

**HEALTH
&
HUMAN SERVICES
Section G**

Health and Human Services

GENERAL FUND

	FY 11-12		FY 12-13	
Adjusted Continuation Budget	\$4,927,739,648		\$4,928,125,764	
Legislative Changes				
(1.0) Division of Child Development				
1 Pre-kindergarten Funds Transfer	\$65,011,651	R	\$65,011,651	R
Transfers \$65,011,651 from the Department of Public Instruction to the Department of Health and Human Services to operate a pre-kindergarten program within the Division of Child Development. Additionally, lottery funds will be allocated in the amount of \$63,135,709 for the continued payment of a high quality pre-kindergarten program. (S.L. 2011-391, Sec. 22, Budget Technical Corrections, clarified use of transferred funds) (S.L. 2011-145, Sec. 10.7)				
2 TANF Funding				
Replaces State funds for child care subsidy with one time TANF funds. This reduction does not result in loss of services. (S.L. 2011-145, Sec. 10.60)	(\$6,352,644)	NR	(\$6,352,644)	NR
3 Smart Start	(\$37,600,000)	R	(\$37,600,000)	R
Reduces the Smart Start budget by 20%, leaving \$150M available to support activities. (S.L. 2011-391, Sec. 21A, Budget Technical Corrections, specified that North Carolina Partnership for Children, Inc. shall not reduce funding allocations by more than 20% for counties with populations less than 35,000) (S.L. 2011-145, Sec. 10.5)				
4 TEACH Program	(\$3,800,000)	R	(\$3,800,000)	R
Swaps federal Child Care Development Fund Block Grant with state funds for the program. (S.L. 2011-145, Sec. 10.60)				
5 Social Services Administrative Support	(\$3,195,581)	R	(\$3,195,581)	R
Reduces the allowance for County Departments of Social Services administrative allowance from 5% to 4%. This leaves \$16.4M County Departments of Social Services may use to support administrative costs. (S.L. 2011-145, Sec. 10.60)				
6 Post-Secondary Education	(\$7,052,797)	R	(\$7,052,797)	R
Reduces child care subsidy funding available for post-secondary education. This reduction will change the existing policy from allowing individuals to receive subsidy for 24 months to 20 months. The combination of changing various policies (items 6-9) will result in a net reduction of \$9.7M, leaving approximately \$54M. (S.L. 2011-145, Sec. 10.1(c)(5))				

7 More At Four Match

(\$1,305,008)

R

(\$1,305,008)

R

Discontinues payment for the instructional day of More At Four students by child care subsidy funds. The combination of changing various policies (items 6-9) will result in a net reduction of \$9.7M, leaving approximately \$54M.

8 Facility Registration Fees

(\$360,570)

R

(\$360,570)

R

Discontinues payment for child care centers' registration fees by child care subsidy funds. The combination of changing various policies (items 6-9) will result in a net reduction of \$9.7M, leaving approximately \$54M. (S.L. 2011-145, Sec. 10.1(c)(4))

9 Transportation Services

(\$1,001,718)

R

(\$1,001,718)

R

Discontinues payment for transportation services with subsidy funds. The combination of changing various policies (items 6-9) will result in a net reduction of \$9.7M, leaving approximately \$54M. (S.L. 2011-145, Sec. 10.1(c)(4))

(2.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services**10 Management Funding Reduction**

(\$7,180,807)

R

(\$7,180,807)

R

Reduces community service funds by 2%; this reduction continues a non-recurring reduction made in FY2010-11. These funds have not been used to pay for services. There is currently \$350M in state funding to pay for services managed through Local Management Entities.

11 Advocacy Positions

(\$158,045)

R

(\$158,045)

R

Eliminates seven vacant advocacy positions located throughout facilities and/or community settings. There are 56 positions remaining after this reduction; this is an 11% reduction in number of positions for advocacy.

-7.00

-7.00

12 Community Services Funds

Reduces Community Services funds by \$20M for FY2011-12. This reduction combined with the Management Funding Reduction leaves \$323M of state funds available for purchase of services through Local Management Entities. This reduction is an 8% reduction in this budget. (S.L. 2011-145, Sec. 10.11(a))

(\$20,000,000)

NR

13 Child and Family Support Teams

(\$523,638)

R

(\$523,638)

R

Eliminates funding for coordinator positions located in 15 Local Management Entities. These positions have supported the Child and Family Team Pilot Program. Funds within Division of Social Services for this pilot is also being eliminated within this budget.

14 Community Services Funds - Swap

Replaces Community Services Funds with Local Management Entities' Fund Balance available for FY2011-12. This reduction/swap is to come from the undesignated/unreserved fund balances and not further reduce community services. (S.L. 2011-145, Sec. 10.11(d))

(\$25,000,000) NR

15 Information Technology Reserve

Eliminates the funding for the information technology account that is used to fund the facilities' information technology systems upgrade.

(\$5,100,390) R (\$5,100,390) R

(3.0) Division of Central Management and Support**16 Division of Information Resource Management - Contracts**

Eliminates recurring funding for the DIRM Contracts. Funding for FY2012-13 is pending the findings and recommendations of a Continuation Review.

(\$5,599,390) R (\$5,599,390) R
\$5,599,390 NR**17 Community Health Centers**

Reduces funding available for grants to community health centers. Grants are awarded on a multi-year basis; this reduction represents the new grants to be awarded in FY2011-12. There will be \$5M remaining for grants.

(\$1,452,527) R (\$1,452,527) R

18 Loan Repayment Program - Federal Receipts

Replaces state funds with increased federal funds available for the loan repayment program. The total program has approximately \$1.4M in funds.

(\$458,395) R (\$458,395) R

19 Information Resource Management - Operating Budget

Reduces excess operating funds within the Division of Resource Management.

(\$550,556) R (\$550,556) R

20 Position Eliminations - Office of the Controller

Eliminates two positions, one due to transfer of the Residential Schools to Department of Public Instruction and one within Purchase of Medical Care Section.

(\$76,215) R (\$76,215) R

-2.00 -2.00

21 Department Wide Administrative Efficiencies

Reduces administrative funds and positions available within the Department of Health and Human Services. Administrative cost savings should include the co-location of various regional and field offices to achieve savings in leased space costs.

(\$1,869,435) R (\$1,869,435) R

-25.00 -25.00

22 Non-profit Reductions

Reduces grants-in-aid and contract funding for non-profits by \$5M. There is currently \$75M in state funds for non-profits and this reduction represents 6.6% of total state funding.

