

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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HOUSE BILL 190  
Committee Substitute Favorable 3/14/23  
PROPOSED COMMITTEE SUBSTITUTE H190-PCS30201-SH-9

Short Title: Dept. of Health and Human Services Revisions.-AB

(Public)

Sponsors:

Referred to:

February 27, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT MAKING TECHNICAL, CONFORMING, AND OTHER MODIFICATIONS TO  
3 LAWS PERTAINING TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.  
4 The General Assembly of North Carolina enacts:

5  
6 **PART I. LAWS PERTAINING TO THE DIVISION OF AGING AND ADULT**  
7 **SERVICES**

8  
9 **AUTHORIZATION FOR SECRETARY OF HEALTH AND HUMAN SERVICES TO**  
10 **ADOPT AND ENFORCE RULES TO IMPLEMENT EMERGENCY SOLUTIONS**  
11 **GRANT PROGRAM**

12 SECTION 1.1. Article 3 of Chapter 143B of the General Statutes is amended by  
13 adding a new section to read:

14 "**§ 143B-139.1A. Secretary of Health and Human Services; rules to implement the**  
15 **Emergency Solutions Grant Program.**

16 The Secretary of Health and Human Services may adopt rules to implement the Emergency  
17 Solutions Grant Program. The Department of Health and Human Services shall enforce any rules  
18 adopted under this section."

19  
20 **ALIGNMENT OF STATE-COUNTY SPECIAL ASSISTANCE PROGRAM WITH**  
21 **FEDERAL REGULATIONS/REMOVAL OF PROPERTY TAX THRESHOLD WHEN**  
22 **DETERMINING ELIGIBILITY**

23 SECTION 1.2. G.S. 108A-41 reads as rewritten:

24 "**§ 108A-41. Eligibility.**

25 ...

26 (c) When determining whether a person has insufficient resources to provide a reasonable  
27 subsistence compatible with decency and health, there shall be excluded from consideration the  
28 person's primary place of residence and the land on which it is situated, and in addition there  
29 shall be excluded real property contiguous with the person's primary place of residence in which  
30 the property tax value is less than twelve thousand dollars (\$12,000).residence.

31 ...."

32  
33 **EQUALIZATION OF STATE-COUNTY SPECIAL ASSISTANCE PAYMENTS FOR**  
34 **RECIPIENTS RESIDING IN LICENSED FACILITIES APPROVED TO ACCEPT**



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1 STATE-COUNTY SPECIAL ASSISTANCE AND RECIPIENTS RESIDING IN  
2 IN-HOME LIVING ARRANGEMENTS

3 SECTION 1.3. G.S. 108A-47.1(a) reads as rewritten:

4 "(a) The Department of Health and Human Services ~~may~~ shall use funds from the existing  
5 State-County Special Assistance budget to provide Special Assistance payments to eligible  
6 individuals 18 years of age or older in in-home living arrangements. The standard monthly  
7 payment to individuals enrolled in the Special Assistance in-home program shall be one hundred  
8 percent (100%) of the monthly payment the individual would receive if the individual resided in  
9 an adult care home and qualified for Special Assistance, ~~except if a lesser payment amount is~~  
10 ~~appropriate for the individual as determined by the local case manager.~~ Assistance. The  
11 Department shall implement Special Assistance in-home eligibility policies and procedures to  
12 assure that in-home program participants are those individuals who need and, but for the in-home  
13 program, would seek placement in an adult care home facility. The Department's policies and  
14 procedures shall include the use of ~~a functional~~ an assessment."

15  
16 PART II. LAWS PERTAINING TO THE DIVISION OF CENTRAL MANAGEMENT  
17 AND SUPPORT

18  
19 CONTRACTING REFORM

20 SECTION 2.1. Section 2 of S.L. 2022-52 reads as rewritten:

21 "SECTION 2.(a) Contract Time and Continuity. – In efforts to support the continuity of  
22 services provided by nonprofit grantees receiving state and federal funds, a nonprofit grantee  
23 receiving State or federal funds or any combination of State and federal funds through a financial  
24 assistance contract, the Department of Health and Human Services (Department) shall enter into  
25 a contract agreement for a minimum of a two year contract agreement two years with such  
26 nonprofit grantees/ recipients grantee if all of the following requirements are met:

- 27 (1) The nonprofit ~~grantee/recipient~~ grantee is receiving nonrecurring ~~funding~~  
28 funds for each year of a fiscal biennium.  
29 (2) The nonprofit ~~grantee/recipient~~ grantee is receiving recurring ~~funding funds~~  
30 for each year of a fiscal biennium.  
31 (3) The nonprofit grantee is receiving any combination of recurring and  
32 nonrecurring funds for each year of a fiscal biennium.  
33 ~~(3)(4)~~ Multiyear contracts are not otherwise prohibited by the funding source.

34 "SECTION 2.(a1) Nonprofit grantees/ recipients Option for Contract Extension. – A  
35 nonprofit grantee receiving recurring federal grant funding shall have funds through a financial  
36 assistance contract has the option to extend the contract for up to one additional year at the end  
37 of the contract's initial term of the contract if all of the following requirements are met:

- 38 (1) The extension is mutually agreed upon by the Department and the nonprofit  
39 grantee, through a written amendment as provided for in the ~~General Terms~~  
40 ~~and Conditions.~~ terms and conditions of the contract.  
41 (2) Funding for the contract remains available.

42 "SECTION 2.(a2) Automatic Contract Extension. – The Department shall allow any  
43 nonprofit grantee/recipient grantee receiving recurring or nonrecurring state and/or State or  
44 federal funding funds, or any combination of State and federal funds, through a financial  
45 assistance contract for each year of a fiscal biennium to automatically activate a limited-time  
46 extensions contract extension for a period of up to three months for to preserve continuity of  
47 services when a formal contract extension or renewal process has not been completed within 10  
48 business days of after the subsequent contract start date if all of expiration of the original contract;  
49 provided, however, that all of the following requirements are met:

- 50 (1) The nonprofit ~~grantee/recipient~~ grantee is receiving recurring ~~funding funds,~~  
51 ~~or nonrecurring state and/or federal funding~~ State or federal funds, or any

1 combination of nonrecurring State and federal funds, for each year of a fiscal  
 2 biennium.

