A BILL TO BE ENTITLED
AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO CONDUCT VARIOUS STUDIES AND MAKE REFORMS TO IMPROVE SOCIAL SERVICES, THE FOSTER CARE SYSTEM, AND CHILD WELFARE SERVICES; TO IMPROVE INTERCOUNTRY COLLABORATION BETWEEN DEPARTMENTS OF SOCIAL SERVICES; AND TO SUPPORT THE IMPLEMENTATION OF THE FAMILY FIRST PREVENTION SERVICES ACT, AS RECOMMENDED BY THE NORTH CAROLINA CHILD WELL-BEING TRANSFORMATION COUNCIL.

The General Assembly of North Carolina enacts:

PART I. FOSTER CARE AND SOCIAL SERVICES REFORM

SECTION 1.(a) In order to ensure continuity of care for children in foster care who are nearing the age of 18, the Department of Health and Human Services, Division of Social Services (Department), shall develop policies and procedures to require coordination between counties for children who reside outside of the county that has custody of the child no later than 90 days after the child's seventeenth birthday. The policies and procedures shall ensure the child has a point of contact within the county that has custody of the child to assist the child with securing Medicaid and NC Health Choice program assistance and access physical and mental health services for which the child is eligible. The policies and procedures shall ensure children have, at a minimum, all of the following:

(1) Educational plans.
(2) Employment plans.
(3) Mechanisms to ensure continuity and amplify services for children transitioning out of foster care.

SECTION 1.(b) Report. – The Department shall report to the Chairs of the Senate Appropriations Committee on Health and Human Services and the Chairs of the House Appropriations Committee on Health and Human Services by February 1, 2022, on (i) its progress in developing and implementing the policies and procedures set forth in subsection (a) of this section, (ii) the method of disseminating the policies and procedures to all counties, and (iii) how the Department will ensure the implementation and utilization of all of the policies and procedures.

SECTION 2.(a) The Department of Health and Human Services, Division of Social Services, shall develop policies and procedures to outline the permanency plan process and to require caseworkers in all county departments of social services to begin developing permanency plans no later than 90 days after the child's seventeenth birthday and to finalize permanency plans no later than 15 days prior to transitioning out of foster care on a child's eighteenth birthday, as
allowed by federal law. The Division shall study the current age of transitioning out of foster care and evaluate whether the age of transition should be changed and the associated impacts, benefits, and outcomes.

**SECTION 2. (b) Report.** – The Department shall report to the Chairs of the House Appropriations Committee on Health and Human Services and the Chairs of the Senate Appropriations Committee on Health and Human Services by April 1, 2022, on the policies and procedures required under subsection (a) of this section and any recommended legislative changes necessary to modify the age of transition.

**SECTION 3.** The Department of Health and Human Services shall develop and implement a plan to encourage and keep foster children in community-based settings, including outpatient therapy, in-home services, and foster care and avoid inappropriate residential behavioral health placements. The Department shall begin implementation of the plan by April 1, 2022, and report to the Chairs of the House Appropriations Committee on Health and Human Services and the Chairs of the Senate Appropriations Committee on Health and Human Services on the implementation of the plan by July 1, 2022.

**SECTION 4. (a)** The Department of Health and Human Services shall study the statutory requirements of the social services system, juvenile justice system, and the Medicaid and NC Health Choice program applicable to children in foster care. The Department shall study, at a minimum, all of the following:

1. Differences, consistencies, overlaps, and gaps in the State social services system, State juvenile justice system, and Medicaid and NC Health Choice programs, as applied to children in foster care.
2. Challenges and solutions in systematic communications between local management entities/managed care organizations (LME/MCOs) and stakeholders.
3. Federal and State funding streams associated with LME/MCOs, the State social services system, State juvenile justice system, and Medicaid and NC Health Choice programs, as applied to children in foster care.
4. Benefits and challenges of the current managed care arrangement with LME/MCOs for providing services to children and their families.
5. Options for replacement of the current system and any anticipated cost savings or anticipated requirements.

**SECTION 4. (b) Report.** – The Department shall report on the information required in subsection (a) of this section to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Oversight Committee on Medicaid and NC Health Choice by February 1, 2023.

**SECTION 5.** The Department of Health and Human Services shall develop and identify standardized, trauma-informed assessment tools and require that only trained clinicians deemed as appropriate by the Department assess the applicability of the use of the tool in the treatment. The Department shall evaluate the costs and benefits of the implementation of the assessment tools, including training and administration costs, and costs associated with measuring ongoing fidelity of the tools and the data collection and analysis needed to perform fidelity monitoring. The Department shall report the results of the study to the Chairs of the House Appropriations Committee on Health and Human Services and the Chairs of the Senate Appropriations Committee on Health and Human Services by June 1, 2022.