(\$5,000,000) R (\$5,000,000) R

23 Migrant Fee for Service Program

(\$736,145) R

(\$736,145) R

Reduces the program funds for the Migrant Purchase of Medical Care Program; the federal funds will continue. There remains approximately \$2.8M in this program.

24 NC Care Line

(\$380,478) R

(\$380,478) R

Eliminates funding and positions for the NC Care Line.

-11.00

-11.00

25 Information Resource Management - Conversion of Contracts to Employees

(\$1,360,982) R

(\$1,360,982) R

Reduces the contractual services line item within The Division of Resource Management. This reduction represents cost-savings realized from converting 78 Information Technology Contractors to state employees.

26 Position Eliminations

(\$7,606,000) R

(\$7,606,000) R

Eliminates vacant positions. There are over 1,600 positions vacant.

-250.00

-250.00

27 Budgeting Receipts - Information Resource Management

(\$561,225) R

(\$561,225) R

Replaces state appropriations within The Division of Resource Management (\$410,225) and throughout Central Management and Support (\$151,000) with over-realized receipts.

(4.0) Division of Public Health**28 Division of Environmental Health Transfer**

Transfers \$13,485,365 from the Department of Environment and Natural Resources to the Department of Health and Human Services to operate various programs and activities that comprised the Division of Environmental Health. In effecting this transfer, the following activities are being eliminated: 1) Public Health Pest Management Section, and 2) the Private Well Program, WaDE Program, and Quality Assurance of the On-Site Water Protection Section.

29 Early Intervention

(\$3,118,046) R

(\$3,118,046) R

Requires the Division of Public Health to implement several administrative efficiencies, including: 1) elimination of 11 vacant positions; 2) reducing the contract to the Charlotte-Child Development Service Agency (a reduction that can be made up by its implementing Medicaid cost-settlement); and 3) other administrative efficiencies. The program will continue to be funded at nearly \$80 million annually, with a combination of federal and state funds.

-11.00

-11.00

30 Department of Health and Human Services - Chemical Testing Unit

Shifts a portion of funds for position number 60039654 from Highway Fund receipts to other receipts within the Department of Health and Human Services budget, and reduces funding for purchased services by \$6,280.

31 Office of Minority Health

(\$302,262)	R	(\$302,262)	R
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Reduces the administrative staff within the Office of Minority Health with little or no impact on the Division's ability to direct this program or provide technical assistance to Local Health Departments in striving to eliminate health disparities.

-4.00	-4.00
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32 Consolidate Healthy Carolinians and Health Education

(\$571,447)	R	(\$571,447)	R
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Integrates the activities of the Office of Healthy Carolinians and Health Education into the duties of other personnel in the Division of Public Health. The Division will continue to provide technical assistance to local communities in support of the Governor's Task Force on Healthy Carolinians.

-10.00	-10.00
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33 Local Health Department Accreditation

(\$400,000)	R	(\$400,000)	R
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Continues funding for the Accreditation program at a level comparable to FY 2010-11 (\$375,000). This allows the program to be funded at a maintenance level.

34 Health & Wellness Trust Fund Transfer to DHHS

Transfers \$32,904,411 from funds available to the Health & Wellness Trust Fund to the Department of Health and Human Services as follows:

\$32,904,411	NR
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-- \$22,000,000 shall be used to administer the grants associated with the following programs and initiatives; Teen Tobacco Prevention, Checkmeds, Medication Assistance Program, and Obesity Prevention.

-- \$10,000,000 shall be used to reduce the total savings required to be achieved for the Medicaid program by Community Care of North Carolina

-- The remainder shall be used to reduce the Medicaid Provider Rate cut. (S.L. 2011-391, Sec. 7(a), Budget Technical Corrections, amends this item to add the Roanoke-Chowan CHC Telehealth Network as a program to be funded with part of the \$22 million noted above.)

(5.0) NC Health Choice**35 Modify Health Choice Services**

(\$650,000)	R	(\$900,000)	R
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Modifies and ensures the clinical appropriateness of several Health Choice Services, including: 1) Elimination of long-term care, hearing services, and non-emergency transportation; 2) Reduction of dental benefits; and 3) Assurance of evidence-based treatment.

36 Benchmark Health Choice to Medicaid

(\$125,000) R

(\$350,000) R

Benchmarks Health Choice services to Medicaid including the amounts, types, and reimbursement rates. The exception is that Health Choice will not be benchmarked to Medicaid's Early Periodic Screening, Diagnosis, and Treatment Program.

37 Targeted Rate Adjustments

(\$225,000) R

(\$250,000) R

Adjusts Medicaid provider reimbursement rates. The Division of Medical Assistance will adjust provider reimbursement rates that are above regional rates, or where analysis indicates an adjustment is warranted and appropriate.

38 Strengthen and Restructure Program Integrity

(\$500,000) R

(\$666,667) R

Budgets savings to be realized by the Division of Medical Assistance as a result of restructuring and modernizing its program integrity and fraud and abuse operations to enhance recoveries and avoid overpayments. Complementary savings are expected in the Health Choice program.

39 Care Coordination through CCNC

(\$4,255,235) R

(\$4,489,274) R

Reduces State costs in the Division of Medical Assistance by re-establishing the care and utilization management services of the Community Care of North Carolina program-both Networks and Physician of Health Choice recipients. A per member per month payment will be made to physicians and networks. The cost will be offset by better management of services and improved clinical outcomes which lead to reduced state costs.

40 Health Choice Adjustment

(\$3,166,254) R

\$2,000,000 R

Adjusts funding for Health Choice to reflect the changes in the consumption and mix of services, and payment to cost-settled health care providers. The policy of open enrollment will continue in FY 2011-12 and is projected to increase enrollment to approximately 148,203 children. Open enrollment will continue in FY 2012-13, but at a moderated rate.

(6.0) Division of Medical Assistance**41 Medicaid Provider Assessments**

(\$60,183,120) R

(\$62,798,614) R

Levies an assessment of up to 5.5%, consistent with Federal Regulations, on willing Medicaid healthcare providers. Currently, the list of providers includes: Hospitals, Critical Access Behavioral Health Agencies (CABHA), and Community Alternative Programs for Mentally Retarded (CAP/MR). A portion of the assessment will be retained by the State. The current 5.5% assessment on Nursing Homes is not affected.

42 Adjust Assessment on Nursing Facilities to 6%

(\$7,926,122) R

(\$10,568,163) R

Adjusts the assessment rate on Nursing Facilities upward to 6.0%, as allowed by Federal regulations, effective October 1, 2011, by adjusting the appropriate totals accordingly.