- 3 (2) The nonprofit ~~grantee/recipient~~ grantee has received an unqualified audit  
 4 report on its most recent financial audit when an audit is required by  
 5 G.S. 159-34 or 09 NCAC 03M.
- 6 (3) The nonprofit ~~grantee/recipient~~ grantee has a track record of timely  
 7 performance and financial reporting to the Department as required by the  
 8 contract.
- 9 (4) The nonprofit ~~grantee/recipient~~ grantee has not been identified by the  
 10 Department as having a record of noncompliance with requirements of any  
 11 funding source used to support the contract and has not received an undisputed  
 12 notice of such noncompliance from the Department. For purposes of this  
 13 requirement, noncompliance does not include issues stemming from late  
 14 execution of a contract or mutually agreed upon changes to scope of work or  
 15 deliverables, and undisputed notice of noncompliance does not include notice  
 16 of noncompliance where the nonprofit grantee has provided written evidence  
 17 of actual compliance to the Department within 30 days ~~of~~ after receipt of a  
 18 notice of noncompliance.
- 19 (5) The nonprofit ~~grantee/recipient~~ grantee has been in operation for at least five  
 20 years.

21 In the event of an automatic contract extension pursuant to this subsection, the terms of the  
 22 expired contract shall govern the relationship and obligations of the party until the end of the  
 23 three-month contract extension period or until the execution of a formal contract extension or  
 24 renewal, whichever occurs first.

25 ...

26 "**SECTION 2.(c)** Negotiated Overhead Rates. – The negotiation, determination, or  
 27 settlement of the reimbursable amount of overhead under cost-reimbursement type contracts is  
 28 accomplished on an individual contract basis and is based upon the federally approved indirect  
 29 cost rate. For ~~vendors who~~ grantees, including nonprofit grantees, that (i) are receiving financial  
 30 assistance and do not have a federally approved indirect cost rate, rate from a federal agency or  
 31 (ii) have a previously negotiated but expired rate, the Department may allow the grantee, in  
 32 accordance with 2 C.F.R. § 200.332(a)(4) or 2 C.F.R. § 200.414(f), the de minimis rate of ten  
 33 percent (10%) of modified total direct costs shall apply to use the de minimis rate or ten percent  
 34 (10%) of modified total direct costs. Alternatively, the grantee may negotiate or waive an indirect  
 35 cost rate with the Department. If State or federal law or regulations establish a limitation on the  
 36 amount of funds the grantee may use for administrative purposes, then that limitation controls,  
 37 in accordance with 2 C.F.R. § 200.414(c)(3)."

### 39 **PART III. LAWS PERTAINING TO THE DIVISION OF CHILD AND FAMILY** 40 **WELL-BEING**

#### 42 **CONFORMING CHANGES RELATED TO ESTABLISHMENT OF NEW DIVISION**

43 **SECTION 3.1.** G.S. 7B-1402 reads as rewritten:

44 "**§ 7B-1402. Task Force – creation; membership; vacancies.**

45 (a) There is created the North Carolina Child Fatality Task Force within the Department  
 46 of Health and Human Services for budgetary purposes only.

47 (b) The Task Force shall be composed of 36 members, 12 of whom shall be ex officio  
 48 members, four of whom shall be appointed by the Governor, 10 of whom shall be appointed by  
 49 the Speaker of the House of Representatives, and 10 of whom shall be appointed by the President  
 50 Pro Tempore of the Senate. The ex officio members other than the Chief Medical Examiner may  
 51 designate representatives from their particular departments, divisions, or offices to represent

1 them on the Task Force. In making appointments or designating representatives, appointing  
 2 authorities and ex officio members shall use best efforts to select members or representatives  
 3 with sufficient knowledge and experience to effectively contribute to the issues examined by the  
 4 Task Force and, to the extent possible, to reflect the geographical, political, gender, and racial  
 5 diversity of this State. The members shall be as follows:

- 6 (1) The Chief Medical Examiner.
- 7 (2) The Attorney General.
- 8 (3) The Director of the Division of Social ~~Services~~Services, Department of  
 9 Health and Human Services.
- 10 (4) The Director of the State Bureau of Investigation.
- 11 (5) The Director of the ~~Maternal and Child Health Section of the~~ Division of  
 12 Public Health, Department of Health and Human Services.
- 13 (6) The chair of the Council for Women and Youth Involvement.
- 14 (7) The Superintendent of Public Instruction.
- 15 (8) The Chairman of the State Board of Education.
- 16 (9) The Director of the ~~Division of Mental Health, Developmental Disabilities,~~  
 17 ~~and Substance Abuse Services~~Division of Child and Family Well-Being,  
 18 Department of Health and Human Services.

19 ...."

20 **SECTION 3.2.** G.S. 7B-1404(b) reads as rewritten:

21 "(b) The State Team shall be composed of the following 11 members of whom nine  
 22 members are ex officio and two are appointed:

- 23 (1) The Chief Medical Examiner, who shall chair the State ~~Team~~Team.
- 24 (2) The Attorney ~~General~~General.
- 25 (3) The Director of the Division of Social Services, Department of Health and  
 26 Human ~~Services~~Services.
- 27 (4) The Director of the State Bureau of ~~Investigation~~Investigation.
- 28 (5) The Director of the Division of ~~Maternal and Child Health of the~~ Public  
 29 Health, Department of Health and Human ServicesServices.
- 30 (6) The Superintendent of Public ~~Instruction~~Instruction.
- 31 (7) The Director of the Division of ~~Mental Health, Developmental Disabilities,~~  
 32 ~~and Substance Abuse Services, of~~ Child and Family Well-Being, Department  
 33 of Health and Human ServicesServices.
- 34 (8) The Director of the Administrative Office of the ~~Courts~~Courts.
- 35 (9) The pediatrician appointed pursuant to G.S. 7B-1402(b) to the Task  
 36 ~~Force~~Force.
- 37 (10) A public member, appointed by the ~~Governor~~and Governor.
- 38 (11) The Team Coordinator.

39 The ex officio members other than the Chief Medical Examiner may designate a  
 40 representative from their departments, divisions, or offices to represent them on the State Team."

