

2009-2010

HOUSE AGING

MINUTES

House Committee on Aging 2009 Session

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NORTH CAROLINA GENERAL ASSEMBLY

**HOUSE COMMITTEE on AGING
2009 SESSION**



**Rep. Jean
Farmer-Butterfield
Chair**



**Rep. Garland Pierce
Vice chair**



**Rep. Ruth Samuelson
Vice chair**



**Rep. Jennifer Weiss
Vice chair**



Rep. Alma Adams



Rep. James L. Boles, Jr.



Rep. Alice Bordsen



Rep. Pearl Burris-Floyd



Rep. Annie Mobley



Rep. Beverly Earle



Rep. Darren Jackson



Rep. Earl Jones



Rep. Darrell G. McCormick



Rep. Grey Mills

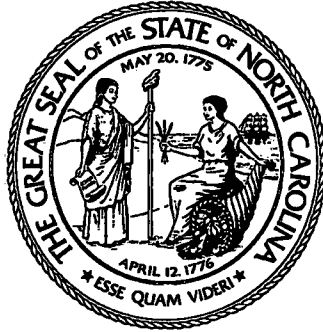


Rep. Efton M. Sager

ATTENDANCE

Aging – 2009 Session

[illegible]



HOUSE COMMITTEE ON AGING
Wednesday, March 4, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS

Representative Jean Farmer-Butterfield, Chair

INTRODUCTION

BILLS TO BE DISCUSSED:

HB 139	Dentistry Funds for Special Care Populations if favorable, Appropriations	Representative Bordsen
HB 142	Home & Comm. Care Block Grant Funds if favorable, Appropriations	Representative Bordsen
HB 138	Increase Adult Day Care Reimb. Rate if favorable, Appropriations	Representative Pierce
HB 141	Senior Center Funds if favorable, Appropriations	Representative Pierce

COMMENTS

ADJOURNMENT

HOUSE COMMITTEE ON AGING

Room 415 LOB

March 4, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, March 4, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Beverly Earle; Rep. Earl Jones; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. The Chair introduced the Pages and Sergeants-At-Arms. She recognized the Vice-Chairs and invited each member to introduce themselves and speak briefly on their interest in serving on the Aging Committee. A copy of the Visitors Sheet is attached and included with these Minutes.

The Chair recognized Representative Alice Bordsen to speak on **HB, 139, Dentistry Funds for Special-Care Populations**, HB 139 appropriates \$200,000 for the 2009-2010 fiscal year, and \$200,000 for the 2010-2011 fiscal year to the Department of Health and Human Services, Division of Public Health, for the purchase of an additional mobile dental unit by a new or existing nonprofit mobile care provider. The mobile dental unit will be used to serve special care populations, the frail elderly, and individuals with disabilities, in geographic areas of the State that are not currently served by mobile dental units. The bill is a recommendation from the North Carolina Study Commission on Aging, and would become effective on July 1, 2009.

Following the presentation of the bill, the Chair recognized Mr William Potter, a representative for the North Carolina Dental Society. Mr. Potter commented that the Dental Society supports the bill. He added that it targets individuals who don't always have access to dental care because of a lack of transportation. This bill will provide a mobile unit that will give them the access to dental care they need.

Representative Bordsen was recognized for a follow-up statement.

Representative Samuelson asked if the \$200,000 was for the purchase of one unit or two. Mr. Potter responded that it was for two units, one per year. He also addressed her question regarding who pays for the maintenance of the units, stating that a qualified non-profit will operate and maintain the units.

Representative Jones asked if there are other units in the state. The Chair responded that there are currently units in Charlotte and Greensboro.

Representative Boles asked if the state funds the unit's operational expenses.

Ms. Matula commented that the state does not fund operations directly. Medicaid pays for most of the dental care and the rest is funded by private insurers. Mr. Potter stated that the original units were initially funded by non-profit foundation money and these new units would be operated by qualified non-profit organizations.

Representative McCormick asked whether there was a governing body that will supervise the operation of these units. The Chair responded that the Department of Public Health is the contracting agency.

There being no further discussion on HB 139, Representative Earle motioned that the bill be approved and be re-referred to the committee on Appropriations. The motion passed.

The Chair recognized Representative Bordsen to present **HB 142, Home and Community Care Block Grants**. This bill appropriates \$2,500,000 to the Division of Aging and Adult Services, Department of Health and Human Services, for the 2009-2010 fiscal year and for the 2010-2011 fiscal year to be used as additional funding for the Home and Community Care Block Grant. This bill, a recommendation of the North Carolina Study Commission on Aging, is identical to SB 185, as introduced by Senator Malone, and would be effective on July 1, 2009.

The Home and Community Block Grant (HCCBG) includes federal funds, State funds, local funds and a consumer contribution component. The focus of the HCCBG is to support the frail elderly that are cared for at home; improve and maintain the physical and mental health of older adults; assist older adults and their caregivers with accessing services and information; provide relief to family caregivers so that they can continue their caregiving and allow older adults to remain actively engaged with their communities.

Following the presentation of the bill the Chair recognized Mr. Dennis Streets, Director of Aging and Adult Services. A copy of his comments is attached for these minutes. Representative Garland Pierce motioned that HB 142 be approved and re-referred to the committee on Appropriations. That motion passed.

Representative Pierce was recognized to present **HB 138, Increase Adult Day Care Reimbursement Rate**. This bill appropriates funds to provide at least a \$5.00 per day client increase in the adult day care and adult day health services rate paid from the State Adult Day Care Fund and Home and Community Care Block Grant. This bill is a recommendation of the North Carolina Study Commission on Aging and would be effective on July 1, 2009. The bill provides a minimum of \$5.00 per day per client rate increase for adult day care and adult day health services through an appropriation of \$1,059,561 for the 2009-2010 year and again for the 2010-2011 fiscal year. The appropriation is made to the Division of Aging and Adult Services and specifies that of the funds appropriated, \$561,357 must be placed in the State Adult Day Care Fund, and \$498,204 must be placed in the Home and Community Care Block Grant.

Following his presentation of the bill the Chair recognized Representative Jennifer Weiss. She commented that as someone familiar with this program it allows seniors who live at home to receive day services, and she strongly supported the bill.

Representative Weiss then motioned that the bill be approved and re-referred to the committee on Appropriations. The motion passed.

The Chair recognized Representative Pierce to present **HB 141, Senior Center Funds.** This bill appropriates funds to the Department of Health and Human Services, Division of Aging and Adult Services, to be used as additional funding for certified senior centers. The bill is identical to SB 191, as introduced by Senator Malone, and would become effective July 1, 2009.

House Bill 141 appropriates \$750,000 for the 2009-2010 fiscal year and \$750,000 for the 2010-2011 fiscal year to the Division of Aging and Adult Services, to be used for additional funding for certified senior centers.

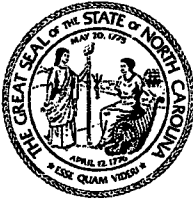
Following his presentation of the bill Representative Annie Mobley moved that HB 141 be approved and re-referred to the committee on Appropriations. The motion passed. There be no further business, the meeting was adjourned at 11:40 am.

Respectfully submitted:

Representative Jean Farmer-Butterfield
Chair


Ruth Merkle
Committee Clerk

8/19/2009



HOUSE BILL 139: Dentistry Funds for Special Care Populations

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 3, 2009
Introduced by:	Reps. Farmer-Butterfield, Bordsen, Pierce, Mobley	Prepared by:	Sara Kamprath Committee Staff
Analysis of:	First Edition		

SUMMARY: *House Bill 139 appropriates \$200,000 for the 2009-2010 fiscal year and \$200,000 for the 2010-2011 fiscal year to the Department of Health and Human Services, Division of Public Health, for the purchase of an additional mobile dental unit by a new or existing nonprofit mobile dental care provider. This bill is a recommendation from the North Carolina Study Commission on Aging.*

[As introduced, this bill was identical to S187, as introduced by Sen. Malone, which is currently in Senate Appropriations/Base Budget.]

BILL ANALYSIS: House Bill 139 appropriates \$200,000 for the 2009-2010 fiscal year and \$200,000 for the 2010-2011 fiscal year to the Department of Health and Human Services, Division of Public Health, for the purchase of an additional mobile dental unit for use by a new or existing mobile dental care provider. The mobile dental unit shall be used to serve special care populations, the frail elderly, and individuals with disabilities, in geographic areas of the State that are not currently served by mobile dental units.

EFFECTIVE DATE: The bill becomes effective July 1, 2009.

BACKGROUND: Carolinas Health Care/Carolinas Mobile Dentistry and Access Dental Care are non-profit mobile dental care units that are currently serving North Carolina's special care population. Carolinas Health Care/Carolinas Mobile Dentistry has two mobile dental units serving the Charlotte area, and Access Dental Care has two mobile dental units serving the Greensboro area. The mobile dental care units provide special care dental services to frail elderly and developmentally disabled populations.