43 Implement Pregnancy Home Model

(\$528,960) R

(\$3,457,596) R

Budgets savings to be achieved from the March 2011 implementation of a collaborative effort between Community Care of North Carolina Networks and Local Health Departments to improve the quality of perinatal care and ensure that high-risk pregnant women receive the care and case management required. The improved birth outcomes, especially preventing premature births, will reduce state expenditures incurred by the Division of Medical Assistance.

44 Health Homes for Chronically Ill

(\$16,146,384) NR

(\$24,739,541) NR

Budgets revenue from the increased federal matching rate for the Health Homes for Chronically Ill Program. The Division of Medical Assistance is taking advantage of the two-year Federal program to enhance comprehensive care management for Medicaid recipients with co-occurring illnesses, including a chronic health condition and severe and persistent mental health condition. The Federal matching rate for this program, during the two-years, is 90%, versus the current rate of approximately 65%.

45 Strengthen and Restructure Program Integrity

(\$19,200,000) R

(\$28,000,000) R

Budgets the anticipated savings from the Division of Medical Assistance efforts to reduce, if not eliminate, fraud and abuse in the Medicaid program by restructuring and modernizing current policies and efforts. Through policy and staffing changes and technology improvements, state administrative costs will be reduced, over payments avoided and recovery-of-funds improved.

-30.00

-40.00

46 Generic Substitution for Off-Patent Drugs

(\$7,000,000) R

Budgets anticipated savings in FY 2012-13. In the next 12 months several brand-name drugs are scheduled to go off patent, leading to generic drug substitution savings in FY 2012-13.

47 Modify Pharmacy Services

(\$10,845,441) R

(\$14,436,600) R

Budgets savings to be realized by the Division of Medical Assistance through several actions, including: 1) Better management of drug rebates, 2) Ensuring Medicare Part D correctly reimburses Medicaid, 3) Elimination of automatic refills, and 4) For flexibility to modify dispensing fees.

48 Modify Generic Prescription Dispensing Rates

(\$15,000,000) R

(\$24,000,000) R

Revises generic drug dispensing rates to increase the rate of generic drugs within the Medicaid Program.

49 Behavioral Health Medicaid 1915 b/c Waiver

(\$10,537,931) R

(\$52,551,082) R

Expands the capitated behavioral health program to additional Local Management Entities (LMEs). (S.L 2011-102; S.B. 316)

50 DHHS Savings Through Community Care of North Carolina (CCNC)

(\$90,000,000) R

(\$90,000,000) R

Budgets savings to be achieved by DHHS, in conjunction with CCNC Networks and North Carolina Community Care, Inc., through the cooperation of Medicaid health care providers. To the extent these savings are not achieved, DHHS is to undertake whatever actions necessary to affect the savings, including: 1) Reducing provider rates, and 2) Eliminating or reducing the level or duration of optional Medicaid services.

51 Modify Optional and Mandatory Services

(\$16,508,903) R

(\$22,072,343) R

Budgets savings to be achieved by the Division of Medical Assistance through adjustments to mandatory and optional Medicaid services. These changes include the following services: Optical, Durable Medical Equipment, Specialized Therapies, Home Health, Dental, and a variety of other services. In the event, these savings are not fully achieved, the elimination of optional service requirements may be required.

52 Eliminate Inflationary Increases

(\$62,853,775) R

(\$130,874,505) R

Eliminates automatic inflation increases for Medicaid providers. The Division of Medical Assistance is not to authorize any inflationary increases to Medicaid provider rates during the 2011-13 biennium, except as provided for in Section 10.43.

53 Adjust Provider Rates

(\$46,420,718) R

(\$46,458,260) R

Reduces Medicaid provider reimbursement rates. The Division of Medical Assistance is to reduce Medicaid provider rates by 2%, except as provided for in Section 10.37.

54 Medicaid Rebase

\$109,693,468 R

Rebases the Medicaid budget to adjust for changes in the number of Medicaid recipients, utilization or consumption of services, mix of services being consumed, inflation for cost-settled providers, and changes to the Federal Medical Assistance Percentage (FMAP).

(7.0) Division of Health Service Regulation**55 Nursing Home Licensure and Certification Funds**

(\$1,792,559) NR

(\$1,792,559) NR

Replaces State funds with federal receipts in the Nursing Home Licensure and Certification Section on a non-recurring basis. The receipts come from civil monetary penalties assessed against nursing homes.

(8.0) Division of Social Services**56 Child and Family Team Pilot Elimination**

(\$420,804)	R	(\$420,804)	R
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Eliminates pilot funding for local departments of social services that partially supports Child and Family Team positions. Child and Family Teams will continue to work in schools and DSS will continue to provide training and technical assistance to local departments of social services in order for the initiative to continue.

57 Replace State Funding for Child Protective Services

(\$5,040,000)	R	(\$5,040,000)	R
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Replaces state funds with federal block grant funds to support Child Protective Services. County departments of social services will receive Social Services Block Grant (SSBG) funds in lieu of state general funds. (S.L. 2011-145, Sec. 10.60(a))

58 Eliminate Special Assistance Intervention Team

(\$103,997)	R	(\$103,997)	R
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Eliminates the Special Assistance Intervention team, whose purpose was to provide special assistance and intervention services for low performing counties around child welfare services. The model has not been effective and positions are vacant.

-2.00		-2.00	
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59 Eliminate State General Funds to Local Departments of Social Services

(\$5,473,985)	R	(\$5,473,985)	R
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Continues the reduction in general funds to county departments of social services from the previous biennium. This action eliminates the State general fund contribution to county social services departments to offset the cost of administering public assistance programs. The administrative cost of these programs is shared evenly by the federal and county governments.

60 Use Social Services Block Grant (SSBG) to Support Adult Protective Services

(\$2,000,000)	R	(\$2,000,000)	R
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Replaces State funds with federal funds by requiring all counties to use federal SSBG funds to provide adult protective services. This will require 52 counties to begin using their SSBG allocations to provide this mandated service. (S.L. 2011-145, Sec. 10.60(a))

61 Eliminate State Abortion Fund

(\$50,000)	R	(\$50,000)	R
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Eliminates funding for the State Abortion Fund. (S.L. 2011-145, Sec. 10.53)

62 Reduce NC Reach Scholarship Funds

(\$1,584,125)	R	(\$1,584,125)	R
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Reduces the budget for the NC Reach post-secondary education program by 50%, \$1,584,125, maintaining the program at the FY 2010-11 funding level. (S.L. 2011-145, Sec. 10.54(a))

63 Replace Division Admin Funds with Federal Block Grant

(\$1,389,084) R

(\$1,389,084) R

Replaces State funding for the Division of Social Services administrative costs with federal TANF Block Grant funds. (S.L. 2011-145, Sec. 10.60(a))

(9.0) Division of Aging and Adult Services**64 Replace Funding for Long-Term Care Constituent Advocate Program**

(\$200,000) R

(\$200,000) R

Replaces State funds with federal Civil Monetary Penalty proceeds to support the Long-Term Care Ombudsman Program, which advocates for the elderly.