41 **SECTION 3.3.** G.S. 122C-113(b1) reads as rewritten:

42 "(b1) The Secretary shall cooperate with the State Board of Education and the Division of  
 43 Juvenile Justice of the Department of Public Safety in coordinating the responsibilities of the  
 44 Department of Health and Human Services, the State Board of Education, the Division of  
 45 Juvenile Justice of the Department of Public Safety, and the Department of Public Instruction for  
 46 adolescent substance abuse programs. The Department of Health and Human Services, through  
 47 its Division of Mental Health, Developmental Disabilities, and Substance Abuse ~~Services,~~  
 48 Services and its Division of Child and Family Well-Being, in cooperation with the Division of  
 49 Juvenile Justice of the Department of Public Safety, shall be responsible for intervention and  
 50 treatment in non-school based programs. The State Board of Education and the Department of  
 51 Public Instruction, in consultation with the Division of Juvenile Justice of the Department of

1 Public Safety, shall have primary responsibility for in-school education, identification, and  
2 intervention services, including student assistance programs."

3 **SECTION 3.4.** G.S. 122C-142.2(g) reads as rewritten:

4 "(g) The Rapid Response Team shall be comprised of representatives of the Department  
5 of Health and Human Services from the Division of Social Services; the Division of Mental  
6 Health, Developmental Disabilities, and Substance Abuse Services; the Division of Child and  
7 Family Well-Being; and the Division of Health Benefits. Upon receipt of a notification from a  
8 director, the Rapid Response Team shall evaluate the information provided and coordinate a  
9 response to address the immediate needs of the juvenile, which may include any of the following:

- 10 (1) Identifying an appropriate level of care for the juvenile.
- 11 (2) Identifying appropriate providers or other placement for the juvenile.
- 12 (3) Making a referral to qualified services providers.
- 13 (4) Developing an action plan to ensure the needs of the juvenile are met.
- 14 (5) Developing a plan to ensure that relevant parties carry out any responsibilities  
15 to the juvenile."

## 17 PART IV. LAWS PERTAINING TO THE DIVISION OF HEALTH SERVICE 18 REGULATION

### 20 MEDICAL CARE COMMISSION CLARIFICATION OF POWERS AND DUTIES

21 **SECTION 4.1.** G.S. 143B-165 reads as rewritten:

22 "**§ 143B-165. North Carolina Medical Care Commission – creation, powers and duties.**

23 There is hereby created the North Carolina Medical Care Commission of the Department of  
24 Health and Human Services with the power and duty to ~~promulgate~~ adopt rules and regulations  
25 to be followed in the construction and maintenance of public and private hospitals, medical  
26 centers, and ~~related facilities with the power and duty regulated under Chapters 131D and 131E~~  
27 of the General Statutes; to adopt, amend and rescind rules ~~and regulations~~ under and not  
28 inconsistent with the laws of the State as necessary to carry out the provisions and purposes of  
29 this Article; and to protect the health, safety, and welfare of the individuals served by  
30 these facilities.

- 31 (1) The North Carolina Medical Care Commission ~~has the duty to~~ shall adopt  
32 statewide plans for the construction and maintenance of hospitals, medical  
33 centers, and ~~related facilities,~~ facilities regulated under Chapters 131D and  
34 131E of the General Statutes, or such other plans as may be found desirable  
35 and necessary ~~in order~~ to meet the requirements and receive the benefits of  
36 any applicable federal legislation with regard thereto.  
37 (2) The Commission ~~is authorized to~~ may adopt such rules ~~and regulations~~ as may  
38 be necessary to carry out the intent and purposes of Article ~~13-4~~ of Chapter  
39 ~~131-131E~~ of the General Statutes of North Carolina. Statutes.  
40 (3) ~~The Commission may adopt such reasonable and necessary standards with~~  
41 ~~reference thereto as may be proper to cooperate fully with the Surgeon~~  
42 ~~General or other agencies or departments of the United States and the use of~~  
43 ~~funds provided by the federal government as contained and referenced in~~  
44 ~~Article 13 of Chapter 131 of the General Statutes of North Carolina.~~  
45 (4) The Commission ~~shall have~~ has the power and duty to approve projects in the  
46 amounts of grants-in-aid from funds supplied by the federal and State  
47 governments for the planning and construction of hospitals and other related  
48 medical facilities ~~according to the provisions of Article 13 in accordance with~~  
49 Articles 4 and 5 of Chapter 131-131E of the General Statutes of North  
50 Carolina. Statutes.  
51 (5) Repealed by Session Laws 1981 (Regular Session, 1982), c. 1388, s. 3.

- 1           (6)    The Commission ~~has the duty to~~ shall adopt rules and regulations and  
2           standards with respect to establishing standards for the licensure, inspection,  
3           and operation of, and the provision of care and services by, the different types  
4           of hospitals to be licensed under ~~the provisions of Article 13A~~ Articles 2 and  
5           5 of Chapter 131-131E of the General Statutes of North Carolina. Statutes.
- 6           (7)    The Commission ~~is authorized and empowered to~~ may adopt such rules and  
7           ~~regulations, rules,~~ not inconsistent with the laws of this State, as may be  
8           required by the federal government ~~for to~~ secure federal grants-in-aid for  
9           medical facility services and licensure ~~which may be made available to the~~  
10          State ~~by the federal government.~~ licensure. This section ~~is to~~ shall be liberally  
11          construed in order that the State and its citizens may benefit from such  
12          grants-in-aid.
- 13          (8)    The Commission shall adopt such ~~rules and regulations,~~ rules, consistent with  
14          the provisions of this Chapter. All rules ~~and regulations not inconsistent with~~  
15          ~~the provisions of this Chapter heretofore~~ adopted by the North Carolina  
16          ~~Medical Care Commission~~ since the enactment of Chapter 131E of the  
17          General Statutes that are not inconsistent with the provisions of this Chapter  
18          shall remain in full force and effect ~~unless and~~ until repealed or superseded by  
19          action of the ~~North Carolina Medical Care Commission.~~ All rules ~~and~~  
20          ~~regulations~~ adopted by the Commission shall be enforced by the Department  
21          of Health and Human Services.
- 22          (9)    The Commission ~~shall have the power and duty to~~ may adopt rules and  
23          ~~regulations with regard to~~ concerning emergency medical services in  
24          accordance with the provisions of Article ~~26-7~~ 7 of Chapter ~~130-131E~~ 131E and  
25          Article 56 of Chapter 143 of the General ~~Statutes of North Carolina.~~ Statutes.
- 26          (10)   The Commission ~~shall have the power and duty to~~ shall adopt rules for the  
27          operation of nursing homes, as defined by Article 6 of Chapter 131E of the  
28          General Statutes.
- 29          (11)   The Commission ~~is authorized to~~ may adopt such rules as ~~may be necessary~~  
30          to ~~carry out the provisions of Part C of Article 6, and Article 10,~~ establish  
31          standards for the licensure, inspection, and operation of, and the provision of  
32          care and services by, facilities licensed under Articles 6 and 10 of Chapter  
33          131E of the General Statutes of North Carolina. Statutes.
- 34          (12)   The Commission shall adopt rules, ~~including temporary rules pursuant to G.S.~~  
35          ~~150B-13,~~ rules providing for the accreditation of facilities that perform  
36          mammography procedures and for laboratories evaluating screening pap  
37          smears. Mammography accreditation standards shall address, but are not  
38          limited to, the quality of mammography equipment used and the skill levels  
39          and other qualifications of personnel who administer mammographies and  
40          personnel who interpret mammogram results. The Commission's standards  
41          shall be no less stringent than those established by the United States  
42          Department of Health and Human Services for Medicare/Medicaid coverage  
43          of screening mammography. These rules shall also specify procedures for  
44          waiver of these accreditation standards on an individual basis for any facility  
45          providing screening mammography to a significant number of patients, but  
46          only if there is no accredited facility located nearby. The Commission may  
47          grant a waiver subject to any conditions it deems necessary to protect the  
48          health and safety of patients, including requiring the facility to submit a plan  
49          to meet accreditation standards.
- 50          (13)   The Commission ~~shall have the power and duty to~~ shall adopt rules  
51          establishing standards for the ~~inspection and licensure of~~ licensure, inspection,