The Study Commission on Aging heard a presentation from Access Dental Care on dental care for special populations. The Commission heard that the mission of Access Dental Care is to: provide comprehensive dental care at a level equal to that in the community, provide education to all care providers, produce data for research, and work with policymakers to make dental care more accessible for special needs populations. When Access Dental Care provides care through a mobile dental unit they are responsible for the following: scheduling regular visits to the facility, billing for all treatment rendered, providing education for facility staff on daily oral care, communicating treatment needs to responsible parties, and Medicaid prior approvals. Facilities they serve have the following responsibilities: paying a program fee of \$6.00/bed/month, providing a 20'x20' space with electrical outlets and a sink for the dental team to use as a treatment area on the day of the visit, providing a liaison to assist the dental team, and supporting the facility staff with a daily oral hygiene program.

House Bill 139

Page 2

The following is a breakdown of the type of care provided by Access: 68% preventive and diagnostic, 12% restorative, 12% oral surgery, 5% removable prosthetics, 3% periodontal, <1% endodontic, and <1% fixed prosthetics. The presentation by Access reminded the Commission that oral health is related to systemic health including the following issues: diabetes, heart disease, respiratory disease, prosthetic devices, behavioral and psychosocial status, osteoporosis, breast cancer, prostate cancer, and Paget's disease.

H139-SMRJ-8(e1) v2

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2009

H

1

HOUSE BILL 139*

Short Title: Dentistry Funds for Special Care Populations. (Public)

Sponsors: Representatives Farmer-Butterfield, Bordsen, Pierce, Mobley (Primary Sponsors); Adams, K. Alexander, M. Alexander, Bryant, Cotham, Current, England, Faison, Fisher, E. Floyd, Glazier, Harrison, Insko, Jones, Luebke, McLawhorn, Tarleton, Tolson, Wainwright, Weiss, and Wray.

Referred to: Aging, if favorable, Appropriations.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR THE PURCHASE OF ADDITIONAL MOBILE DENTAL UNITS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Division of Public Health, Department of Health and Human Services, the sum of two hundred thousand dollars (\$200,000) for the 2009-2010 fiscal year, and the sum of two hundred thousand dollars (\$200,000) for the 2010-2011 fiscal year, to be used by a new or existing nonprofit mobile dental care provider to purchase an additional mobile dental unit to serve special care populations, the frail elderly, and individuals with disabilities, in geographic areas of the State that are not currently served by mobile dental units.

SECTION 2. This act becomes effective July 1, 2009.



* H 1 3 9 - V - 1 *

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 139 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR THE PURCHASE OF ADDITIONAL MOBILE DENTAL UNITS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 139 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE DIVISION OF PUBLIC HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR THE PURCHASE OF ADDITIONAL MOBILE DENTAL UNITS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

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_____ The bill/resolution is re-referred to the Committee on _____.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 142*

Short Title: Home & Community Care Block Grant Funds. (Public)

Sponsors: Representatives Farmer-Butterfield, Bordsen, Pierce, Mobley (Primary Sponsors); K. Alexander, M. Alexander, Bryant, England, Faison, Fisher, E. Floyd, Glazier, Harrison, Luebke, Mackey, McLawhorn, Tarleton, Tolson, Wainwright, and Weiss.

Referred to: Aging, if favorable, Appropriations.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR THE HOME AND COMMUNITY CARE BLOCK GRANT, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Aging and Adult Services, the sum of two million five hundred thousand dollars (\$2,500,000) for the 2009-2010 fiscal year and the sum of two million five hundred thousand dollars (\$2,500,000) for the 2010-2011 fiscal year to be used as additional funding for the Home and Community Care Block Grant (HCCBG).

SECTION 2. This act becomes effective July 1, 2009.



* H 1 4 2 - V - 1 *



HOUSE BILL 142: Home & Community Care Block Grant Funds

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 3, 2009
Introduced by:	Reps. Farmer-Butterfield, Bordsen, Pierce, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	First Edition		

SUMMARY: *House Bill 142 appropriates \$2,500,000 for the 2009-2010 fiscal year and for the 2010-2011 fiscal year to be used as additional funding for the Home and Community Care Block Grant. This bill is a recommendation from the NC Study Commission on Aging*

[As introduced, this bill was identical to S185, as introduced by Sen. Malone, which is currently in Senate Appropriations/Base Budget.]

BILL ANALYSIS: House Bill 142 appropriates to the Division of Aging and Adult Services, Department of Health and Human Services, \$2,500,000 for the 2009-2010 fiscal year and \$2,500,000 for the 2010-2011 fiscal year to be used as additional funding for the Home and Community Care Block Grant.

This bill becomes effective July 1, 2009.

BACKGROUND: The Home and Community Care Block Grant (HCCBG), established by G.S.143B-181.1(a)(11), includes federal funds, State funds, local funds, and a consumer contribution component. The focus of the HCCBG is to support the frail elderly that are cared for at home; improve and maintain the physical and mental health of older adults; assist older adults and their caregivers with accessing services and information; provide relief to family caregivers so that they can continue their caregiving; and allow older adults to remain actively engaged with their communities.

Any person age 60 and older is eligible for services under the HCCBG. However, the HCCBG program places an emphasis on reaching those most in need of services because the Older Americans Act (OAA) gives priority to serving the "socially and economically needy" and focuses particular attention on the low income minority elderly and on older individuals residing in rural areas. Additionally, the OAA calls for reaching out to older individuals with severe disabilities, limited English-speaking ability, and Alzheimer's disease or related disorders (and caregivers of these individuals).

With input from older adults, County Commissioners approve an annual funding plan that defines services to be provided, the funding levels for these services, and the community service agencies to provide these services. Counties can select from among 18 eligible services including: Adult Day Care, Adult Day Health Care, Care Management, Congregate Nutrition, Group Respite, Health Promotion and Disease Prevention, Health Screening, Home Delivered Meals, Housing and Home Improvement, Information and Assistance, In-Home Aide, Institutional Respite Care, Mental Health Counseling, Senior Center Operations, Senior Companion, Skilled Home (Health) Care, Transportation, and Volunteer Program Development. Counties decide which services to provide, however congregate nutrition and home-delivered meals are provided in almost every county under the HCCBG.

H142-SMSH-10(e1) v2

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

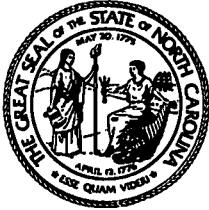
HB 142 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR THE HOME AND COMMUNITY CARE BLOCK GRANT, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.



HOUSE BILL 138:

Increase Adult Day Care Reimbursement Rate

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 3, 2009
Introduced by:	Reps. Farmer-Butterfield, Pierce, Bordsen, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	First Edition		

SUMMARY: *House Bill 138 appropriates funds to provide at least a \$5.00 per day per client increase in the adult day care and adult day health services rate paid from the State Adult Day Care Fund and Home and Community Care Block Grant. This bill is a recommendation from the North Carolina Study Commission on Aging.*

[As introduced, this bill was identical to S194, as introduced by Sen. Malone, which is currently in Senate Appropriations/Base Budget.]

BILL ANALYSIS: House Bill 138 provides a minimum \$5.00 per day per client rate increase for adult day care and adult day health services through an appropriation of \$1,059,561 for the 2009-2010 fiscal year and again for the 2010-2011 fiscal year. The appropriation is made to the Division of Aging and Adult Services, Department of Health and Human Services, and specifies that of the funds appropriated, \$561,357 must be placed in the State Adult Day Care Fund, and \$498,204 must be placed in the Home and Community Care Block Grant. The act would become effective July 1, 2009.

BACKGROUND: There are 100 adult day programs in 55 North Carolina counties: 40 adult day care (social model programs), 56 adult day care/adult day health (combination programs), and 4 adult day health programs.

- **Adult day care** provides supervision to adults with cognitive or physical disabilities for less than 24 hours in a place other than their usual residence.
- **Adult day health services** provide supervision and health care monitoring by a nurse to adults with cognitive or physical disabilities for less than 24 hours in a place other than their usual residence.

Public Funding for Adult Day Care and Adult Day Health Care

- 68% of adult day clients receive public funding.
- Adult day services are funded by State dollars through the Home and Community Care Block Grant (HCCBG) and the State Adult Day Care Fund (SADCF). In the 2007-08 fiscal year, the HCCBG provided funding for 1,008 clients to be served by adult day care and adult day health services. In the 2007-08 fiscal year, the SADCF provided funding to serve 1,380 clients in adult day care and adult day health services.
- The current rate for adult day care through the SADCF and the HCCBG is \$33.07, under this bill the rate would increase to \$38.07. The current rate for adult day health services through the SADCF and the HCCBG is \$40.00, under this bill the rate would increase to \$45.00.
- Clients are also publicly supported through the Community Alternatives Program (CAP/DA and CAP/MR-DD) under Medicaid. Medicaid covers adult day health services under CAP/DA and CAP/MR-DD Waivers. The daily rate for an adult day health services client paid through Community Alternatives Program (CAP/DA and CAP/MR-DD) is \$41.51. This rate would not be affected by this bill.
- In FY '07-08, providers reported an average cost of \$52 per day for adult day care and \$91 per day for adult day health services.
- Adult day care and adult day health services received \$5.00 increases in FY'04-05 and FY '06-07.