**PART II. GUARDIANSHIP ASSISTANCE PROGRAM**

**SECTION 6. (a) Guardianship Assistance Program.** – The Department of Health and Human Services, Division of Social Services, shall do all of the following as it applies to the Guardianship Assistance Program and the Kinship Care Program:

1. Define and implement oversight mechanisms for each program.
(2) Increase the utilization of both programs across the State.

(3) Explore the feasibility of reducing the age of children served by each program.

(4) Reduce the age of eligibility of the Guardianship Assistance Program to age 12.

(5) Provide recommendations for incentivizing use of each program, as appropriate, with corresponding cost estimates and anticipated outcomes.

SECTION 6.(b) Nothing in this section shall be construed or interpreted as guardianship replacing or supplanting permanency.

SECTION 6.(c) Report. – The Department shall report to the Chairs of the House Appropriations Committee on Health and Human Services and the Chairs of the Senate Appropriations Committee on Health and Human Services on these activities by February 1, 2022.

PART III. MEMORANDUM OF AGREEMENT FOR STAFFING

SECTION 7.(a) The Department of Health and Human Services, Division of Social Services, and the North Carolina Association of Regional Councils of Governments (Councils of Governments) shall explore entering into a memorandum of agreement to utilize Councils of Governments physical office space and office-related needs for Division of Social Services staff and facilitate cooperation between regions and evaluate the estimated costs by region for the office space and sample agreements between the Division and the Councils of Governments.

SECTION 7.(b) Report. – The Division shall file a report that contains the estimated costs by region for office space and sample agreements, as described in subsection (a) of this section, to the Chairs of the House Appropriations Committee on Health and Human Services and the Chairs of the Senate Appropriations Committee on Health and Human Services by June 1, 2022.

PART IV. FAMILY FIRST PREVENTION SERVICES ACT

SECTION 8. Family First Prevention Services Act Report. – The Department of Health and Human Services shall compile a list of programs that qualify for federal reimbursement through the Family First Prevention Services Act (Division E, Title VII of Public Law 115-123) and submit a report to the Joint Legislative Oversight Committee on Health and Human Services beginning on December 1, 2022, and each year thereafter, until December 1, 2025. The annual report shall include all of the following:

(1) Identification of federal funds obtained by the State for all qualifying programs and services.

(2) Strategies to improve and expand the qualifying programs, where needed, across the State.

PART V. CONFIDENTIALITY LAWS AS APPLIED TO INTERCOUNTY COLLABORATION AND DELIVERY OF SERVICES TO CHILDREN

SECTION 9.(a) The Department of Health and Human Services, Division of Social Services (Division), shall conduct a study of all confidentiality laws that apply to State social services and programs. The Division shall request recommendations for any revisions that are necessary to improve intercounty cross-sector collaboration and delivery of services. The Division shall study, at a minimum, all of the following:

(1) All laws imposing confidentiality that apply to social services, including G.S. 108A-80, 7B-302, 7B-2901, and Chapter 69 of the North Carolina Administrative Code.

(2) Revisions necessary to accommodate the anticipated changes to the judicial system's IT platform.
(3) Whether amendments to State law are necessary to facilitate improved information sharing between child welfare and child support and whether the State should advocate for changes to current federal laws.

(4) Whether confidentiality laws applicable to the juvenile justice system are sufficient to ensure that the information being shared between juvenile justice and social services is adequate to provide the best service and support to juveniles involved in both systems.

SECTION 9.(b) The Division shall consult with the Department of Public Instruction, the Department of Public Safety, Division of Juvenile Justice, the Administrative Office of the Courts, and the Department of Information Technology in the development of this study.

SECTION 9.(c) The Division shall report the results of the study to the Chairs of the House Appropriations Committee on Health and Human Services and the Chairs of the Senate Appropriations Committee on Health and Human Services by June 1, 2022.

PART VI. ELIMINATE PERMANENCY INNOVATION INITIATIVE OVERSIGHT COMMITTEE

SECTION 10. G.S. 131D-10.9A is repealed.

PART VII. ANNUAL NOTIFICATION FOR SCHOOL SOCIAL WORKERS REGARDING COMPULSORY ATTENDANCE REQUIREMENT FOR CHILDREN UNDER AGE SEVEN

SECTION 11.(a) G.S. 115C-378(a) reads as rewritten:

"(a) Every parent, guardian or custodian in this State having charge or control of a child between the ages of seven and 16 years shall cause the child to attend school continuously for a period equal to the time which the public school to which the child is assigned shall be in session. 

(a1) Every parent, guardian, or custodian in this State having charge or control of a child under age seven who is enrolled in a public school in grades kindergarten through two shall also cause the child to attend school continuously for a period equal to the time which the public school to which the child is assigned shall be in session unless the child has withdrawn from school. No later than August 15 of each year, the Department of Public Instruction shall notify all school social workers employed in a public school of the attendance requirement provided in this subsection."

SECTION 11.(b) This section is effective when it becomes law.

PART VIII. EFFECTIVE DATE

SECTION 12. This act is effective when it becomes law.