65 Eliminate Volunteer Program Development

(\$200,000) R

(\$200,000) R

Eliminates funds for the Volunteer Development Program, one of 18 services funded through the Home and Community Care Block Grant. Currently, only 11 counties elect to provide this service.

(11.0) Division of Vocational Rehabilitation**66 Eliminate Recreational Therapists Services**

(\$284,501) R

(\$284,501) R

Eliminates recreational therapist services available in only five cities across the state. Four of the five positions to be eliminated are vacant.

-5.00

-5.00

67 Reduce Independent Living Program

(\$1,774,021) R

(\$1,774,021) R

Reduces State funding for independent living services by 9%. Services will continue to be prioritized so as to avoid institutional care.

68 Reduce Basic Support Program

Replaces a portion of the State funds for the Basic Support Program with unspent federal funds.

(\$2,067,928) NR

(\$2,067,928) NR

Total Legislative Changes

(\$399,756,982) R

(\$438,010,159) R

(\$32,855,714) NR

(\$34,952,672) NR

Total Position Changes

-357.00

-367.00

Revised Budget

\$4,495,126,952

\$4,455,162,933

Health & Wellness Trust Fund

Budget Code: 23460

	FY 2011-12	FY 2012-13
Beginning Unreserved Fund Balance	\$32,904,411	\$0
Recommended Budget		
Requirements	\$27,138,934	\$27,138,934
Receipts	\$25,779,134	\$25,779,134
Positions	20.00	20.00

Legislative Changes**Requirements:****Master Settlement Funds-Health Trust Account**

Eliminates the transfer of funds from the Master Settlement Account (MSA) to the Health and Wellness Trust Fund; no funds to be transferred from the MSA to HWTF. Deposits the June 30, 2011 cash balance from MSA payments; \$32,904,411 into the State's General Fund to support health related activities pursuant to Section 6.11 of this act.

\$0	R	\$0	R
\$32,904,411	NR	\$0	NR
0.00		0.00	

Health and Wellness Trust Fund

Eliminates funding and positions associated with Health and Wellness Trust Fund effective July 1, 2011.

(\$27,138,934)	R	(\$27,138,934)	R
\$0	NR	\$0	NR
-20.00		-20.00	

Subtotal Legislative Changes

(\$27,138,934)	R	(\$27,138,934)	R
\$32,904,411	NR	\$0	NR
-20.00		-20.00	

Receipts:**Health & Wellness Trust Fund**

Eliminates receipts within Health and Wellness Trust Fund.

(\$25,779,134)	R	(\$25,779,134)	R
\$0	NR	\$0	NR

Subtotal Legislative Changes

(\$25,779,134)	R	(\$25,779,134)	R
\$0	NR	\$0	NR

Subcommittee on Health and Human Services

	FY 2011-12	FY 2012-13
Revised Total Requirements	\$32,904,411	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$32,904,411)	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$0	\$0

Special Provisions

2011 Session: HB 22

Department: Health and Human Services

Section: Sec. 7(a)

Title: **BUDGET CHANGE: HEALTH and WELLNESS TRUST FUND**

Summary Revises Sec. 6.11(b) S.L. 2011-145 to add Roanoke-Chowan CHC Telehealth Network to be funded with the Health and Wellness Trust Funds that are being transferred to the Department of Health and Human Services.

Section: 21A

Title: **BUDGET CHANGE: SMART START**

Summary Amends S.L. 2011-145, Sec. 10.5, Appropriations Act of 2011, by directing the North Carolina Partnership for Children, Inc. to reduce counties' allocations by no more than 20% for counties with populations less than 35,000 and requires partnerships to match state funds by 10%, of which cash must be at least 7% and in-kind contributions 3%.

Section: 22

Title: **BUDGET CHANGE: MORE AT FOUR PROGRAM**

Summary Amends S.L. 2011-145, Sec. 10.7(a), Appropriations Act of 2011, by directing Division of Child Development and Early Education (DCDEE) to maintain More At Four's high programmatic standards and ensure services are provided statewide. Allows DCDEE to use a portion of the funds transferred from Department of Public Instruction to provide the necessary services for recruitment, eligibility determination, and child placement within local communities by local Smart Start Partnerships.

Section: 23

Title: **TECHNICAL CHANGE: THIRD PARTY BILLING**

Summary Repeals S.L. 2011-145, Sec. 10.14, Appropriations Act of 2011, as a result of the passage of S.L. 2011-102 which included the necessary law changes to allow for third party billing by state facilities.

Section: Sec. 24

Title: **TECHNICAL CHANGE: MEDICAID PROVIDER ASSESSMENTS**

Summary Rewrites the language in S.L. 2011-145, Sec. 10.31A, Appropriations Act of 2011, to be comparable to the hospital assessment program authorized by S.L. 2011-11.

Section: Sec. 25

Title: **TECHNICAL CHANGE: PERSONAL CARE SERVICES**

Summary Rewrites S.L. 2011-145, Sec. 10.37(a), Appropriations Act of 2011, to 1) indicate that the provision of In-Home Care Services shall begin whenever the Centers for Medicare and Medicaid Services (CMS) approves the new services and 2) Upon CMS approval, DMA shall implement a collaborative initiative between CCNC and local health departments to improve perinatal care and the care of women with high-risk pregnancies.

Section: Sec. 26

Title: **BUDGET CHANGE: TRANSFER OF FUNDS TO OFFICE OF ADMINISTRATIVE HEARINGS**

Summary Rewrites S.L. 2011-145, Sec. 10.40, Appropriations Act of 2011, to clarify that \$1,000,000 in General Funds will be transferred to the Office of Administrative Hearings from the Division of Medical Assistance.

Section: Sec. 26A

Title: **TECHNICAL CHANGE: HOME CARE AGENCY LICENSURE MORATORIUM**

Summary Amends S.L. 2011-145, Sec. 10.49A, Appropriations Act of 2011 to clarify that all applications from Home Care Agencies received by July 1, 2011, that include payment of the required fees, may be processed.