H138-SMSH-9(e1) v3

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 138*

Short Title: Increase Adult Day Care Reimbursement Rate. (Public)

Sponsors: Representatives Farmer-Butterfield, Pierce, Bordsen, Mobley (Primary Sponsors); Adams, K. Alexander, M. Alexander, Bryant, Dockham, England, Faison, Fisher, E. Floyd, Glazier, Hall, Harrison, Jones, Luebke, Mackey, McLawhorn, Parmon, Tarleton, Tolson, Wainwright, Weiss, and Wray.

Referred to: Aging, if favorable, Appropriations.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE STATE ADULT DAY CARE FUND AND TO THE HOME AND COMMUNITY CARE BLOCK GRANT TO PROVIDE A RATE INCREASE FOR ADULT DAY SERVICES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Division of Aging and Adult Services, Department of Health and Human Services, the sum of one million fifty-nine thousand five hundred sixty-one dollars (\$1,059,561) for the 2009-2010 fiscal year; and the sum of one million fifty-nine thousand five hundred sixty-one dollars (\$1,059,561) for the 2010-2011 fiscal year, to be used to increase the rate paid to adult day care and adult day health care provided to clients. Of these funds, five hundred sixty-one thousand three hundred fifty-seven dollars (\$561,357) shall be placed in the State Adult Day Care Fund, and four hundred ninety-eight thousand two hundred four dollars (\$498,204) shall be placed in the Home and Community Care Block Grant. The rate for adult day care and adult day health care shall be increased by no less than five dollars (\$5.00) per day per client.

SECTION 2. This act becomes effective July 1, 2009.



**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 138 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE STATE ADULT DAY CARE FUND AND TO THE HOME AND COMMUNITY CARE BLOCK GRANT TO PROVIDE A RATE INCREASE FOR ADULT DAY SERVICES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

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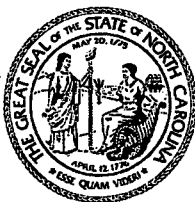
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_____ The bill/resolution is re-referred to the Committee on _____.



HOUSE BILL 141: Senior Center Funds

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 3, 2009
Introduced by:	Reps. Farmer-Butterfield, Pierce, Bordsen, Mobley	Prepared by:	Sara Kamprath Committee Staff
Analysis of:	First Edition		

SUMMARY: *House Bill 141 appropriates funds to the Department of Health and Human Services, Division of Aging and Adult Services, to be used as additional funding for certified senior centers. This bill is a recommendation from the North Carolina Study Commission on Aging.*

[As introduced, this bill was identical to S191, as introduced by Sen. Malone, which is currently in Senate Appropriations/Base Budget.]

BILL ANALYSIS: House Bill 141 appropriates \$750,000 for the 2009-2010 fiscal year and \$750,000 for the 2010-2011 fiscal year to the Department of Health and Human Services, Division of Aging and Adult Services, to be used for additional funding for certified senior centers. The bill becomes effective July 1, 2009.

BACKGROUND: The Division of Aging and Adult Services presented the North Carolina Study Commission on Aging with an update on senior centers during the October 23, 2008 meeting. A portion of the presentation focused on the Senior Center Certification Program which is a voluntary, self-evaluation process designed to strengthen capacity of senior centers by providing measurable indicators.

The process examines and promotes best practices in the following five major operational areas:

1. Outreach and access to services.
2. Programs and activities.
3. Planning, evaluation and input from older adults.
4. Staffing.
5. Operations (including training) and physical plant.

The State supports senior centers by funding the Senior Center Outreach and General Purpose funds. The Senior Center General Purpose fund was initiated in 1997 and is used for any purpose that supports operations or development of senior centers including: equipment purchases or repairs, building maintenance, supplies, administrative costs, activities, and construction.

There are two levels of certification: Center of Merit and Center of Excellence. Of the 164 senior centers in North Carolina, 61 (37%) are Centers of Excellence and 5 (3%) are Centers of Merit. Senior Centers receive funding in "shares" – one share for uncertified centers, two shares for Centers of Merit, and three shares for Centers of Excellence.

Research has found that certified senior centers are significantly more likely to serve more men, ethnic minority groups, the oldest old, and those with sensory impairments. A survey conducted by the Division of Aging and Adult Services found that 40% of the centers surveyed indicated that increased funding alone, or in combination with other benefits, was the greatest benefit of certification.

House Bill 141

Page 2

Senior Centers are recognized as focal points in the community for older adults. In the coming years, these centers will be serving increasing numbers of older adults and will be required to offer a wider range of programs to meet the diversity represented in the baby boomer generation and generations before it. Increased funding for senior centers tied as the most frequently mentioned item during the recent public hearings. The Senior Tar Heel Legislature recommends a \$2 million increase in senior center funding and the Governor's Advisory Council on Aging recommends an additional \$1 million in funding.

As mentioned above, the State supports senior centers by funding the Senior Center Outreach and General Purpose funds.

- For the 2008-2009 State fiscal year, Senior Center Outreach Funding is: \$100,000. Senior Center Outreach funds are distributed evenly to all 17 AAA regions and amounted to \$5,882 per region this year.
- Total General Purpose funding is \$1,687,088, broken out as follows:
 - State Funding: \$1,265,316
 - Local Funding Match: \$421,772
- The distribution for General Purpose Funds for 2008-2009 is as follows:
 - \$4,363 for noncertified centers (98 centers)
 - \$8,726 for Centers of Merit (6 centers)
 - \$13,090 for Centers of Excellence (60 centers)

H141-SMRJ-7(e1) v2

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 141*

Short Title: Senior Center Funds. (Public)

Sponsors: Representatives Farmer-Butterfield, Pierce, Bordsen, Mobley (Primary Sponsors); K. Alexander, M. Alexander, Bryant, England, Faison, E. Floyd, Glazier, Harrison, Hurley, Insko, Luebke, Mackey, McLawhorn, Tarleton, Tolson, Wainwright, Weiss, and Wray.

Referred to: Aging, if favorable, Appropriations.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR CERTIFIED SENIOR CENTERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Aging and Adult Services, the sum of seven hundred fifty thousand dollars (\$750,000) for the 2009-2010 fiscal year and the sum of seven hundred fifty thousand dollars (\$750,000) for the 2010-2011 fiscal year to be used as additional funding for certified senior centers.

SECTION 2. This act becomes effective July 1, 2009.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 141 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE ADDITIONAL FUNDS FOR CERTIFIED SENIOR CENTERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.

Observations from Providers Using the Home and Community Care Block Grant (HCCBG)

Service Needs and Wait List Grow

"We have people calling for Home Delivered Meals. We do not get (they won't give it) the information needed for ARMS [to put on wait list], so we do not have a record of them. However, we would estimate that we have at least 5 people per week that we tell 1) We don't have a route in your neighborhood 2) The route you live on is filled to capacity 3) We don't have the funding to place anyone else on our meal routes. They won't give any information because they say they will be dead or in a nursing home before we can give a glimmer of help--especially if they are waiting on someone on the route to either die or go into a facility. **I just know we are drowning here and there doesn't look like any help in sight.**" [emphasis added]

"IHA [in-home aide] is a very valuable and needed resource for the citizens of Lincoln County. IHA can provide home stability, independent living and aging in place. The inquiry and request for this service far exceed the available funding. Resources are very limited in our county. Additional HCCBG funding especially for IHA is always needed."

"Most of our clients tend to need ongoing In-Home Aide service due to limited support systems. Therefore, many clients on our waiting list have to wait 12-18 months for service, and some never receive it at all." [In-Home Aide provider]

100% = HCCBG (13,079)
All (15,956)

- Total seniors waiting for HCCBG-funded services (as reported by 66% of HCCBG providers): 8,632; Total waiting for same services from any source through HCCBG providers: ~~9,329~~ 10,531
- In-home aide has the largest waiting list—3,675 under HCCBG; 4,475 for all sources
- Home-delivered meals is second—2,455 HCCBG; 2,783 all sources.

"We are serving 58 more people this year than last year, which is an additional 14,500 meals in the fiscal year. The waiting list, though, has increased by 47%; it increased from 197 last year at this time to 291 this year." [Home-Delivered Meals provider]

"We are getting more calls from individuals who have never used our services and they are sounding pretty desperate especially for the nutrition program."

"There are seniors having malnutrition and at high risk of dying but there are not the funds to help them."

Providers Forced to Tighten Service Belts Affecting Access

- Just over 30% of home-delivered meals providers report that they are not adding a new client when an existing one ends services (affecting 564 potential seniors), and nearly 25% more indicate that they may have to freeze slots soon (affecting another 400 seniors).
- Half of providers have either already discontinued holiday or emergency meals or expect to do so (affecting 3,355 seniors).

"We are seeing record number of new registrations for congregate meals as economy downturn continues. At present county funds are continuing our ability to serve all those who enter even with a 5% cut, however, it will be only a matter of time before we begin prioritizing service need. Even those who have not been significantly affected by the economy are afraid and are turning to us for services to offset their expenses in order to save for [what] is possibly to come."

- For the most part, congregate nutrition does not seem as hard-hit as some other service areas, with 236 on the HCCBG wait list.
- Still, about 1 in 4 congregate providers (24%) may have to reduce the number of days their sites are open (affecting 1,434 participants)—adding to the 8% that have already done this, and more than a third (35%) have stopped adding new participants or think they may have to stop.