1 and operation of, and the provision of care and services by, adult care homes  
 2 and operation of adult care homes, as defined by Article 1 of Chapter 131D of  
 3 the General Statutes, and for personnel requirements of staff employed in  
 4 adult care homes, except ~~where~~ when rule-making authority is assigned by  
 5 law to the Secretary.

6 (14) The Commission shall adopt rules establishing standards for the following  
 7 with respect to facilities used as multiunit assisted housing with services, as  
 8 defined by Article 1 of Chapter 131D of the General Statutes:

- 9 a. Registration and deregistration.
- 10 b. Disclosure statements.
- 11 c. Agreements for services.
- 12 d. Personnel requirements.
- 13 e. Resident admissions and discharges."

14  
 15 **PART V. LAWS PERTAINING TO THE DIVISION OF MENTAL HEALTH,**  
 16 **DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES**

17  
 18 **TECHNICAL CHANGES/POPULATIONS COVERED BY LME/MCOS**

19 **SECTION 5.1.(a)** G.S. 122C-115 reads as rewritten:

20 "**§ 122C-115. Duties of counties; appropriation and allocation of funds by counties and**  
 21 **cities.**

22 ...

23 (e) ~~Beginning on the date that capitated contracts under Article 4 of Chapter 108D of the~~  
 24 ~~General Statutes begin, July 1, 2021, LME/MCOs shall cease managing Medicaid services for~~  
 25 ~~all Medicaid recipients other than recipients described in G.S. 108D 40(a)(1), (4), (5), (6), (7),~~  
 26 ~~(10), (11), (12), and (13) who are enrolled in a standard benefit plan.~~

27 (e1) Until BH IDD tailored plans become operational, all of the following shall occur:

- 28 (1) LME/MCOs shall continue to manage the Medicaid services that are covered  
 29 by the LME/MCOs under the combined 1915(b) and (c) waivers for Medicaid  
 30 recipients ~~described in G.S. 108D 40(a)(1), (4), (5), (6), (7), (10), (11), (12),~~  
 31 ~~and (13) who are covered by the those waivers and who are not enrolled in a~~  
 32 ~~standard benefit plan.~~
- 33 (2) The Division of Health Benefits shall negotiate actuarially sound capitation  
 34 rates directly with the LME/MCOs based on the change in composition of the  
 35 population being served by the LME/MCOs.
- 36 (3) Capitation payments under contracts between the Division of Health Benefits  
 37 and the LME/MCOs shall be made directly to the LME/MCO by the Division  
 38 of Health Benefits.

39 (f) ~~Entities LME/MCOs operating the BH IDD tailored plans under G.S. 108D-60 may~~  
 40 ~~continue to manage the behavioral health, intellectual and developmental disability, and~~  
 41 ~~traumatic brain injury services for any Medicaid recipients described in G.S. 108D 40(a)(4), (5),~~  
 42 ~~(7), (10), (11), (12), and (13) under any contract with the Department in accordance with~~  
 43 ~~G.S. 108D-60(b) who are not enrolled in a BH IDD tailored plan."~~

44 **SECTION 5.1.(b)** G.S. 108D-60(b) reads as rewritten:

45 "(b) The Department may contract with entities operating BH IDD tailored plans under a  
 46 capitated or other arrangement for the management of behavioral health, intellectual and  
 47 developmental disability, and traumatic brain injury services for any recipients ~~excluded from~~  
 48 ~~PHP coverage under G.S. 108D 40(a)(4), (5), (7), (10), (11), (12), and (13) who are not enrolled~~  
 49 ~~in a BH IDD tailored plan."~~

50 **SECTION 5.1.(c)** G.S. 122C-3 reads as rewritten:

51 "**§ 122C-3. Definitions.**

The following definitions apply in this Chapter:

- ...
  - (2b) ~~"Behavioral~~ Behavioral health and intellectual/developmental disabilities tailored ~~plan~~ plan or ~~"BH-BH IDD tailored plan"~~ has the same meaning as plan. – As defined in G.S. 108D-1.
  - ...
    - (29b) ~~"Prepaid~~ Prepaid health ~~plan"~~ has the same meaning as plan. – As defined in G.S. 108D-1.
    - ...
      - (35b) Specialty services. – Services that are provided to consumers from low-incidence populations.
      - ~~(35e) State or Local Consumer Advocate. — The individual carrying out the duties of the State or Local Consumer Advocacy Program Office in accordance with Article 1A of this Chapter.~~
      - (35d) Standard benefit plan. – As defined in G.S. 108D-1.
      - (35e) State Plan. – The State Plan for Mental Health, Developmental Disabilities, and Substance Abuse Services.
      - ~~(35e)~~(35f) State resources. – State and federal funds and other receipts administered by the Division.
- ...."