2011 Session: HB 200

Department: Health and Human Services

Section: 10.1

Title: **CHILD CARE SUBSIDY RATES**

Summary Sets the maximum gross family income for child care subsidy eligibility at 75 percent of the State Median Income (SMI). Requires families to participate in the cost of care by paying 8,9, or 10 percent of the gross family income based on family size.

This changes current policies by prohibiting the use of child care subsidy funds for facility registration fees, transportation services, and match to the More At Four program. Additionally, the eligibility for post-secondary education allowance is limited to 20 months from the previous allowance of 24 months.

This special provision directs the Division of Child Development to calculate a market rate for each rate category in each county or region. Additionally, this special provision requires that child care services funded through the Work First Block Grant shall comply with all subsidized child care program regulations and procedures. Sets child care subsidy eligibility criteria for legal and illegal noncitizen families in the State.

Section: 10.2

Title: **CHILD CARE ALLOCATION FORMULA**

Summary Directs DHHS to allocate child care subsidy funds to counties based on the number of children in each county under age 11 in families with all parents working earning less than 75 percent of the State median income.

Also directs DHHS to allocate up to \$20 million in federal block grant funds and State funds outside of the allocation formula to prevent the termination of child care services for children in the subsidy program. Also, DHHS may re-allocate unused voucher funds to counties based upon projected expenditures of all child care subsidy voucher funding.

Section: 10.3

Title: **CHILD CARE FUNDS MATCHING REQUIREMENT**

Summary Directs that no matching funds may be required by local governments receiving the initial allocation of child care funds. All reallocated funds that exceed \$25,000, beyond a local purchasing agency's initial allocation, require a 20 percent match.

Section: 10.4

Title: **CHILD CARE REVOLVING LOAN**

Summary Allows DHHS to fund a Child Care Revolving Loan program.

Section: 10.4A

Title: **EXPIRATION OF EARLY EDUCATION CERTIFICATION REQUIREMENT**

Summary Amends S.L 2010-178 by providing an expiration date of July 1, 2011. S.L. 2010-178 required early childhood teachers to become certified by the NC Institute for Child Development Professionals. (H.B. 738)

Section: 10.5

Title: **EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES ENHANCEMENTS**

Summary Directs the North Carolina Partnership for Children, Inc. (NCPC) to maintain administrative costs at no more than 8 percent of the total statewide allocation to all local partnerships. Requires that all partnerships participate in competitive bidding practices. Local partnerships must have a thirteen percent (13%) match that comprises ten percent (10%) cash and three percent (3%) of in-kind.
Directs that the North Carolina Partnership for Children Inc., shall not use more than \$80,000 from the General Fund for the salary of any individual employee. Further directs that local partnerships shall not use more than sixty thousand dollars \$60,000 from the General Fund for the salary of any one employee.

Prohibits NCPC from providing grants for capital expenditures and advertising and promotional activities for FY 2011-12 and FY 2012-13. Requires the NCPC to spend at least \$52 million for the TANF maintenance of effort requirement and the Child Care Development Fund Block Grant match requirement on child care subsidies.

(S.L. 2011-391, Sec. 21A, Budget Technical Corrections amends this provision to prohibit North Carolina Partnership for Children, Inc. from reducing allocations for counties with less than 35,000 population by more than 20% of their current allocation level and amends this provision to require partnerships to match contributions of cash at seven percent (7%) and in-kind match at three (3%), for a total match requirement of 10%).

Section: 10.6

Title: **ADMINISTRATIVE ALLOWANCE FOR COUNTY DEPARTMENTS OF SOCIAL SERVICES**

Summary Directs the Division of Child Development to decrease the allowance that county departments of social services may use for administrative costs from 5 percent to 4 percent of the county total child care subsidy funds.

Section: 10.7

Title: **CONSOLIDATE MORE AT FOUR PROGRAM INTO DIVISION OF CHILD DEVELOPMENT**

Summary Directs the Department of Public Instruction and DHHS to consolidate the More at Four Program into the Division of Child Development. Renames the Division of Child Development to The Division of Child Development and Early Education (DCDEE). Further directs DHHS to assume the regulatory and monitoring system as well as the payment and reimbursement system for the program.

Amends G.S. 143B-168.4(a) to modify the structure of the Childcare Commission of DHHS by increasing the total number of members by 2 persons who will have expertise in early childhood education. Directs four and five star rated facilities to teach from a curricula approved and taught by More at Four program facilities.

Continues the More At Four policy of allowing 20% of the total children served to be identified as at-risk for academic failure, regardless of income. Establishes program eligibility, curriculum standards, program quality standards, program subsidy eligibility, and establishes a co-payment requirement.

(S.L 2011 - 391, Sec. 22, Budget Technical Corrections amends this provision to allow DCDEE to utilize some of the transferred funds from DPI to continue contracting with Smart Start Partnerships for the recruitment, eligibility determination, and child placement within local communities for the pre-kindergarten program.)

Section: 10.8

Title: **MENTAL HEALTH CHANGES**

Summary Requires the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMHDDSAS) to spend \$29,121,644 annually to contract for private hospital in-patient psychiatric beds. DMHDDSAS may reallocate state service funds based on mid-year expenditures of LMEs to maximize the amount of funds spent for services. The Division is required to disburse \$5,700,000 to LMEs to support 30 mobile crisis teams.

Section: 10.8A

Title: **JOHNSTON COUNTY LME ADMINISTRATIVE FUNDING**

Summary Prohibits the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services from reducing the allocation of administrative funds to Johnston County Local Management Entity for FY2011-12.

Section: 10.9

Title: **MH/DD/SAS HEALTH CARE INFORMATION SYSTEM PROJECT**

Summary Allows DHHS to use any appropriated funds to develop and implement a health care information system for institutions operated by DMHDDSAS.

Section: 10.10

Title: **LME FUNDS FOR SUBSTANCE ABUSE SERVICES**

Summary Allows Local Management Entities (LMEs) to use some of their funding to support substance abuse prevention and education activities. Allows up to one percent (1%) of funds to be used for nominal incentives for substance abuse consumers. Continues direction for the Treatment Accountability for Safer Communities (TASC) program. The Department shall allocate up to three hundred thousand dollars (\$300,000) to continue the TASC activities. Additionally, an LME is authorized to hire a single service provider to provide services for all non-Medicaid-eligible drug treatment court participants.