"Our # of inquiries has increased, with an all time high in January of 28. Our # of discharges has increased, primarily to long term care placement. This seems to be due to caregivers going back to work/working more and increase in overall caregiver stress." [Adult Day Care provider]

"I believe that we do a good job of managing our resources but our aides are just doing the bare minimum [number of hours] for our seniors, due to the time restraints that we must put on their schedules." [IHA provider]

"As many families do not seek out the service until the need is critical, putting them on a waiting list is often futile, as they will, out of necessity, seek other services to meet their needs." [Adult Day Care provider]

"Potential clients are seeking services they don't have to pay for. Most are low income and are not able to pay privately. Even though our fee is low, they would end up having to use all their income to come here. When people learn that they would have to pay privately, they do not come, even though they qualify for our services and need them." [Adult Day Care provider]

Importance of Home and Community Care Block Grant

"If we did not have HCCBG funds we would not be able to stay open. HCCBG funds account for 34% of the budget. However we are experiencing a new problem. We sometimes cannot enroll people who do not have transportation (even if we have HCCBG funds) because there are not enough transportation funds." [Adult Day Care provider]

"Funding appears to be receding on all fronts at the same time. Service needs, on the other hand, appear to be growing exponentially....Many agencies may find themselves forced out of the business of operating Aging programs due to major deficits in funding."

- Nearly 8 in 10 (79%) of adult day care providers are seeking and using program volunteers.
- Nearly three-quarters (71%) of in-home aide providers are reassessing clients to identify those whose services can be reduced or ended with 41% cutting the number of hours of in-home aide service, 46% are capping the amount of service that can be used for individual clients and over a third (34%) are not adding a new client when the service for an existing one ends.

"We are getting calls from potential new clients almost on a daily basis....I feel this will only grow as older adults will have to cut back on their driving because of gasoline costs or maybe on car repairs they can no longer afford. The aging adult population is also needing more assistance as their health is declining. In many cases there are no family members that can help. Family members are having their own problems (jobless, etc.) therefore having no resources to help parents or grandparents." [General Transportation provider]

"We have already limited general transportation and may have to limit medical during the next six months. There are no other resources available for this population in the county." [General Transportation provider]

- About half of those providing general transportation have already reduced the number of routes or the geographic area served, or expect to make this cut (affecting 555 seniors).
- Almost half (47%) have reduced the number of trips per rider (affecting 765 seniors).
- Nearly a third (32%) of those providing medical transportation are reassessing clients to identify those whose services can be reduced or ended, and about 30% have reduced the number of trips allowed per client.

The Situation is Serious for Seniors and the Aging Service Network

"Due to increase in food costs, utilities and health care, seniors are struggling and therefore more are asking for help." "Requests for crisis funding for medication, utilities, food continue to increase."

"[We] have sought other funding but grantors don't want to fund ongoing programs or staffing to maintain programs."

"There has been a funding decrease through United Way. This decrease will eventually cause the Center to look at ways to cut costs and/or services." [Senior Center]

"Our agency is seeing and continues to foresee service to yet another population of seniors who have never sought-after nor needed services now finding themselves in need because of economic difficulties."

"Please note that we have seen increasing demands for services starting well before the economic crisis hit. We have made numerous cost-cutting measures before the crisis and we are now at the point that no additional cuts are possible especially in terms of staffing [if we are] to meet program requirements and standards."

"If HCCBG funding is cut for next year, it will result in loss of programs and/or staff. We are barebones now and don't have fat to trim."

"Our seniors count on us as much for services as they do their family. Families depend on us for services so they can work." "Just please don't take our money away! We have very needy clients struggling to remain in their own homes. Many miss Medicaid eligibility by only a few dollars. Family support is stretched and stressed."

- 
- 87% of Senior Centers report they are experiencing increased demand for programs and services.
 - Nearly three-quarters (72%) of providers say requests for information and assistance have increased; 43% report that community resources to which seniors can be referred have decreased.
 - Many, if not most, providers have either seen reductions or anticipate them in one or more of their funding sources, with 60-70% of those receiving United Way, consumer contributions, and donations reporting cuts.
 - About a quarter have already run out of HCCBG funds for this fiscal year for one or more services.

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House Pages

Name Of Committee: Ugins

Date: 3-4-09

1. Name: Ben Lee

County: Pender

Sponsor: Justice

2. Name: Blake Ware

County: Harnett

Sponsor: Lewis

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: Touissant Arent

2. Name: Martha Parrish

3. Name: Reggie Sills

4. Name: _____

VISITOR REGISTRATION SHEET

Name of Committee

Date _____

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME

FIRM OR AGENCY

Paul Bon	Bon & Assn.
Carolyn Heston	NCAH
Polly Williams	NC Justice Center / Triangle OWL
Teresa Johnson	NC Adult Day Services Assn
Anthony Allen	NCAH
William A. Campbell	N. C. House 109

VISITOR REGISTRATION SHEET

Name of Committee

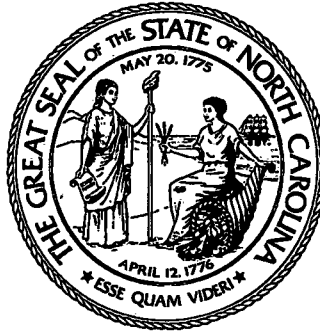
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dennis W. Streets	NC Div. of Aging + Adult Services
Andrew Cagle	DL + ASO
Barbara Candler	BBGHR
Rick Picerno	Moore County Commissioner
Abby Emmanuel	NMSS-NC
Bill Wilson	AARP
Julia Leggett	The Arc of NC
David S. Chis	A. U. S. House
Sheria Reid	IOG - LINC-CH
Wm. H. Potkin Jr	NCDS & NCPTA
Sam Galey	CWA



HOUSE COMMITTEE ON AGING
Wednesday, March 11, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS

Representative Jean Farmer-Butterfield, Chair

INTRODUCTION

BILLS TO BE DISCUSSED

HB 91 Funds for Project C.A.R.E.
If favorable, Appropriations

Rep. Rapp

HB 145 Project C.A.R.E. for Dementia Funds
If favorable, Appropriations

Rep. Bordsen

HB 146 – Funds for Adult Protective Services Pilot
If favorable, Appropriations

Rep. Bordsen

SPEAKER:

Dennis Streets, Director, Aging and Adult Services, Department of Health and Human Services

COMMENTS

ADJOURNMENT

Next Meeting: March 18, 2009

HOUSE COMMITTEE ON AGING
Room 415 LOB
March 11, 2009
11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, March 11, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Earl Jones; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. The Chair recognized the Sergeants-At-Arms and asked the Pages to introduce themselves. A copy of the Visitors Sheet is attached and included with these Minutes.

The Chair introduced Representative Ray Rapp, sponsor of **HB 91, Funds for Project C.A.R.E.** A proposed committee substitute (PCS) was introduced. Representative Mobley moved that the PCS be approved for discussion only. The PCS makes a correction in the long title of the bill. HB 91 appropriates \$500,000 to the Department of Health and Human Services, for Project C.A.R.E. (Caregiver Alternative to Running on Empty), for the 2009-2010 fiscal year. The funds would be used to help support individuals with dementia and their caregivers. The bill, which is identical to SB 30 as introduced by Senator Snow, would become effective July 1, 2009.

Following discussion on the bill Representative Earl Jones moved that HB 91 receive a favorable report as to the committee substitute, which changes the title, unfavorable as to the original bill, and that the committee substitute be re-referred to the committee on Appropriations. The motion passed.

Representative Alice Bordsen was recognized to present **HB 145, Project C.A.R.E. for Dementia Funds.** This bill appropriates \$500,000 for Project C.A.R.E. for both the 2009-2010 and 2010-2011 fiscal years. The bill is a recommendation of the Study Commission on Aging. Rep. Jones moved for a favorable report and that HB 145 be re-referred to the committee on Appropriations. The motion passed.

The Chair recognized Representative Bordsen to present **HB 146, Funds for Adult Protective Services Pilot.** This bill appropriates to the Division of Aging and Adult Services, DHHS, \$2,209,000 for the 2009-2010 fiscal year and \$2,200,000 for the 2010-2011 fiscal year to implement a pilot program to assess proposed improvements to the adult protective services statutes, which include implementation of the Adult

Protective Services Clearinghouse Model. The Division is required to make a status report to the NC Commission on Aging on or before February 1, 2010 and a final report on the evaluation of the pilot program on or before November 1, 2010. This bill is a recommendation of the NC Study Commission on Aging and is identical to SB 189, as introduced by Senator Malone. It would become effective on July 1, 2009.

Staff Member Theresa Matula gave a brief history of the recommendation leading to the bill and explained that under North Carolina's current system, all reports of abuse, neglect and exploitation must be made to county departments of social services.

Following Ms. Matula's presentation to the committee, Representative Jones moved that HB 146 receive a favorable report and be re-referred to the committee on Appropriations. The motion passed.

The Chair introduced Mr. Dennis Streets, Director of the Division of Aging and Adult Services, Department of Health and Human Services (DHHS), who gave a brief history of the division and the programs and services it provides. Copies of his handouts are included with these minutes.