**CHANGES TO EFFECTUATE RENAMING OF DIVISION**

**SECTION 5.2.(a)** G.S. 143B-138.1(a)(4) reads as rewritten:

"(4) Division of Mental Health, Developmental Disabilities, and Substance Abuse ~~Use~~ Services."

**SECTION 5.2.(b)** Throughout the General Statutes, the Revisor of Statutes shall replace the phrase "Division of Mental Health, Developmental Disabilities, and Substance Abuse Services" with the phrase "Division of Mental Health, Developmental Disabilities, and Substance Use Services."

**SECTION 5.2.(c)** Throughout the General Statutes, the Revisor of Statutes shall replace the phrase "MH/DD/SAS" with the phrase "MH/DD/SUS."

**PART VI. LAWS PERTAINING TO THE DIVISION OF PUBLIC HEALTH**

**EXPANSION OF PERMISSIBLE USES FOR NEWBORN SCREENING EQUIPMENT REPLACEMENT AND ACQUISITION FUND**

**SECTION 6.1.** G.S. 130A-125(d) reads as rewritten:

"(d) The Newborn Screening Equipment Replacement and Acquisition Fund (Fund) is established as a nonreverting fund within the Department. Thirty-one dollars (\$31.00) of each fee collected pursuant to subsection (c) of this section shall be credited to this Fund and applied to the Newborn Screening Program to be used as directed in this subsection. The Department shall not use monies in this Fund for any purpose other than to ~~purchase or replace~~ purchase, replace, maintain, or support laboratory instruments, equipment, and information technology systems used in the Newborn Screening Program. The Department shall notify and consult with the Joint Legislative Commission on Governmental Operations whenever the balance in the Fund exceeds the following threshold: the sum of (i) the actual cost of new equipment necessary to incorporate conditions listed on the RUSP into the Newborn Screening Program and (ii) one hundred percent (100%) of the replacement value of existing equipment used in the Newborn Screening Program. Any monies in the Fund in excess of this threshold shall be available for expenditure only upon an act of appropriation by the General Assembly."



1 **EXPANSION OF QUALIFIED PROFESSIONALS ELIGIBLE TO SERVE AS COUNTY**  
2 **MEDICAL EXAMINERS**

3 **SECTION 6.2.** G.S. 130A-382 reads as rewritten:

4 "**§ 130A-382. County medical examiners; appointment; term of office; vacancies; training**  
5 **requirements; revocation for cause.**

6 (a) The Chief Medical Examiner shall appoint two or more county medical examiners for  
7 each county for a three-year term. In appointing medical examiners for each county, the Chief  
8 Medical Examiner shall give preference to physicians licensed to practice medicine in this State  
9 but may also appoint ~~licensed~~ the following professionals:

10 (1) Dentists, physician assistants, nurse practitioners, nurses, or ~~emergency~~  
11 physical therapists as long as the appointee is licensed to practice in this State.

12 (2) Emergency medical ~~technician~~ technicians or paramedics credentialed under  
13 G.S. 131E-159.

14 (3) Pathologists' assistants certified by the American Society for Clinical  
15 Pathology.

16 (4) Pathologists' assistants or medicolegal death investigators certified by a  
17 nationally recognized certifying body determined by the Chief Medical  
18 Examiner to have an appropriate certification process for pathologists'  
19 assistants or medicolegal death investigators to demonstrate readiness to serve  
20 as a county medical examiner.

21 A medical examiner may serve more than one county. The Chief Medical Examiner may take  
22 jurisdiction in any case or appoint another medical examiner to do so.

23 (a1) During a state of emergency declared by the Governor or by a resolution of the  
24 General Assembly pursuant to G.S. 166A-19.20, or by the governing body of a municipality or  
25 county pursuant to G.S. 166A-19.22, the Chief Medical Examiner may appoint temporary county  
26 medical examiners to serve until the expiration of the declared state of emergency. In appointing  
27 temporary county medical examiners pursuant to this subsection, the Chief Medical Examiner  
28 may appoint any individual determined by the Chief Medical Examiner to have the appropriate  
29 training, education, and experience to serve as a county medical examiner during a declared state  
30 of emergency.

31 ...."

32  
33 **PART VII. LAWS PERTAINING TO THE DIVISION OF SOCIAL SERVICES**

34  
35 **ALIGNMENT OF TIME LINE FOR COUNTY TANF PLAN SUBMISSIONS**

36 **SECTION 7.1.(a)** G.S. 108A-24(1e) reads as rewritten:

37 "(1e) "County Plan" is the ~~biennial~~ triennial Work First Program plan prepared by  
38 each Electing County pursuant to this Article and submitted to the Department  
39 for incorporation into the State Plan that also includes the Standard Work First  
40 Program."

41 **SECTION 7.1.(b)** G.S. 108A-27.3(a)(12) reads as rewritten:

42 "(12) Develop, adopt, and submit to the Department a ~~biennial~~ triennial County  
43 Plan;"

44 **SECTION 7.1.(c)** G.S. 108A-27.4(a) reads as rewritten:

45 "(a) Each Electing County shall submit to the Department, according to the schedule  
46 established by the Department and in compliance with all federal and State laws, rules, and  
47 regulations, a ~~biennial~~ triennial County Plan."

