additional funds labeled assistance on a temporary basis. I believe that we could better serve our citizens if the income limits for eligibility were increased, this would in turn increase the rate and allow more consumers to be served. The income limit is low and many senior adults fall through the cracks because they cannot receive SA and could never pay privately for placement. The SA Assistance Program would better serve citizens if it were set up more like Long Term Care Medicaid.

6/7/2019 – The passage of this bill now could pose budget issues for the County since the budget has been approved by the County Commissioners. As long as the SA rate is not raised, it pushes consumers closer to becoming ineligible when they receive COLA adjustments. This would mean that Counties would have to pay more for their wards that are in facilities if they become ineligible for SA due to a COLA increase. Basically, this means that the County could possibly have to pay the private rate for wards that are disqualified for SA rather than just the standard SA rate.

7/10/2018 – No movement on these bills since 4/8/2019. However, the House and Senate Compromised budget includes funding to increase this assistance from \$34 to \$70 a month per SA recipient effective October 1, 2019. Special Assistance is 50% County funded, so this will increase County cost by approximately \$3,000 which was not budgeted. We are concerned about the temporary assistance increase in lieu of an SA rate increase, because of fiscal impact on Counties beyond the 50% match of the SA payment. By not raising the SA rate, the income limits are resulting

in fewer people being eligible for SA. When DSS has an APS or Guardianship case that needs placement in this level of care and their income is slightly above the cap, the County often has to supplement their income in order to get a facility to take the individual. This becomes a 100% County expense.

House Bill 752 – <https://www.ncleg.gov/BillLookup/2019/h752> - *Respect Personal Needs/ Assisted Living Residents*. This bill proposal raising the personal care allowance for assisted living residents.

7/10/2019 – No movement on this bill since 4/16/2019. However, the House and Senate Compromised budget includes funding to raise this amount. It increases the special needs allowance for SA recipients in assisted living facilities from \$46 to \$70 a month effective October 1, 2019. This could potentially increase caseloads because this could make those slightly over the income limit eligible. The SA rate is \$1,182.00, which is also the income limit. The special needs allowance is added to this to make the rate \$1,228.00, which becomes the maximum income limit. Therefore, the income limit for eligibility will increase from \$1,228.00 to \$1,252.00. All Adult Medicaid recipients currently receive an automatic \$20.00 from their income, so consumers in the SA facilities actually will have \$90 per month personal needs allowance. Special Assistance is 50% County funded, so this will slightly increase the County cost. We currently have 167 recipients in SA facilities, so the County's portion will increase by approximately \$2,000. To ensure that SA recipients receive this support in FY 19-20, the General Assembly is encouraged to fund the full increase for one year which would allow Counties time to incorporate the increase in their FY 20-21 budgets. Counties pay 50% of the personal needs allowance along with ½ of the SA rate and 100% of the administrative cost.

This budget also reduces funding for Special Assistance due to decreased caseloads across the State.

HB 580/SB 636 – - 4/30 – House on Committee Appropriations

<https://www.ncleg.gov/BillLookup/2019/h58>,. <https://www.ncleg.gov/BillLookup/2019/s636> - *Increase Foster Care Rates/Funds*. This bill would increase rates for Foster Care and Adoption assistance payment rates. It changes the rates per child, per month for both programs as follows: from \$475 to \$553 for children birth through 5 years; from \$581 to \$727 for children 6 through 12 years; and from \$634 to \$761 for children at least 13, but less than 21. The bill also appropriates \$6,868,758 for the 2020-21 fiscal year to implement these increases.

7/10/2019 – These bills did not move out of their respective chambers. However, the House and Senate Compromised budget included Foster Care and Adoption assistance payment rate increases as follows: from \$475 to \$514 for children birth through 5 years; from \$581 to \$654 for children 6 through 12 years; and from \$634 to \$698 for children at least 13, but less than 21. The bill also appropriates \$6,868,758 for the 2020-21 fiscal year to implement these increases.