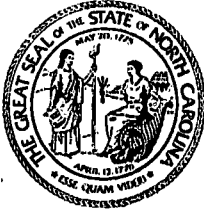
There being no further business the meeting was adjourned at 11:36 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair


Ruth Merkle
Committee Clerk

8/20/09



HOUSE BILL 91: Funds for Project C.A.R.E

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 11, 2009
Introduced by:	Reps. Rapp, Goforth, Fisher	Prepared by:	Sara Kamprath
Analysis of:	PCS to First Edition		Committee Staff
	H91-CSRJ-5		

SUMMARY: *The Proposed Committee Substitute for House Bill 91 appropriates funds to the Department of Health and Human Services, Division of Aging and Adult Services, for Project C.A.R.E to help support individuals with dementia and their caregivers. The Proposed Committee Substitute makes a correction in the long title of the bill.*

[As introduced, this bill was identical to S30, as introduced by Sen. Snow, which is currently in Senate Appropriations/Base Budget.]

BILL ANALYSIS: House Bill 91 appropriates \$500,000 to the Department of Health and Human Services, Division of Aging and Adult Services, to fund Project C.A.R.E. "Caregiver Alternatives to Running on Empty" for the 2009-2010 fiscal year. The funds would be used to help individuals with dementia and their caregivers.

EFFECTIVE DATE: The bill becomes effective July 1, 2009.

BACKGROUND: The goal of Project C.A.R.E. "Caregiver Alternatives to Running on Empty" is to help low-income rural and minority families who are caring for a person at home by increasing the quality, access, choice and use of respite care and support services. Project C.A.R.E. is a nationally recognized best practice model that uses family consultants with expertise in Alzheimer's disease and related disorders to visit the families and then match them with appropriate community services. Through the program, caregivers may spend up to \$2500 on such services as adult day services, group respite, private or agency in-home care and overnight residential respite.

The General Assembly appropriated \$500,000 in non-recurring funds for the 2008-2009 FY to sustain existing program sites serving 14 western and piedmont counties.

On October 1, 2008, the Division of Aging and Adult Services was awarded a new 3-year federal Alzheimer's demonstration grant that will help to enhance Project C.A.R.E. Family Consultant services and expand the program into the eastern part of the State. Priority for initial expansion of the program is counties with high numbers of low-income, rural and/or minority families with the ultimate goal to expand the program across the State.

H91-SMRJ-14(CSRJ-5) v1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 91*
PROPOSED COMMITTEE SUBSTITUTE H91-CSRJ-5 [v.1]

3/10/2009 3:30:23 PM

Short Title: Funds for Project C.A.R.E.

(Public)

Sponsors:

Referred to:

February 9, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND
3 HUMAN SERVICES, DIVISION OF AGING AND ADULT SERVICES, FOR PROJECT
4 C.A.R.E. WHICH PROVIDES SUPPORT FOR INDIVIDUALS WITH DEMENTIA AND
5 THEIR CAREGIVERS.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. There is appropriated from the General Fund to the Department of
8 Health and Human Services, Division of Aging and Adult Services, the sum of five hundred
9 thousand dollars (\$500,000) for the 2009-2010 fiscal year to fund Project C.A.R.E., which
10 provides support to individuals with dementia and their caregivers.

11 SECTION 2. This act becomes effective July 1, 2009.



* H 9 1 - C S R J - 5 - V - 1 *

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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1

HOUSE BILL 91*

Short Title: Funds for Project C.A.R.E. (Public)

Sponsors: Representatives Rapp, Goforth, Fisher (Primary Sponsors); Earle, E. Floyd, Frye, Gillespie, Hughes, Insko, and Tarleton.

Referred to: Rules, Calendar, and Operations of the House.

February 9, 2009

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF AGING AND ADULT SERVICES, FOR PROJECT C.A.R.E. WHICH PROVIDES SUPPORT FOR INDIVIDUALS WITH DEMENTIA AND THEIR CAREGIVERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Aging and Adult Services, the sum of five hundred thousand dollars (\$500,000) for the 2009-2010 fiscal year to fund Project C.A.R.E., which provides support to individuals with dementia and their caregivers.

SECTION 2. This act becomes effective July 1, 2009.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 91 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF AGING AND ADULT SERVICES, FOR PROJECT C.A.R.E. WHICH PROVIDES SUPPORT FOR INDIVIDUALS WITH DEMENTIA AND THEIR CAREGIVERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.



HOUSE BILL 145: Project C.A.R.E. for Dementia Funds

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 9, 2009
Introduced by:	Reps. Farmer-Butterfield, Bordsen, Pierce, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	First Edition		

SUMMARY: *House Bill 145 appropriates \$500,000 for Project C.A.R.E. for the 2009-2010 FY and the 2010-2011 FY. This bill is a recommendation from the Study Commission on Aging.*

BILL ANALYSIS:

House Bill 145 appropriates \$500,000 for the 2009-2010 fiscal year and the 2010-2011 fiscal year, to fund Project C.A.R.E. (Caregiver Alternatives to Running on Empty) which provides support to individuals with dementia and their caregivers.

BACKGROUND:

The goal of Project C.A.R.E. is to increase quality, access, choice and use of respite and support services to low-income rural and minority families caring for a person with dementia at home. The program provides an annual spending cap of \$2,500 per family, a variety of care options (including adult day, group respite, and private or agency in-home care or overnight residential respite), and it is consumer-directed and flexible. According to the Division of Aging and Adult Services, DHHS, Project C.A.R.E. is a nationally recognized best practice model with demonstrated success for over seven years.

The 2008 Session of the General Assembly appropriated \$500,000 for the 2008-2009 fiscal year, to fund Project C.A.R.E. This funding sustained existing program sites serving 14 western and piedmont counties. However the funding was non-recurring funding.

On October 1, 2008, the Division of Aging and Adult Services received a new 3-year federal Alzheimer's demonstration grant. The new federal project will enhance Project C.A.R.E. Family Consultant services and expand the program into eastern North Carolina. The initial expansion prioritizes counties with high numbers of low-income, rural, and/or minority families with an ultimate goal of statewide implementation.

H145-SMSH-2(e1) v3

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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1

HOUSE BILL 145*

Short Title: Project C.A.R.E. for Dementia Funds. (Public)

Sponsors: Representatives Farmer-Butterfield, Bordsen, Pierce, Mobley (Primary Sponsors); Adams, M. Alexander, Bryant, England, Faison, Fisher, E. Floyd, Glazier, Harrison, Jones, Luebke, Rapp, Tarleton, Tolson, Wainwright, Weiss, and Wray.

Referred to: Aging, if favorable, Appropriations.

February 12, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO THE DIVISION OF AGING AND ADULT
3 SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR PROJECT
4 C.A.R.E. (CAREGIVER ALTERNATIVES TO RUNNING ON EMPTY), WHICH
5 PROVIDES SUPPORT FOR INDIVIDUALS WITH DEMENTIA AND THEIR
6 CAREGIVERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY
7 COMMISSION ON AGING.
8 The General Assembly of North Carolina enacts:
9 **SECTION 1.** There is appropriated from the General Fund to the Division of
10 Aging and Adult Services, Department of Health and Human Services, the sum of five hundred
11 thousand dollars (\$500,000) for the 2009-2010 fiscal year, and the sum of five hundred
12 thousand dollars (\$500,000) for the 2010-2011 fiscal year to fund Project C.A.R.E., which
13 provides support to individuals with dementia and their caregivers.
14 **SECTION 2.** This act becomes effective July 1, 2009.



**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 145 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, FOR PROJECT C.A.R.E. (CAREGIVER ALTERNATIVES TO RUNNING ON EMPTY), WHICH PROVIDES SUPPORT FOR INDIVIDUALS WITH DEMENTIA AND THEIR CAREGIVERS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.



HOUSE BILL 146: Funds for Adult Protective Services Pilot

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 9, 2009
Introduced by:	Reps. Farmer-Butterfield, Bordsen, Pierce, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	First Edition		

SUMMARY: House Bill 146 appropriates \$2,209,000 for the 2009-2010 fiscal year and \$2,200,000 for the 2010-2011 fiscal year to implement a pilot program to assess proposed improvements to the adult protective services statutes. This bill is a recommendation from the NC Study Commission on Aging.

[As introduced, this bill was identical to S189, as introduced by Sen. Malone, which is currently in Senate Appropriations/Base Budget.]

CURRENT LAW: North Carolina's elder abuse law is contained in Article 6, Chapter 108A of the General Statutes. Under North Carolina's current system, all reports of abuse, neglect and exploitation must be made to county departments of social services.

BILL ANALYSIS: House Bill 146 appropriates to the Division of Aging and Adult Services, DHHS, \$2,209,000 for the 2009-2010 fiscal year, and \$2,200,000 for the 2010-2011 fiscal year, to implement a pilot program to assess proposed improvements to the adult protective services statutes which include implementation of the Adult Protective Services Clearinghouse Model. The Division is required to make a status report to the NC Study Commission on Aging on or before February 1, 2010, and a final report on the evaluation of the pilot program on or before November 1, 2010.

The bill would become effective July 1, 2009.