48  
49 **AMENDMENT OF CHILD ABUSE AND NEGLECT SCHOOL POSTERS**

50 **SECTION 7.2.(a)** G.S. 115C-12(47) reads as rewritten:

"(47) Duty Regarding Child Abuse and Neglect. – The State Board of Education, in consultation with the Superintendent of Public Instruction, shall adopt a rule requiring information on child abuse and neglect, including age-appropriate information on sexual abuse, to be provided by public school units to students in grades six through 12. This rule shall also apply to high schools under the control of The University of North Carolina. Information shall be provided in the form of (i) a document provided to all students at the beginning of each school year and (ii) a display posted in visible, high-traffic areas throughout each public secondary school. The document and display shall include, at a minimum, the following information:

- a. Likely warning signs indicating that a child may be a victim of abuse or neglect, including age-appropriate information on sexual abuse.
- b. The telephone number used for reporting abuse and neglect to the department of social services in the county in which the school is located, in accordance with G.S. 7B-301.
- c. A statement that information reported pursuant to sub-subdivision b. of this subdivision shall be held in the strictest confidence, to the extent permitted by law, pursuant to G.S. 7B-302(a1).
- d. ~~Available resources developed pursuant to G.S. 115C-105.51, including the anonymous safety tip line application."~~

**SECTION 7.2.(b)** This section is effective when it becomes law and applies beginning with the 2023-2024 school year.

**AUTHORIZATION FOR APPLICATION OF FEDERALLY MANDATED TOOLS TO ENFORCE CHILD SUPPORT PAYMENTS**

**SECTION 7.3.(a)** G.S. 110-129 reads as rewritten:

**"§ 110-129. Definitions.**

As used in this Article:

- ...
- (6a) "Financial Management Services" (FMS) means the unit of the U.S. Department of the Treasury, which, under federal law, offsets certain federal payments to satisfy support arrears.
- ...
- (9a) "Internal Revenue Service" (IRS) means the unit of the U.S. Department of the Treasury, which, under federal law, offsets income tax refunds against certain support arrears.
- ...
- (12a) "Offset" means withholding by the IRS or FMS of all or part of an income tax refund or certain federal payments due an obligor and remitting payments to the federal Office of Child Support Enforcement for transmittal to the State.
- ...."

**SECTION 7.3.(b)** G.S. 110-129.1(a) reads as rewritten:

"(a) In addition to other powers and duties conferred upon the Department of Health and Human Services, Child Support Enforcement Program, by this Chapter or other State law, the Department shall have the following powers and duties:

- ...
- (10) Certify obligors to the federal Office of Child Support Enforcement for the Passport Denial Program under G.S. 110-143.
- (11) Certify to the federal Office of Child Support Enforcement determinations that an obligor in a IV-D case owes support arrears in an amount equal to or greater than the federally mandated thresholds for offset of federal income tax refunds

1 under 42 U.S.C. § 664(b)(2) if the arrears are assigned to the State and 45  
2 C.F.R. § 303.72(a)(2) if the arrears are not assigned to the State.

3 (12) Certify obligors to the federal Office of Child Support Enforcement for the  
4 Administrative Offset Program under G.S. 110-144."

5 **SECTION 7.3.(c)** Article 9 of Chapter 110 of the General Statutes is amended by  
6 adding the following new sections to read:

7 **"§ 110-143. Passport Denial Program.**

8 (a) Participation. – The Department of Health and Human Services shall participate in  
9 the federal Passport Denial Program for the denial, revocation, or limitation of an obligor's  
10 passports under 42 U.S.C. § 654(31) and 42 U.S.C. § 652(k).

11 (b) Certification. – The Department shall annually certify to the federal Office of Child  
12 Support Enforcement (OCSE) an obligor in a IV-D case whose support arrears exceed the  
13 federally mandated threshold in 42 U.S.C. § 654(31). The OCSE shall transmit the certification  
14 to the U.S. Department of State pursuant to the federal Passport Denial Program.

15 (c) Notice. – The Department shall send written notice of the certification to the obligor  
16 at the obligor's last known address. The notice shall advise the obligor of all of the following:

17 (1) The amount of the arrears as of the date of the notice.

18 (2) The possibility that the obligor's passport may be denied, revoked, or  
19 restricted by the U.S. Department of State.

20 (3) The procedure to contest the certification.

21 (d) Appeal. – Within 60 days of the date the notice is placed in the mail to the obligor,  
22 the obligor may file a contested case petition with the North Carolina Office of Administrative  
23 Hearings to contest the certification. The contested case shall be conducted in accordance with  
24 Article 3 of Chapter 150B of the General Statutes. The obligor may contest the certification only  
25 if one of the following applies:

26 (1) An arrearage does not exist.

27 (2) An arrearage does exist, but never exceeded the federally mandated threshold.

28 (3) There is a claim of mistaken identity.

29 (e) Withdrawal of Certification. – The Department shall notify the OCSE if the obligor's  
30 support arrears are paid in full.

31 **"§ 110-144. Administrative Offset Program.**

32 (a) Participation. – The Department of Health and Human Services shall participate in  
33 the federal Administrative Offset Program for the offset of certain federal payments under 31  
34 C.F.R. § 285.1.

35 (b) Certification. – The Department shall annually certify to the federal Office of Child  
36 Support Enforcement (OCSE) an obligor in a IV-D case whose support arrears are (i) equal to or  
37 greater than one hundred fifty dollars (\$150.00) if the arrears are assigned to the State and (ii)  
38 equal to or greater than five hundred dollars (\$500.00) if the arrears are not assigned to the State.

39 (c) Notice. – At least 30 days before certification, the Department shall send written  
40 notice of the certification to the obligor at the obligor's last known address. The notice shall  
41 advise the obligor of all of the following:

42 (1) The amount of the arrears as of the date of the notice.

43 (2) The possibility that the obligor may have certain federal payments offset by  
44 FMS.

45 (3) The procedures to contest the certification.

46 Without further notice to the obligor, the Department shall provide OCSE with updates to  
47 adjust the amount of arrears to reflect any payments or additional arrears that accrue after the  
48 date of certification.

49 (d) Appeal. – Within 60 days of the date the notice is placed in the mail to the obligor,  
50 the obligor may file a contested case petition with the North Carolina Office of Administrative  
51 Hearings to contest the certification. The contested case shall be conducted in accordance with

1 Article 3 of Chapter 150B of the General Statutes. The obligor may contest the certification only  
 2 if either of the following applies:

- 3 (1) The amount of arrears stated in the notice is incorrect.
- 4 (2) There is a claim of mistaken identity."

5  
 6 **AUTHORIZATION FOR DSS TO GRANT EXCEPTIONS FOR EQUIVALENT CHILD**  
 7 **WELFARE TRAINING COMPLETED IN ANOTHER STATE**

8 **SECTION 7.4.** G.S. 131D-10.6A reads as rewritten:

9 **"§ 131D-10.6A. Training by the Division of Social Services required.**

10 ...