Section: 10.11

Title: **MH/DD/SAS COMMUNITY SERVICE FUNDS**

Summary Directs DMHDDSAS to reduce allocations to LMEs as necessary to achieve budget reduction of \$20 million. The DMHDDSAS is directed to establish a set of standard benefits that all LMEs will be required to offer to as part of a services package to clients.

The Division is directed to reduce service funds by \$25 million and allocate the reduction based upon available fund balance levels as of June 30, 2010. LMEs must submit quarterly reports showing the level of fund balance expenditures to ensure LMEs are not further reducing services to clients.

The Department must report to the House and Senate Appropriations Subcommittees by December 12, 2011 on the implementation of these changes.

Section: 10.12

Title: **CONSOLIDATION OF FORENSIC HEALTH CARE AT DOROTHEA DIX COMPLEX**

Summary Directs DHHS to issue a request for proposal to determine the feasibility of contracting for State-delivered forensic care at Dorothea Dix Complex.

Section: 10.13

Title: **TRANSITION OF UTILIZATION MANAGEMENT OF COMMUNITY-BASED SERVICES TO LOCAL MANAGEMENT ENTITIES**

Summary Directs the Department to collaborate with LMEs to enhance their administrative capabilities to assume utilization management responsibilities of community-based services.

Section: 10.14

Title: **THIRD-PARTY BILLING FOR STATE FACILITIES**

Summary Amends G.S. 122C-55 to allow facilities to disclose confidential information to government agencies to establish financial benefits for a client. (S.L. 2011-1012; H.B. 424/S.B. 316).

(S.L. 2011-391, Section 23, Budget Technical Corrections, repeals this provision.)

Section: 10.15

Title: **COLLABORATION AMONG DEPARTMENTS OF ADMINISTRATION, HEALTH AND HUMAN SERVICES, JUVENILE JUSTICE AND DELINQUENCY PREVENTION, AND PUBLIC INSTRUCTION ON SCHOOL-BASED CHILD AND FAMILY TEAM INITIATIVE**

Summary Establishes the School-Based Child and Family Team Initiative as a collaborative initiative involving child serving agencies. Directs the agencies involved to develop and implement strategies aimed at children at risk of school failure or out-of-home placement.

Section: 10.16

Title: **DHHS POSITION ELIMINATIONS**

Summary Directs DHHS to eliminate up to 250 FTE positions to accomplish a savings of seven million six hundred six thousand dollars (\$7,606,000). The Secretary shall report on number and types of positions eliminated and any impact on receipts by September 30, 2011, to the Joint Appropriations Subcommittee for Health and Human Services and the Fiscal Research Division.

Section: 10.17

Title: **DHHS REGULATORY FUNCTIONS STUDY AND PLAN**

Summary Directs DHHS to examine regulatory functions of its divisions, report on the findings, and develop a plan for consolidating regulatory functions. The report is due by January 30, 2012 to the Joint Appropriations Subcommittees on Health and Human Services and the Fiscal Research Division.

Section: 10.18

Title: **REDUCE FUNDING FOR NONPROFIT ORGANIZATIONS**

Summary Directs DHHS to reduce funding to nonprofit organizations by \$5,000,000 on a recurring basis. Directs DHHS to minimize reductions to nonprofit organizations providing direct services, limit reduction to the NC High School Athletic Association to ten percent (10%), and not to reduce funds to nonprofits providing direct service for the developmentally disabled individuals.

Section: 10.19

Title: **PROHIBIT USE OF ALL FUNDS FOR PLANNED PARENTHOOD ORGANIZATIONS**

Summary Prohibits DHHS from providing State funding and other funds administered by DHHS to Planned Parenthood Inc., and affiliated organizations' contracts.

Section: 10.20

Title: **LIABILITY INSURANCE**

Summary Authorizes the Department of Health and Human Services (DHHS), Department of Environment and Natural Resources, and Department of Correction to provide medical liability coverage, up to \$1,000,000 per incident, on behalf of:

- Licensed staff of the respective departments;
- Licensed physicians and faculty members of the University of North Carolina (UNC) working under contract with MH/DD/SA; and,
- Physicians in UNC residency training programs working at DHHS institutions.

Section: 10.21

Title: **CHANGES TO COMMUNITY-FOCUSED ELIMINATING HEALTH DISPARITIES INITIATIVE**

Summary Authorizes up to 12 grants to be awarded from the initiative. Limits applicants to local health departments, hospitals, community-based organizations, and Community Care of North Carolina Networks. The amount of any individual grant is limited to \$300,000. Directs the Office of Minority Health to oversee the initiative and directs DHHS to report its findings by October 1, 2012 to the House of Representatives Subcommittee on HHS Appropriations, the Senate Appropriations Committee on HHS Appropriations and the Fiscal Research Division (FRD).

Section: 10.22

Title: **FUNDS FOR SCHOOL NURSES**

Summary Directs that all funds appropriated for the School Nurse Initiative be used to supplement and not supplant other State or local funds for school nurses. Establishes a formula for distribution of funds based on new criteria:

- (1) School nurse-to-student ratio.
- (2) Percentage of students eligible for free or reduced meals.
- (3) Percentage of children in poverty.
- (4) Per capita income.
- (5) Eligibility as a low-wealth county.
- (6) Mortality rates for children between 1 and 19 years of age.
- (7) Percentage of students with chronic illnesses.
- (8) Percentage of county population consisting of minority persons.

Section: 10.23

Title: **REPLACEMENT OF RECEIPTS FOR CHILD DEVELOPMENT SERVICE AGENCIES**

Summary Requires receipts earned by the Child Development Service Agencies to be budgeted on a recurring basis to replace reductions in State appropriations.

Section: 10.24

Title: **HEALTH INFORMATION TECHNOLOGY**

Summary Directs DHHS to coordinate health information technology (HIT) policies and programs within the State. In doing so, DHHS' goal shall be to ensure the coordination of all public and private HIT efforts. Beginning October 1, 2011, DHHS shall begin reporting quarterly on the status of federal and State HIT efforts to the House of Representatives Subcommittee on HHS, the Senate Appropriations Committee on HHS, and FRD.

Section: 10.25

Title: **FUNDS FOR STROKE PREVENTION**

Summary Appropriates \$450,000 in SFY 2011-12 and in SFY 2012-13 to DHHS to fund the Heart Disease and Stroke Prevention activities, including the Stroke Advisory Council. (H.B. 443/S.B. 240)

Section: 10.26

Title: **AIDS DRUG ASSISTANCE PROGRAM**

Summary Directs DHHS to work with the Department of Correction (DOC), to count DOC's expenditures for AIDS pharmaceuticals as State matching funds in order to draw down additional federal Ryan White funds.