BACKGROUND: During the Study Commission on Aging's September 24, 2008 meeting, the Division of Aging and Adult Services presented an overview of adult protective services generally, and the Adult Protective Services (APS) Pilot Program specifically. The Division presented, *A Fact Sheet from the National Center on Elder Abuse* which contained the following bulleted points from studies about the prevalence of elder abuse:

- According to the best available estimates, between 1 and 2 million Americans, age 65 or older have been injured, exploited, or otherwise mistreated by someone on whom they depended for care or protection.
- Data on elder abuse in domestic settings suggest that 1 in 14 incidents, *excluding* incidents of self-neglect, come to the attention of authorities.
- Current estimates put the overall reporting of financial exploitation at only 1 in 25 cases, suggesting that there may be at least 5 million financial abuse victims each year.

An Adult Protective Services (APS) Task Force met from 2002-2006 and issued a report. The *APS Clearinghouse Model: NC's System of Protection*, is the product of the collaborative effort among the Division of Aging and Adult Services, the NC Association of County Directors of Social Services, representatives from the Attorney General's office, stakeholders, and other interested parties. Recommendations from the report included funding to design, evaluate, and implement a time-limited pilot program of APS reform. The goals of the APS Clearinghouse Model are to: increase NC's ability to reach out to citizens to offer voluntary services; enable NC to respond to high risk situations before harm occurs and provide the opportunity to assist older adults who are victimized, but not incapacitated;

House Bill 146

Page 2

allow APS to intervene before the adult's health deteriorates to life-threatening levels; and allow APS to provide information and services to a greater number of adults.

The appropriations in the bill represent funding to provide increased staff for nine pilots in county departments of social services, public awareness and education campaigns, essential services. It also includes funding for state staff to support the pilot counties and funding for the pilot evaluation contract.

HI46-SMSH-16(e1) v1

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

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HOUSE BILL 146*

Short Title: Funds for Adult Protective Services Pilot. (Public)

Sponsors: Representatives Farmer-Butterfield, Bordsen, Pierce, Mobley (Primary Sponsors); K. Alexander, M. Alexander, Bryant, Carney, England, Faison, E. Floyd, Luebke, Parmon, Tarleton, Wainwright, Weiss, and Wray.

Referred to: Aging, if favorable, Appropriations.

February 12, 2009

A BILL TO BE ENTITLED

**AN ACT TO APPROPRIATE FUNDS TO ENACT A PILOT PROGRAM TO ASSESS
PROPOSED IMPROVEMENTS TO THE ADULT PROTECTIVE SERVICES
STATUTES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY
COMMISSION ON AGING.**

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Aging and Adult Services, the sum of two million two hundred nine thousand dollars (\$2,209,000) for the 2009-2010 fiscal year, and the sum of two million two hundred thousand dollars (\$2,200,000) for the 2010-2011 fiscal year, to implement a pilot program to assess proposed improvements to the adult protective services statutes. The proposed improvements include implementation of the Adult Protective Services Clearinghouse Model which is intended to enhance the capacity of county departments of social services in responding to the needs of abused, neglected, or exploited adults. The Division shall make a status report to the North Carolina Study Commission on Aging on or before February 1, 2010, and a final report on the evaluation of the pilot program on or before November 1, 2010.

SECTION 2. This act becomes effective July 1, 2009.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 146 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO ENACT A PILOT PROGRAM TO ASSESS PROPOSED IMPROVEMENTS TO THE ADULT PROTECTIVE SERVICES STATUTES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

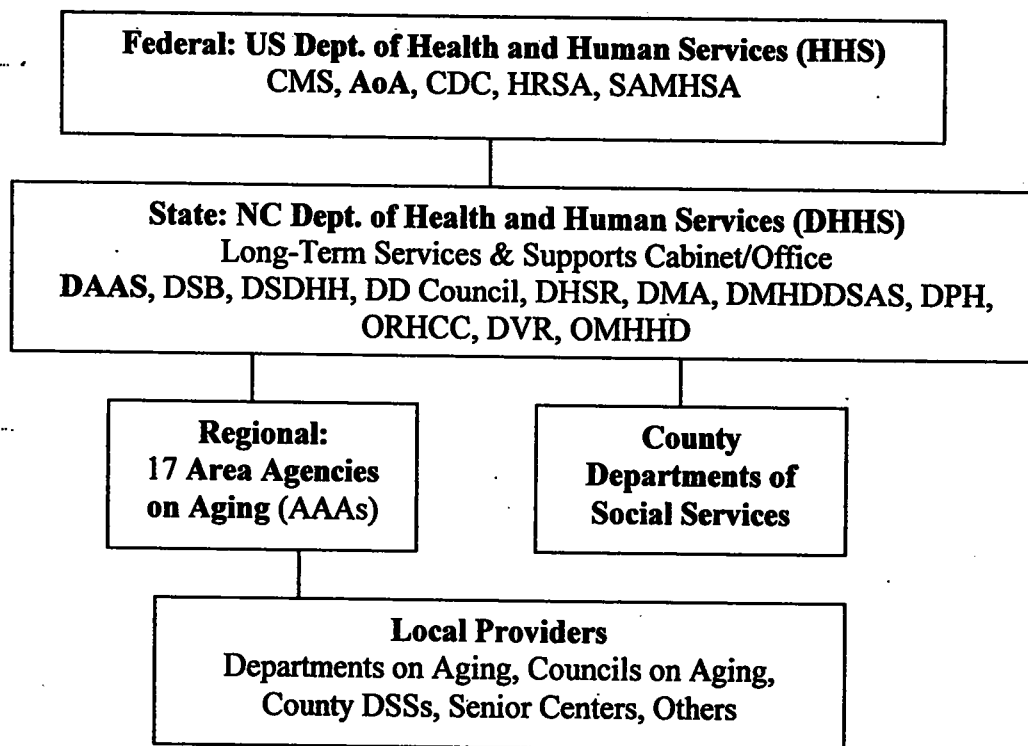
_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.

Overview of Division of Aging and Adult Services (DAAS) and Aging in North Carolina

Background

- Older Americans Act of 1965 calls for designated State Units on Aging
- *Division of Aging (DOA)* established in 1977
- General Assembly required State Plan in 1991
- General Assembly established Home & Community Care Block Grant in 1992
- DHHS transferred adult day services and in-home aide administration from Division of Social Services to DOA in 1998
- Merger of aging and adult services in September 2003
- Name change in February 2004



DAAS Organizational Structure

Adult Services: Oversees adult services primarily administered through county departments of social services, including adult protective services, guardianship, state/county special assistance (residential and in-home option), at-risk (targeted) case management, adult care home case management, and other programs and services.

Elder Rights: Coordinates Long-Term Care Ombudsman Program and Senior Community Service Employment Program, oversees legal services for elderly,

Supporting and serving NC's seniors, adults with disabilities, and caregivers in their efforts to live with independence, dignity, and choice. 1

and facilitates NC's Senior Consumer Fraud Task Force and other special initiatives including Project S.A.F.E. (Strategic Alliances for Elders in Long Term Care) and the Victims Assistance Program.

Service Operations: Oversees wide range of home and community services, including home-delivered and congregate meals, in-home aide, adult day services, transportation, and senior centers; coordinates activities for Alzheimer's disease assistance, including Project C.A.R.E. (Caregiver Alternatives to Running on Empty); teams with Public Health and Institute on Aging on NC Roadmap for Healthy Aging; and is responsible for State certification of all adult day care and adult day health care programs/centers.

Planning, Budget and System Supports: Manages budget functions, web site and the MIS system for home and community services (Aging Resources Management System—ARMS); coordinates contracting and monitoring functions; develops State Aging Plan and supports state, regional and local planning; coordinates the Family Caregiver Support Program, and facilitates program evaluation activities.

DAAS Programmatic and Policy Goals

- **Expand in-home and community services and benefits** for older and disabled adults
- **Increase support for family caregivers**, including those caring for persons with Alzheimer's Disease and other dementia
- **Support aging-in-place through well coordinated community-based services**
- **Assure an adequately trained workforce** to provide services
- **Involve older and disabled adults and their families** in meaningful public policymaking
- **Establish an integrated state, regional, and county planning** process for long-term well-being and the support of livable and senior-friendly communities
- **Improve the quality of aging and adult services and programs**, including senior centers
- **Increase volunteer and employment opportunities** for older and disabled adults
- **Enhance quality of care and quality of life of residents of long-term care facilities**
- **Collaborate with public and private agencies and organizations** to enhance the **health and wellness** of older and disabled adults and their family caregivers
- **Develop a system for comprehensive and timely information and assistance**, including support of **NCcareLINK** [www.nccarelink.gov/]
- **Protect older and disabled adults** from mistreatment and advocate for their rights and well-being

Supporting and serving NC's seniors, adults with disabilities, and caregivers in their efforts to live with independence, dignity, and choice. 2

Service Information (FY 07-08)

Individuals assisted:	FY 2005-06	FY 2007-08
HCCBG	58,387	62,047
Special Assistance [Licensed Residential Care]	30,096	30,938
Special Assistance In-Home	1,040	2,027
Adult Protective Services	6,667	8,117
Guardianship Services	2,724	3,930
Senior Centers	161	163

Home and Community Care Block Grant

- ❑ Combines federal Older Americans Act, Social Services Block Grant in support of respite, and relevant State appropriations
- ❑ Gives counties greater discretion and authority in determining services, service levels, and providers
- ❑ Counties choose from among 18 eligible services

Adult Day Care *	Health Screening	Mental Health Counseling
Adult Day Health Care *	Home Delivered Meals *	Senior Center Operations
Care Management *	Housing and Home Improvement *	Senior Companion *
Congregate Nutrition	Information and Assistance *	Skilled Home (Health) Care *
Group Respite *	In-Home Aide (levels I-IV) *	Transportation *
Health Promotion and Disease Prevention	Institutional Respite Care *	Volunteer Program Development

* core long-term services and supports

- ❑ Focus is on supporting frail elderly at home, improving physical and mental health, assisting with access to services and information, providing family caregiver relief, and helping seniors remain active.