11 (b) The Division of Social Services shall establish minimum training requirements for  
 12 child welfare services staff. The minimum training requirements established by the Division are  
 13 as follows:

- 14 (1) Child welfare services workers shall complete a minimum of 72 hours of  
 15 preservice training before assuming direct client contact responsibilities. In  
 16 completing this requirement, the Division of Social Services shall ensure that  
 17 each child welfare worker receives training on family centered practices and  
 18 State and federal law regarding the basic rights of individuals relevant to the  
 19 provision of child welfare services, including the right to privacy, freedom  
 20 from duress and coercion to induce cooperation, and the right to parent.
- 21 (2) Child protective services workers shall complete a minimum of 18 hours of  
 22 additional training that the Division of Social Services determines is necessary  
 23 to adequately meet training needs.
- 24 (3) Foster care and adoption workers shall complete a minimum of 39 hours of  
 25 additional training that the Division of Social Services determines is necessary  
 26 to adequately meet training needs.
- 27 (4) Child welfare services supervisors shall complete a minimum of 72 hours of  
 28 preservice training before assuming supervisory responsibilities and a  
 29 minimum of 54 hours of additional training that the Division of Social  
 30 Services determines is necessary to adequately meet training needs.
- 31 (5) Child welfare services staff shall complete 24 hours of continuing education  
 32 annually. In completing this requirement, the Division of Social Services shall  
 33 provide each child welfare services staff member with annual update  
 34 information on family centered practices and State and federal law regarding  
 35 the basic rights of individuals relevant to the provision of child welfare  
 36 services, including the right to privacy, freedom from duress and coercion to  
 37 induce cooperation, and the right to parent.

38 (c) The Division of Social Services may grant an exception in whole or in part to the  
 39 requirement under subdivision ~~(1) of this subsection~~ (b)(1) of this section to child welfare  
 40 workers who ~~satisfactorily meet either of the following:~~

- 41 (1) Satisfactorily complete or are enrolled in a masters or bachelors program after  
 42 July 1, 1999, from a North Carolina social work program accredited pursuant  
 43 to the Council on Social Work Education. The program's curricula must cover  
 44 the specific preservice training requirements as established by the Division of  
 45 Social Services.
- 46 (2) Have child welfare work experience in another state and have completed child  
 47 welfare training equivalent to training in this State.

48 (d) The Division of Social Services shall ensure that training opportunities are available  
 49 for county departments of social services and consolidated human service agencies to meet the  
 50 training requirements of ~~this subsection~~ subsection (b) of this section."

1 **CLARIFICATION OF WHO SETS MAXIMUM DAILY RATE FOR ADULT DAY**  
 2 **CARE SERVICES**

3 **SECTION 7.5.** G.S. 143B-153(2a)b.3. reads as rewritten:

4 "3. Maximum rates of payment for the provision of social services,  
 5 except there shall be no maximum statewide reimbursement  
 6 rate for adult day care services, adult day health services, and  
 7 the associated transportation services, as these reimbursement  
 8 rates shall be determined ~~at the local level~~ by the county  
 9 department of social services or a designee of the board of  
 10 county commissioners to allow flexibility in responding to  
 11 local variables."  
 12

13 **PART VIII. LAWS PERTAINING TO THE DIVISION OF VOCATIONAL**  
 14 **REHABILITATION SERVICES**

15 **CHANGES TO EFFECTUATE RENAMING OF DIVISION**

16 **SECTION 8.1.** G.S. 108A-26 reads as rewritten:

17 **"§ 108A-26. Certain financial assistance and in-kind goods not considered in determining**  
 18 **assistance paid under Chapters 108A and 111.**

19 Financial assistance and in-kind goods or services received from a governmental agency, or  
 20 from a civic or charitable organization, shall not be considered in determining the amount of  
 21 assistance to be paid any person under Chapters 108A and 111 of the General Statutes provided  
 22 that such financial assistance and in-kind goods and services are incorporated in the rehabilitation  
 23 plan of such person being assisted by the Division of ~~Vocational Rehabilitation Services~~  
 24 Employment and Independence for People with Disabilities or the Division of Services for the  
 25 Blind of the Department of Health and Human Services, except where such goods and services  
 26 are required to be considered by federal law or regulations."  
 27

28 **SECTION 8.2.** G.S. 111-11.1 reads as rewritten:

29 **"§ 111-11.1. Jurisdiction of certain Divisions within the Department of Health and Human**  
 30 **Services.**

31 For the purpose of providing rehabilitative services to people who are visually impaired, the  
 32 Division of Services for the Blind and the Division of ~~Vocational Rehabilitation Services~~  
 33 Employment and Independence for People with Disabilities shall develop and enter into an  
 34 agreement specifying which agency can most appropriately meet the specific needs of this client  
 35 population. If the Divisions cannot reach an agreement, the Secretary of Health and Human  
 36 Services shall determine which Division can most appropriately meet the specific needs of this  
 37 client population."  
 38

39 **SECTION 8.3.** G.S. 122C-22(a)(7) reads as rewritten:

40 "(7) Persons subject to rules and regulations of the Division of ~~Vocational~~  
 41 ~~Rehabilitation Services~~ Employment and Independence for People with  
 42 Disabilities."

43 **SECTION 8.4.** G.S. 131D-2.3 reads as rewritten:

44 **"§ 131D-2.3. Exemptions from licensure.**

45 The following are excluded from this Article and are not required to be registered or obtain  
 46 licensure under this Article:

- 47 (1) Facilities licensed under Chapter 122C or Chapter 131E of the General  
 48 ~~Statutes; Statutes.~~
- 49 (2) Persons subject to rules of the Division of ~~Vocational Rehabilitation~~  
 50 ~~Services; Employment and Independence for People with Disabilities.~~
- 51 (3) Facilities that care for no more than four persons, all of whom are under the  
 supervision of the United States Veterans ~~Administration; Administration.~~

- 1 (4) Facilities that make no charges for housing, amenities, or personal care  
 2 service, either directly or ~~indirectly~~; and ~~indirectly~~.  
 3 (5) Institutions that are maintained or operated by a unit of government and that  
 4 were established, maintained, or operated by a unit of government and exempt  
 5 from licensure by the Department on September 30, 1995."