Section: 10.26A

Title: **MEN'S HEALTH**

Summary Directs DHHS to ensure attention to the prevention of disease and the improvement in the quality of life for men over their lifespan.

Section: 10.27

Title: **NC HEALTH CHOICE MEDICAL POLICY**

Summary Prohibits the Department of Health and Human Services from changing medical policy affecting the NC Health Choice program until a five-year fiscal analysis of the change has been prepared. If the cost of the change in medical policy exceeds \$1 million, then the proposed change must be submitted to the Office of State Budget and Management and the Fiscal Research Division. In addition, if the cost of the proposed change exceeds \$1 million, DHHS may not implement the change until the Department has identified the resources to fund the medical policy. DHHS is to provide OSBM and FRD with quarterly reports itemizing any policy changes.

Section: 10.28

Title: **COMMUNITY CARE OF NORTH CAROLINA**

Summary Directs DHHS to conduct an actuarial study on the cost savings achieved by CCNC and report the findings to the House of Representatives Appropriations Subcommittee on HHS, the Senate Appropriations Committee on HHS, and FRD.

Directs DHHS and Division of Medical Assistance (DMA) to contract with the North Carolina Community Care Networks, Inc., and the 14 local CCNC networks for the provision of a statewide Enhanced Primary Care Case Management System.

Section: 10.29

Title: **MEDICAID MANAGEMENT INFORMATION SYSTEM (MMIS) FUNDS/IMPLEMENTATION OF MMIS**

Summary Authorizes DHHS to utilize \$3,232,304 of prior year earned revenue in FY 2011-12 and \$12,000,000 in FY 2012-13 for the procurement, design, development, implementation, and central management of the MMIS project. Enumerates requisite system capabilities and requires DHHS to make specific reports to the General Assembly on the development and implementation of the MMIS, including by August 1, 2011 a revised schedule for the development, design and implementation of the replacement MMIS system, and beginning July 1, 2011 quarterly reports on the progress in the development and design of the replacement MMIS system.

Section: 10.30

Title: **NORTH CAROLINA FAMILIES ACCESSING SERVICES THROUGH TECHNOLOGY (NC FAST) FUNDS**

Summary Directs DHHS to use \$9,592,332 from funds appropriated in SFY 2011-12 and SFY 2012-13 for the development and implementation of North Carolina Families Accessing Services Through Technology (NC FAST) to match federal funds for project implementation. (H.B. 897)

Section: 10.31

Title: **MEDICAID**

Summary Establishes policies within the Medicaid program governing recipient eligibility, breadth and intensity of mandatory and optional health care services, and health care providers.

Section: 10.31A

Title: **MEDICAID PROVIDER ASSESSMENTS**

Summary Authorizes DHHS to implement a Medicaid assessment program according to federal regulations for any health care provider, except hospital providers who are subject to assessments authorized by S.L. 2011-11.

(S.L. 2011-391, Sec 24, Budget Technical Corrections rewrites Sec. 10.31A so that the language concerning hospital providers is comparable to language in S.L. 2011-11.)

Section: 10.32

Title: **DMA CONTRACT SHORTFALL**

Summary Requires DHHS, DMA to obtain approval from OSBM before entering into new contracts or increasing the cost of current contracts. Also, the Division is directed to save money when possible and to budget any funds appropriated to address a budget shortfall.

Section: 10.33

Title: **MEDICAID COST CONTAINMENT ACTIVITIES**

Summary Authorizes DHHS in each year of the biennium to use up to \$5 million in Medicaid funds budgeted for program services to support administrative activities to help contain the cost of Medicaid. DHHS shall report by April 15, 2012 on these activities to the House of Representative Appropriations Subcommittee on HHS, the Senate Appropriations Committee on HHS, and FRD.

Section: 10.34

Title: **MEDICAID SPECIAL FUND TRANSFER**

Summary Appropriates \$43 million in FY 2011-12 and FY 2012-13 pursuant to G.S. 143C-9-1, clarifying that these funds shall not be used to reduce the General Fund revenue to the Medicaid program. Allows DHHS to use Medicaid Special Funds to settle issues between DHHS and the federal government related to audits of Disproportionate Share Hospital payments.

Section: 10.35

Title: **ACCOUNTING FOR MEDICAID RECEIVABLES AS NON-TAX REVENUE.**

Summary Directs DHHS to deposit Disproportionate Share receipts with the State Treasurer as nontax revenue in the amount of one hundred fifteen million dollars (\$115,000,000) for each year of the biennium.

Section: 10.36

Title: **FAMILIES PAY PART OF THE COST OF SERVICES UNDER THE CAP-MR/DD PROGRAM AND THE CAP-CHILDREN'S PROGRAM BASED ON FAMILY INCOME**

Summary Directs DHHS, subject to approval by CMS, to develop a schedule of cost-sharing requirements for families with incomes above the Medicaid allowable limit to share in the costs of their child's Medicaid expenses under the CAP-MR/DD and CAP-C programs. Requires that the cost-sharing requirement be included in the new MMIS system.

Section: 10.37

Title: **AUTHORIZE THE DIVISION OF MEDICAL ASSISTANCE TO TAKE CERTAIN STEPS TO EFFECTUATE COMPLIANCE WITH BUDGET REDUCTIONS IN THE MEDICAID PROGRAM**

Summary Establishes new and revises current Medicaid policies governing mandatory and optional services for recipients, provider reimbursement rates, and modifications of Medicaid services.

Section: 10.38

Title: **MEDICAID WAIVER FOR ASSISTED LIVING**

Summary Directs DHHS to develop and implement a home- and community-based services program to fund personal care services to individuals living in adult care homes. On or before April 1, 2012 DHHS is to provide a report on the status of approval and implementation of the program to the Joint Legislative Commission on Governmental Operations, the House of Representatives Appropriations Subcommittee on HHS, the Senate Appropriations Committee on HHS, and FRD.

Section: 10.39

Title: **PROGRAM INTEGRITY**

Summary Authorizes DHHS to require providers to undergo prepayment claims review.

Section: 10.40

Title: **TRANSFER TO OFFICE OF ADMINISTRATIVE HEARINGS**

Summary Authorizes a transfer of \$1,000,000 in each year of the biennium from DHHS to the Office of Administrative Hearings for administering the Medicaid appeals process.

(S.L. 2011-391, Sec. 26, Budget Technical Corrections clarifies that the \$1,000,000 is to be State General Funds.)