Making a Difference—Who Was Served during SFY 2007-08?

- ❑ 71% were women (as compared to 57% of population aged 60+)
- ❑ 35% were minority (as compared to 18%)
- ❑ 58% were age 75+ (as compared to 32%)
- ❑ 48% live alone (as compared to 28%)
- ❑ 66% were unable to manage on their own (as compared to 12%)
- ❑ 66% were at risk of malnutrition
- ❑ 44% reportedly low income (as compared to 13%)

Supporting and serving NC's seniors, adults with disabilities, and caregivers in their efforts to live with independence, dignity, and choice. 3

Making a Difference—Are the funds used wisely?

- ❑ Of the 18 services, 12 are clearly 'core' long-term services and supports.
- ❑ 93% of the funds over which counties have discretion go to these 'core' services and supports.
- ❑ Providers are efficient and accountable.
- ❑ Performance outcome measures are positive.

Status of Funding and Utilization

- ❑ HCCBG funding has increased about 24% since 2000.
- ❑ Minimal increase in clients served and decrease in total service units (-9.96%) between July 1, 2000 and June 30, 2008. Comparatively, the populations age 60+ and 75+ grew by 23% and 15%, respectively during this same period.
- ❑ The SFY 07-08 expenditure rate was 99.8%.

Intrastate Funding Formula for HCCBG

- ❑ Uses best available data (Annual State Data Center estimates and 2000 census based)
- ❑ Provides a \$60,000 base amount to each county to support minimum capacity
- ❑ Uses the following factors and weights: population aged 60 and older (50%); population aged 60+ living in poverty (30%); population aged 60+ who are minority (10%); population aged 60+ who are in rural area (10%)
- ❑ Protects counties from substantial changes in funding with 5% cap on loss based on SFY 04-05 funding levels.

Home-Delivered Meals – Statewide Survey (2004):

- ☆ Nearly half of NC home-delivered meals clients (49%) said that their home-delivered meal provided $\frac{1}{2}$ or more of their daily food intake. [The federal requirement for the home-delivered meal is that it meets one-third of the minimum daily nutritional allowance.]
- ☆ Nearly 1 in 4 NC home-delivered meals clients said they ate less on the days they didn't get home-delivered meals (24%).
 - ☆ More than 1 in 4 of NC home-delivered meals clients said they don't always have enough money to buy food (28%).

Family Caregiver Support & Home and Community Services Survey (2002-03):

- ☆ Caregivers in 2002 who indicated that they needed more respite and/or adult care services were significantly more likely to have placed the person they were caring for in a facility by 2003.
- ☆ Those who were receiving any type of in-home aide service (in-home respite, personal care, or homemaker) in 2002 were significantly less likely to have placed the person they were caring for in a facility by 2003.

Issue Brief

Impact of the Economic Crisis on Home and Community Care Block Grant Services for Older Adults

In February 2009, providers of Home and Community Care Block Grant (HCCBG) Services responded to an online questionnaire developed by the NC Division of Aging and Adult Services. For those services for which providers might maintain waiting lists, respondents were asked how many were currently on the list. Then providers were asked about various service-specific and administrative strategies and issues, and finally, they were given the opportunity to comment. Of the 325 providers, 213 responded (65.5 percent), although rates vary by service. Here is a snapshot of what they reported.

Service Needs and Wait Lists Are Growing

- **8,632:** Seniors waiting for HCCBG-funded services (as reported by 65.5% of HCCBG providers)
- **10,531:** Total seniors waiting for services from any source through HCCBG providers
- **13,000–16,000:** Estimated number of seniors waiting for home and community services from HCCBG providers (based on projecting responses to 100%)
- **3,675:** Seniors waiting for in-home aide services under HCCBG; 4,475 for in-home aide services from all sources, the largest waiting list (reported by 60% of providers)
- **2,455:** Seniors waiting for home-delivered meals through HCCBG; 2,783 for all sources, the second largest waiting list (reported by 62% of providers)
- **87%:** Senior centers reporting increased demand for programs and services
- **72.3%:** Providers of information and assistance reporting that requests have increased; 43% reporting that community resources to which seniors can be referred have decreased

Access to Services Is Decreasing

- **Over 30% of home-delivered meals** providers are not adding a new client when an existing client ends service, and **almost 25% more** say they may have to freeze slots soon. Half of these providers have either already discontinued holiday or emergency meals or expect to do so.
- **Almost one third of congregate meal** providers anticipate having to reduce the number of days their sites are open (24%) or have already done so (8%)—and about the same proportion have stopped adding new participants or think they may have to stop.
- **Nearly three-quarters (71%) of in-home aide** providers are reassessing clients to identify those whose services can be reduced or ended, with already 41% cutting the number of hours of in-home aide service, 46% capping the amount of service that can be used for individual clients, and 34% not adding a new client when the service for an existing one ends.
- **About half of those providing general transportation** have already reduced the number of routes or the geographic area served (23%), or expect to make this cut (27%), and **almost half** have reduced the number of trips per rider (22%) or expect to do so (26%).



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"Funding appears to be receding on all fronts at the same time. Service needs, on the other hand, appear to be growing exponentially. ... Many agencies may find themselves forced out of the business of operating Aging programs due to major deficits in funding."

—HCCBG Service Provider

HCCBG Services at a Glance

- ♦ adult day care and day health care
- ♦ respite
- ♦ congregate and home-delivered meals
- ♦ health promotion and disease prevention activities
- ♦ housing and home repair
- ♦ care management
- ♦ in-home aide services
- ♦ general and medical transportation
- ♦ information and assistance
- ♦ senior centers
- ♦ volunteer coordination

Providers often use a variety of sources to support these programs.



- ◆ Nearly one third of those providing medical transportation are reassessing clients to identify those whose services can be reduced or ended, and about 30% have reduced the number of trips allowed per client.

Resources Are Dwindling

- ◆ Many, if not most, providers have either seen reductions or anticipate them in one or more of their funding sources, with 60 to 70% of those receiving United Way, consumer contributions, and donations reporting cuts.
- ◆ About a quarter have already run out of HCCBG funds for this fiscal year for one or more services.

What Providers Are Saying

- ◆ "Due to increase in food costs, utilities and health care, seniors are struggling and therefore more are asking for help."
- ◆ "We are getting more calls from individuals who have never used our services and they are sounding pretty desperate especially for the nutrition program."
- ◆ "Requests for crisis funding for medication, utilities, food continue to increase."
- ◆ "Our agency is seeing and continues to foresee service to yet another population of seniors who have never sought-after nor needed services now finding themselves in need because of economic difficulties."
- ◆ "We have people calling for Home Delivered Meals. We do not get (they won't give it) the information needed for ARMS [to put on wait list], so we do not have a record of them. However, we would estimate that we have at least 5 people per week that we tell 1) We don't have a route in your neighborhood 2) The route you live on is filled to capacity 3) We don't have the funding to place anyone else on our meal routes. They won't give any information because they say they will be dead or in a nursing home before we can give a glimmer of help—especially if they are waiting on someone on the route to either die or go into a facility. I just know we are drowning here and there doesn't look like any help in sight."
- ◆ "Even those who have not been significantly affected by the economy are afraid and are turning to us for services to offset their expenses in order to save for [what] is possibly to come."
- ◆ "We are serving 58 more people this year than last year, which is an additional 14,500 [home-delivered] meals. The waiting list, though, has increased by 47%; it increased from 197 last year at this time to 291 this year."
- ◆ "Most of our clients tend to need ongoing In-Home Aide service due to limited support systems. Therefore, many clients on our waiting list have to wait 12-18 months for service, and some never receive it at all."
- ◆ "I believe that we do a good job of managing our resources but our [in-home] aides are just doing the bare minimum [number of hours] for our seniors, due to the time restraints that we must put on their schedules."
- ◆ "If we did not have HCCBG funds we would not be able to stay open [to provide adult day services]. HCCBG funds account for 34% of the budget."
- ◆ "We are getting calls from potential new clients almost on a daily basis [for transportation]. . . . I feel this will only grow as older adults will have to cut back on their driving because of gasoline costs or maybe on car repairs they can no longer afford. . . . Family members are having their own problems (jobless, etc.) therefore having no resources to help parents or grandparents."