Senate Bill 443 – <https://www.ncleg.gov/BillLookup/2019/s443> - *Waiver/Prohibit Certain Foods/SNAP*.

No movement since 4/2/19. This bill would allow NC DHHS to seek a waiver from USDA that would authorize the State to prohibit the purchase of certain foods under the Supplemental Nutrition Assistance Program (SNAP) (formerly Food Stamps). This would include foods with little or no nutritional value including, soft drinks, candy, cakes, cookies, and bulk purchases of grocery items that, if purchased in smaller quantities, would be considered prepared food. The reason stated in this bill for this proposal is that the purchase of food with little or no nutritional value is antithetical to the purpose of SNAP and other State health care programs. The State can only prohibit the purchase of certain foods by obtaining a waiver from the USDA. The request of waivers for federal programs, such as SNAP and Medicaid, can be a time consuming and lengthy process.

7/10/2019 – No movement since 4/2/2019.

Senate Bill 551 – 5/9 - 2nd Chamber – Senate to House (Rules, Calendar and Operations)

<https://www.ncleg.gov/BillLookup/2019/s551> - *Child Support Cooperation Act of 2019*. This bill would establish the “Child Support Cooperation Act of 2019”. This act would require individuals seeking SNAP benefits to cooperate with Child Support Enforcement as a condition of eligibility for these services. The stated purpose of this bill is to reduce child poverty and dependency by ensuring parents cooperate with State efforts to collect child support. The act would become effective July 1, 2019. The Medicaid and Work First programs require cooperation with child support, but this has never applied to Food and Nutrition Services.

7/10/2019 – Bill was referred to House Committee on Health on 6/25/19 with no further movement.

Senate Bill 453 – <https://www.ncleg.gov/BillLookup/2019/s453> - *Eligibility Reform/SNAP*. No movement since 4/2/19. This is very similar to Senate Bill 551 requiring applicants for Food and Nutrition Benefits to cooperate with the State Child Support Enforcement Program as a condition of eligibility for benefits under the Supplemental Nutrition Assistance Program. This bill actually sets the effective date of this requirement as January 1, 2020. When custodial parents receive child support, it could reduce benefits or make the family ineligible for benefits.

7/10/2019 – No movement since 4/2/2019.

Senate Bill 570 – <https://www.ncleg.gov/BillLookup/2019/s570> - *Dental Services/Medicaid*

Transformation. No movement since 4/4/19. This bill would provide for capitated contracts for the

provision of dental services to Medicaid and NC Health Choice recipients. The bill requires that contracts be with at least two prepaid dental plans that would cover statewide. The proposed bill describes the competitive bid process, expectations of the prepaid dental plans, and the metrics for demonstrating success. The plan would provide reimbursement for services on a fee-for-service basis.

7/10/2019 – No movement since 4/4/2019. House Bill 883 with the same content was filed on 4/16/2019 and referred to the House Committee on Health on 4/22/2019.

House Bill 619/Senate Bill 337 – 5/6 – 2nd Chamber – House to Senate (Rules and Operations) -
<https://www.ncleg.gov/BillLookup/2019/S337/h619> <https://www.ncleg.gov/BillLookup/2019/S337> - *Rethinking Guardianship*. This bill would establish a Rethinking Guardianship Workgroup. This group would study guardianship laws in the State and make legislative changes to improve the provision of guardianship services. The group would consist of 24 members coming from the House of Representatives, Senate, NC Conference of Clerks of Superior Court, Administrative Office of the Court, Division of Aging and Adult Services, NC Division of Mental Health, UNC School of Government, NC Guardianship Association, Disability Rights NC, NC Council on Developmental Disabilities, NC AARP, Guardian Ad Litem, corporate guardianship organizations, County DSS, person with a disability or who has been under a guardianship, and a faculty member of UNC School of Social Work. At the local DSS level, it will be beneficial if the group makes recommendations for alternatives to guardianship, as well as, look at the laws that make DSS the only public agent guardian. The bill has six sponsors and has passed the first reading in the House. The only concern that I have about this bill is that the local DSS agencies are not adequately represented. Social Work Program Managers/Administrators, supervisors, and line staff need to be represented in this group as they perform the work on a daily basis and know firsthand what works well and what does not.