Section: 10.41

Title: **NC HEALTH CHOICE**

Summary Amends Chapter 108A of the General Statutes (G.S. 108A-54.3) to require amendments to the Health Choice plan to be submitted by the Department. Amends G.S. 108A-70.211(b) making changes to covered services and supplies covered under the Children's Health Insurance Program to bring its services in line with Medicaid, except for Early Periodic Screening, Diagnosis, and Testing Services.

Section: 10.42

Title: **MEDICATION THERAPY MANAGEMENT PILOT**

Summary Directs DHHS to develop a medication therapy management program. Directs DHHS to report findings of the pilot program to the House and Senate Appropriations Subcommittees on Health and Human Services, and FRD by July 1, 2012.

Section: 10.44

Title: **MEDICAID RECIPIENT APPEALS**

Summary Directs DHHS to review appeals process for adverse Medicaid determinations to examine its consistency with federal law.

Section: 10.45

Title: **DEPARTMENT TO DETERMINE COST-SAVINGS FOR MEDICAID THAT WOULD RESULT FROM PROVISION OF MUSCULOSKELETAL HEALTH SERVICES**

Summary Directs DHHS to examine possible Medicaid cost-savings from the provision of musculoskeletal health services. Directs DHHS to report findings to the House and Senate Appropriations Subcommittees on HHS and the Fiscal Research Division of the General Assembly by October 1, 2011.

Section: 10.47

Title: **DHHS SAVINGS THROUGH CCNC**

Summary Directs DHHS and CCNC to achieve costs savings of \$90,000,000 in both FY 2011-12, and FY 2012-13. Among other initiatives to achieve these savings, DHHS, CCNC, and local LMEs are directed to integrate behavior and physical health services for Medicaid recipients.

On or before October 1, 2011, DHHS is to report on the savings being achieved to the House of Representatives Appropriations Subcommittee on HHS, the Senate Appropriations Committee on HHS, and FRD.

If by October 1, 2011, or anytime thereafter, the required savings are not being achieved the Secretary of DHHS shall reduce provider rates or reduce or eliminate Medicaid services to achieve the necessary savings.

Section: 10.48

Title: **INCREASE GENERIC DRUG DISPENSING RATE IN MEDICAID BY REVISING PHARMACY DISPENSING FEES FOR PHARMACISTS THAT DISPENSE HIGH PROPORTIONS OF GENERIC DRUGS**

Summary Directs DHHS to achieve costs savings of \$15,000,000 in the Medicaid Program by revising its pharmacy dispensing fees to increase the dispensing of generic prescriptions. By November 1, 2012, DHHS is to report to the House of Representatives Appropriations Subcommittee on HHS, the Senate Appropriations Committee on HHS, and FRD on the savings being achieved. If at any point, the necessary savings are not being achieved DHHS shall reduce the prescription drug reimbursement rates by an amount necessary to achieve the savings.

Section: 10.49

Title: **NC NOVA**

Summary Allows DHHS to use up to \$38,000 of funds available for FY 2011-12 and FY 2012-13, including federal civil monetary receipts when appropriate, for the NC New Organizational Vision Award (NC NOVA) certification program.

Section: 10.49A

Title: **HOME CARE AGENCY LICENSURE MORATORIUM IN-HOME AIDE SERVICES**

Summary Establishes a 3-year moratorium, beginning July 1, 2011, on the issuance of licenses by DHHS for home care agencies as defined in G.S. 131 E-136(2) that intend to offer in-home aide services.

(S.L. 2011-391, Sec 26A, Budget Technical Corrections, rewrites Sec. 10.49A to clarify that all applications from Home Care Agencies received by July 1, 2011, that include payment of the required fees, will be processed)

Section: 10.50

Title: **INTENSIVE FAMILY PRESERVATION SERVICES FUNDING AND PERFORMANCE ENHANCEMENTS**

Summary Sets forth the standards and reporting requirements for the Intensive Family Preservation Services Program.

Section: 10.51

Title: **FOSTER CARE AND ADOPTION ASSISTANCE PAYMENTS RATES**

Summary Amends G.S. 108A-49.1 to codify the existing maximum monthly rates for foster care and adoption assistance payments. Holds counties harmless from contributing half of the non-federal share of foster care assistance for children placed in foster care, per provider agreement, on or before October 31, 2008.

Section: 10.52

Title: **CHILD CARING INSTITUTIONS**

Summary Limits the maximum reimbursement rates for child caring institutions to the rate established by the DHHS Office of the Controller until the Social Services Commission adopts rules setting standardized rates.

Section: 10.53

Title: **REPEAL STATE ABORTION FUND**

Summary Repeals all statutes related to the State Abortion Fund.

Section: 10.54

Title: **CHILD WELFARE POSTSECONDARY SUPPORT PROGRAM**

Summary Authorizes \$1,584,125 in each year of the biennium to be used for educational assistance and program administration.

Section: 10.55

Title: **TANF BENEFIT IMPLEMENTATION**

Summary Approves the Temporary Assistance to Needy Families (TANF) FY 2010-12 State plan and designates the Electing Counties for FY 2010-12.

Section: 10.56

Title: **PAYMENTS FOR LIEAP/CIP**

Summary Amends G.S. 108A-25.4 to target LIEAP funding to the elderly and to disabled adults. Directs DHHS to provide Crisis Intervention Program (CIP) payments directly to service providers. Maintains the cap on CIP payments at \$600 per household in a fiscal year. (H.B. 57)

Section: 10.58

Title: **NON-MEDICAID REIMBURSEMENT CHANGES**

Summary Sets annual family income eligibility standards for medical services provided under programs administered by the Division of Services for the Blind and the Division of Vocational Rehabilitation Services. Directs that provider payments shall not exceed Medicaid rates. Directs the Department to achieve reductions required by S.L. 2011-145 by reducing provider rates.

Section: 10.59

Title: **STATE-COUNTY SPECIAL ASSISTANCE**

Summary Maintains the maximum monthly State-County special assistance rate at \$1,182 for residents in adult care homes and \$1,515 for residents in Alzheimer/Dementia special care units.

Section: 10.60

Title: **DHHS BLOCK GRANTS**

Summary Appropriates \$903.2 million in federal block grant funds, including \$170 million for Work First, \$60 million for energy assistance payments, \$237 million for child care subsidies, \$22 million for public health initiatives, \$3.8 million for food banks, \$2.5 million for Boys & Girls Clubs, etc. (H.B. 16/S.B. 10, H.B. 147/S.B. 28, H.B. 305/S.B. 239, H.B. 270/S.B. 383)