6 **SECTION 8.5.** G.S. 143-545.1(a) reads as rewritten:

7 "(a) Policy. – Recognizing that disability is a natural part of human experience, the State  
 8 establishes as its policy that individuals with physical and mental disabilities should be able to  
 9 participate to the maximum extent of their abilities in the economic, educational, cultural, social,  
 10 and political activities available to all citizens of the State. To implement this policy, the  
 11 Department of Health and Human Services shall establish and operate comprehensive and  
 12 accountable programs of vocational rehabilitation and independent living for persons with  
 13 disabilities. These programs are to be administered by the Division of ~~Vocational Rehabilitation~~  
 14 ~~Services~~ Employment and Independence for People with Disabilities in collaboration with the  
 15 Division of Services for the Blind, which conducts vocational rehabilitation and independent  
 16 living programs for individuals who are blind or visually impaired, pursuant to Chapter 111 of  
 17 the General Statutes and the rules of the Commission for the Blind adopted pursuant to  
 18 G.S. 143B-157. The programs so provided shall be administered according to the following  
 19 principles:

20 ...."

21 **SECTION 8.6.** G.S. 143-547 reads as rewritten:

22 "**§ 143-547. Subrogation rights; withholding of information a misdemeanor.**

23 ...

24 (b) In furnishing a person rehabilitation services, including medical case services under  
 25 this Chapter, the Division of ~~Vocational Rehabilitation Services~~ Employment and Independence  
 26 for People with Disabilities is subrogated to the person's right of recovery from:

- 27 (1) Personal insurance;  
 28 (2) Worker's Compensation;  
 29 (3) Any other person or personal injury caused by the other person's negligence  
 30 or wrongdoing; or  
 31 (4) Any other source.

32 (c) The Division of ~~Vocational Rehabilitation Services~~ Employment and Independence  
 33 for People with Disabilities right to subrogation is limited to the cost of the rehabilitation services  
 34 provided by or through the Division for which a financial needs test is a condition of the service  
 35 provisions. Those services that are provided without a financial needs test are excluded from  
 36 these subrogation rights.

37 (d) The Division of ~~Vocational Rehabilitation Services~~ Employment and Independence  
 38 for People with Disabilities may totally or partially waive subrogation rights when the Division  
 39 finds that enforcement would tend to defeat the client's process of rehabilitation or when client  
 40 assets can be used to offset additional Division costs.

41 (e) The Division of ~~Vocational Rehabilitation Services~~ Employment and Independence  
 42 for People with Disabilities may adopt rules for the enforcement of its rights of subrogation.

43 (f) It is a Class 1 misdemeanor for a person seeking or having obtained assistance under  
 44 this Part for himself or another to willfully fail to disclose to the Division of ~~Vocational~~  
 45 ~~Rehabilitation Services~~ Employment and Independence for People with Disabilities or its  
 46 attorney the identity of any person or organization against whom the recipient of assistance has  
 47 a right of recovery, contractual or otherwise."

48 **SECTION 8.7.** G.S. 143-548 reads as rewritten:

49 "**§ 143-548. Vocational State Rehabilitation Council.**

50 (a) There is established the Vocational State Rehabilitation Council (Council) in support  
 51 of the activities of the Division of ~~Vocational Rehabilitation Services~~ Employment and

1 Independence for People with Disabilities to be composed of not more than 18 appointed  
 2 members. Appointed members shall be voting members except where prohibited by federal law  
 3 or regulations. The Director of the Division of ~~Vocational Rehabilitation Services~~ Employment  
 4 and Independence for People with Disabilities and one vocational rehabilitation counselor who  
 5 is an employee of the Division shall serve ex officio as nonvoting members. The President Pro  
 6 Tempore of the Senate shall appoint six members, the Speaker of the House of Representatives  
 7 shall appoint six members, and the Governor shall appoint five or six members. The appointing  
 8 authorities shall appoint members of the Council after soliciting recommendations from  
 9 representatives of organizations representing a broad range of individuals with disabilities. Terms  
 10 of appointment shall be as specified in subsection (d1) of this section. Appointments shall be  
 11 made as follows:

12 ...

13 (b1) Additional Qualifications. – In addition to ensuring the qualifications for membership  
 14 prescribed in subsection (a) of this section, the appointing authorities shall ensure that a majority  
 15 of Council members are individuals with disabilities and are not employed by the Division of  
 16 ~~Vocational Rehabilitation Services~~ Employment and Independence for People with Disabilities.

17 ...."

## 18 PART IX. MISCELLANEOUS

### 20 MODIFICATION OF EDUCATIONAL REQUIREMENTS FOR REGISTERED 21 ENVIRONMENTAL HEALTH SPECIALISTS

22 SECTION 9.1.(a) G.S. 90A-53 reads as rewritten:

23 "§ 90A-53. **Qualifications and examination for registration as an environmental health  
 24 specialist or environmental health specialist intern.**

25 (a) The Board shall issue a certificate to a qualified person as a registered environmental  
 26 health specialist or a registered environmental health specialist intern. A certificate as a registered  
 27 environmental health specialist or a registered environmental health specialist intern shall be  
 28 issued to any person upon the Board's determination that the ~~person~~ person satisfies all of the  
 29 following criteria:

- 30
- 31 (1) Has made application to the Board on a form prescribed by the Board and paid  
 32 a fee not to exceed one hundred dollars ~~(\$100.00);~~ (\$100.00).
  - 33 (2) Is of good moral and ethical character and has signed an agreement to adhere  
 34 to the Code of Ethics adopted by the ~~Board;~~ Board.
  - 35 (3) Meets any of the following combinations of education and practice experience  
 36 standards:
    - 37 a. ~~Graduated from a baccalaureate with a bachelor's degree or~~  
 38 ~~postgraduate degree from a program that is accredited by the National~~  
 39 ~~Environmental Health Science and Protection Accreditation Council~~  
 40 ~~(EHAC) and has one or more years of experience in the field of~~  
 41 ~~environmental health practice; or (EHAC).~~
    - 42 b. ~~Graduated from a baccalaureate or postgraduate degree program that~~  
 43 ~~is accredited by an accrediting organization recognized by the United~~  
 44 ~~States Department of Education, Council for Higher Education~~  
 45 ~~Accreditation (CHEA) with a bachelor's degree or postgraduate degree~~  
 46 ~~and meets both of the following:~~
      - 47 ~~1. Earned~~ earned a minimum of 30 semester hours or its  
 48 ~~equivalent~~ 45 quarter hours in the ~~physical or biological~~  
 49 ~~sciences; and~~ physical, biological, natural, life, or health  
 50 sciences and has one