7/10/2019 – House Bill 619, no movement since 5/6/2019. Senate Bill 337, no movement since 3/25/2019.

House Bill 410 – 5/7 – 2nd Chamber House to Senate (Rules and Operations)
<https://www.ncleg.gov/BillLookup/2019/h410> - *Require Generators/Nursing & Adult Care Homes*. This bill would require all nursing homes, combination homes, and adult care homes to have emergency electrical service available for use during power outages, sufficient to provide heat, air conditioning, lighting, and other essential electrical services.

7/10/2019 – No movement since 5/7/2019.

House Bill 825 – Referred to House Committee on Health -

<https://www.ncleg.gov/BillLookup/2019/h825> - *Strengthen Child Fatality Prevention System*. No movement since 4/18/19. This bill establishes a centralized State office for child fatality prevention that would be charged with implementing and managing a centralized data and information system. Currently, there are several review processes within various divisions of DHHS and this can cause a disconnect in analyzing data and making effective recommendations as a result of review findings. A centralized system would eliminate redundancy and duplication, ensure that review teams have the training and resources they need to conduct reviews, make data more consistent and reliable, and ensure that appropriate information and recommendations are distributed to local and State leaders. This could lead to more effective local and State-level strategies and changes in law or policy to prevent child maltreatment and fatalities.

7/10/2019 – No movement since 4/18/2019. However, the Components of this bill were rolled into the Senate and House Compromised budget (HB 966). The budget has been vetoed by the Governor, so this could change and a final budget has not been approved. It seems that the major reason for the veto is Medicaid Expansion, so it is believed that this could be included in the final State budget.

House Bill – 918 – Amend Abuse Laws/Expedite Permanency - 2nd Chamber – House to Senate (Rules and Operations) - <https://www.ncleg.gov/BillLookup/2019/h918-5/6> This bill amends various abuse, neglect, and dependency laws to strengthen the safety of children in out of home placements, expedites the goal of permanency for children under three years. The major concern of this bill is that it creates a presumption that foster parents, with whom a child under three years of age has lived continuously for nine months, are deemed non-relative kin. Also, requires the Agency and court to place a child under the age of three in a prospective permanent placement within 12 months of the order removing custody. It adds that immediate non-secured custody is warranted when an infant is born drug-exposed, and the drug exposure was not medically based. It makes some minor changes regarding the Agency's efforts to notify relatives and parties that may have custody of siblings of the child.

7/10/2019 – No movement since 5/6/2019. The Director's Association lobbyist does not feel that this bill has the needed support and will likely die.

House Bill 612 – DSS Review of Procedures/Rule Making – 5/6 crossed to Senate, 6/6 in Senate Rules and Operations Committee - <https://www.ncleg.gov/BillLookup/2019/h612> - This bill would require the Social Services Commission to review all existing publications, policies, and procedures of the Division of Social Services and submit a report to the Office of Administrative Hearings by May 31, 2020. They would identify and submit for adoption under the rule making process those publications, policies, and

procedures that satisfy the definition of a rule under G.S. 150B-2(8A). The bill requires a joint review with OAH after the submission of the report; and if there is disagreement, the bill outlines how these will be resolved. This bill appears to be a result of an opinion that the Department puts too much into rules, takes too many liberties with policy; and thus, they should be in statute. However, the concern with this bill is that putting things in statute rather than rule makes it difficult to make timely changes and this has resulted in a lot of back and forth about which is best. DHHS is asking that there be no action on this until we get through the Federal Families First Prevention Act and all the changes that will come with that.

7/10/2016 - No movement since 6/6/2019.