

FAILED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 259

AMENDMENT NO. A5
(to be filled in by
Principal Clerk)

H259-ATR-14 [v.4]

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Amends Title [NO]
Fourth Edition

Date _____, 2023

Senator Grafstein

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moves to amend the bill on page 155, line 46, through page 156, line 2, by rewriting the lines to read:

"SECTION 9E.10.(a) DHB shall amend the North Carolina Innovations Waiver to increase the number of waiver slots available under the waiver for the 2023-2024 fiscal year by 2,000. These 2,000 waiver slots shall be distributed in accordance with subsection (b) of this section and are to be made available October 1, 2023, unless the method of acceptance or rejection of waiver slots detailed in subsection (b) of this section requires approval by the Centers for Medicare and Medicaid Services (CMS). If CMS approval is required, then any waiver slots that are rejected under the procedure described in subsection (b) of this section shall be made available October 1, 2023, or the date that CMS grants or denies approval of the rejection and acceptance procedure, whichever is later. If CMS approval is required and CMS does not approve the rejection and acceptance procedure in subsection (b) of this section, then any rejected waiver slots shall remain distributed using the allocation formula currently in place as of the effective date of this act.

SECTION 9E.10.(b) DHB shall distribute the initial 2,000 waiver slots identified under subsection (a) of this section using the allocation formula currently in place as of the effective date of this act, provided that all waiver slots shall be filled on a first-come, first-served basis determined by the length of time an individual has been on the waiting list for an Innovations Waiver slot. Each LME/MCO shall, within 30 days of receiving the offer of the waiver slot, elect whether to accept some, all, or none of the waiver slots offered. All waiver slots not accepted by an LME/MCO shall be distributed equally among the LME/MCOs that attest to the following requirements:

- (1) The LME/MCO ensures that all rates paid to providers for any services provided to beneficiaries receiving those services through the Innovations Waiver are sufficient to pay its direct care employees a minimum wage of eighteen dollars (\$18.00) per hour. The LME/MCO may include in the rates



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1 paid any additional amounts authorized by the General Assembly that are
2 designated for direct care personnel wages.

3 (2) The ability and capacity to provide services to the beneficiaries that will
4 receive the additional waiver slots exists within the LME/MCO's catchment
5 area.

6 Any election by an LME/MCO to accept or reject additional waiver slots made
7 available under this section shall not impact the distribution of any waiver slots available in the
8 2024-2025 fiscal year.

9 **SECTION 9E.10.(c)** DHB shall amend the North Carolina Innovations Waiver to
10 increase the number of waiver slots available under the waiver for the 2024-2025 fiscal year by
11 2,000. These 2,000 waiver slots shall be distributed using the allocation formula currently in
12 place as of the effective date of this act; provided all waiver slots shall be filled on a first-come,
13 first-served basis determined by the length of time an individual has been on the waiting list for
14 an Innovations Waiver slot. These waiver slots shall be made available July 1, 2024.

15 **SECTION 9E.10.(d)** Notwithstanding any other provision of law or of the
16 Committee Report referenced in Section 43.2 of this act to the contrary, the funds appropriated
17 by this act to the Department of Health and Human Services, Division of Health Benefits, shall
18 be increased by thirty-two million three hundred thousand dollars (\$32,300,000) in recurring
19 funds for the 2023-2024 fiscal year and by one hundred four million five hundred thousand
20 dollars (\$104,500,000) in recurring funds for the 2024-2025 fiscal year and the unappropriated
21 balance remaining shall be decreased by thirty-two million three hundred thousand dollars
22 (\$32,300,000) in recurring funds for the 2023-2024 fiscal year and by one hundred four million
23 five hundred thousand dollars (\$104,500,000) in recurring funds for the 2024-2025 fiscal year.";

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27 And on page 156, lines 50-51, by inserting between the lines the following:

28 "**SECTION 9E.15.(e)** Beginning on October 1, 2023 and each quarter thereafter
29 through April 1, 2025, each LME/MCO shall report to DHB and the Joint Legislative Oversight
30 Committee on Medicaid regarding provider development efforts and planned or enacted provider
31 rate increases as they pertain to Innovations direct care workers, including all of the following:

32 (1) Any efforts the LME/MCO has undertaken to monitor and evaluate
33 appropriate competitive local compensation rates within the LME/MCO's
34 catchment area.

35 (2) The amount of any rate increase to providers of Innovations services
36 implemented during the preceding quarter.

37 (3) Data and any other relevant information demonstrating the LME/MCO's
38 compliance with requirements in its managed care contracts with DHHS, in
39 42 C.F.R. § 438.68, and in G.S. 122C-115.4(b)(5) to maintain adequate
40 provider networks and assure care is received when needed.

41 (4) Identification of any increases in the LME/MCO's capitation rates needed to
42 ensure adequate compensation to attract and retain Innovations direct care
43 workers to meet projected needs.";

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and by adjusting the appropriate totals accordingly.

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

**The official copy of this document, with signatures
and vote information, is available in the
Senate Principal Clerk's Office**