About the Home and Community Care Block Grant

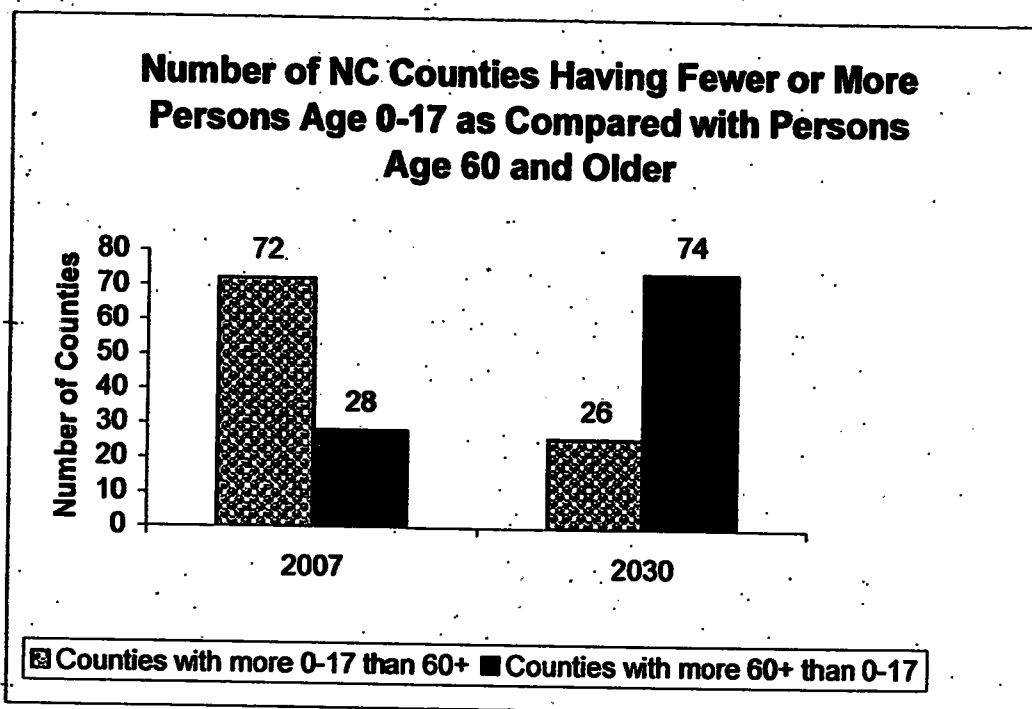
Established in 1992 under NCGS 143B-181.1(a)(11), the Home and Community Care Block Grant was devised to provide a "common funding stream" for a comprehensive and coordinated system of home and community-based services and opportunities for older adults. HCCBG services are available to people age 60 and older, although the 'average' client is nearly 80 years old and the program targets individuals who are socially and economically needy. The block grant is administered through the NC Division of Aging and Adult Services and the Area Agencies on Aging. It combines federal and state funds with a local match. The block grant gives county commissioners discretion in budgeting and administering aging funds.

Comparison of Estimated and Projected Population Change in NC Counties for Age Groups 0-17 and 60+ between 2007 and 2030

Counties in bold are those where the population 60+ is greater than 0-17. Counties in <i>italics</i> are those where the population 0-17 is greater than 60+. Both bold and <i>italicized</i> counties are ranked in descending order by the population 60+					
2007			2030		
County/State	0-17	60+	County/State	0-17	60+
HENDERSON	21,216	28,319	BUNCOMBE	59,128	79,738
BRUNSWICK	19,891	26,635	NEW HANOVER	54,614	72,902
MOORE	17,607	23,480	GASTON	52,139	61,583
CARTERET	11,511	16,983	BRUNSWICK	34,016	60,319
HAYWOOD	11,400	15,250	DAVIDSON	43,145	47,305
BEAUFORT	10,204	10,935	HENDERSON	30,894	46,173
MACON	6,574	10,084	MOORE	23,279	38,138
TRANSYLVANIA	5,851	9,588	CRAVEN	23,310	34,398
CHEROKEE	5,296	7,950	ORANGE	30,573	33,943
JACKSON	6,883	7,720	CARTERET	12,117	28,796
WATAUGA	6,701	7,519	NASH	25,197	27,877
DARE	6,981	7,311	ROCKINGHAM	18,920	26,389
ASHE	5,065	6,721	CLEVELAND	22,507	25,636
POLK	3,663	5,583	LINCOLN	23,100	24,936
NORTHAMPTON	4,733	5,114	CHATHAM	20,188	24,608
YANCEY	3,766	4,788	CALDWELL	17,543	23,715
MADISON	4,304	4,620	WILSON	21,654	22,790
WARREN	4,291	4,594	PENDER	15,724	22,770
AVERY	3,233	4,203	BURKE	18,989	22,285
MITCHELL	3,144	4,199	HAYWOOD	12,676	21,834
CHOWAN	3,237	3,703	SURRY	18,059	21,076
PERQUIMANS	2,574	3,525	WILKES	15,249	20,614
PAMLICO	2,381	3,521	RUTHERFORD	13,202	18,965
CLAY	1,789	3,366	GRANVILLE	15,855	17,444
ALLEGHANY	2,118	3,043	STANLY	14,119	16,109
GRAHAM	1,771	2,191	BEAUFORT	9,863	16,041
HYDE	1,001	1,173	MACON	9,265	15,810
TYRRELL	827	859	PASQUOTANK	12,477	15,630
MECKLENBURG	222,743	103,080	LENOIR	11,637	15,599
WAKE	215,555	93,178	HALIFAX	10,239	15,503
GUILFORD	110,624	74,088	DAVIE	13,774	15,265
FORSYTH	83,290	58,658	COLUMBUS	11,704	14,219
BUNCOMBE	47,806	46,727	DARE	10,099	14,051
CUMBERLAND	83,604	37,753	TRANSYLVANIA	5,897	13,948
GASTON	47,662	36,465	STOKES	10,989	13,468
NEW HANOVER	39,157	35,541	MCDOWELL	10,555	13,396
DURHAM	61,449	33,938	CHEROKEE	6,069	13,102
DAVIDSON	37,282	29,363	JACKSON	8,004	12,717
CATAWBA	37,430	27,024	WATAUGA	7,085	12,471
ALAMANCE	34,722	25,786	EDGECOMBE	8,785	12,201
IREDELL	38,355	25,583	RICHMOND	10,768	12,079
CABARRUS	43,639	24,976	PERSON	9,477	11,981
UNION	51,634	24,530	YADKIN	10,188	10,635
JOHNSTON	42,083	21,220	ASHE	5,486	10,358
PITT	36,029	20,646	SCOTLAND	8,880	9,529
WAYNE	29,525	19,499	BLADEN	7,208	9,075

Comparison of Estimated and Projected Population Change in NC Counties for Age Groups 0-17 and 60+ between 2007 and 2030

Counties in bold are those where the population 60+ is greater than 0-17. Counties in <i>italics</i> are those where the population 0-17 is greater than 60+. Both bold and <i>italicized</i> counties are ranked in descending order by the population 60+					
2007			2030		
County/State	0-17	60+	County/State	0-17	60+
<i>GREENE</i>	5,252	3,476	<i>LEE</i>	20,261	18,084
<i>SWAIN</i>	3,252	3,079	<i>SAMPSON</i>	20,042	16,677
<i>WASHINGTON</i>	3,229	3,073	<i>DUPLIN</i>	17,194	14,172
<i>GATES</i>	2,852	2,429	<i>HOKE</i>	23,026	11,664
<i>JONES</i>	2,354	2,263	<i>VANCE</i>	11,912	10,877
<i>CAMDEN</i>	2,225	1,833	<i>GREENE</i>	5,998	5,453
NORTH CAROLINA	2,194,806	1,529,488	NORTH CAROLINA	2,920,188	2,864,454



Legislative Agendas for 2009 as Compiled by the Division of Aging and Adult Services

	Senior Tar Heel Legislature	Governor's Advisory Council on Aging	Coalition on Aging	NCACDSS	AARP- NC	NCAOA ¹	Friends of Residents in Long Term Care	NC4A ²
1. Provide funding to sustain Project C.A.R.E.] (Caregiver Alternatives to Running on Empty).	\$1 million	\$500,000	\$500,000		X	\$500,000		X
2. Implement practical and cost-effective steps to address concerns related to the mixing of populations, including younger adults with mental illness and frail older persons residing in long term care facilities.	X				X	X	X	
3. Increase funding for home and community based services for older adults by increasing the Home and Community Care Block Grant.	\$5 million	\$7 million	\$7 million		\$7 million	\$5 million	X	X
4. Increase funding for senior centers.	\$2 million	\$1 million	\$750,000		\$750,000	X		X
5. Establish a cap on the increase in the assessed value of property during revaluations for persons over the age of 65, eligible for the Homestead Exemption.	X							
6. Expand dental care services for older, disabled, and special needs populations through mobile dental laboratories and services for those in long-term care facilities.			X		X		X	X
7. Increase the asset limit for Medicaid eligibility for aged, blind, and disabled persons from \$2,000 to \$6,000 for an individual and from \$3,000 to \$9,000 for a couple.		X	X					
8. Appropriate \$2 million for use by the NC Division of Public Health to assist with the provision of indoor plumbing for older adults without these facilities. Census data indicates that 5,000 persons 60 and older do not have complete plumbing.		X						
9. Fund Adult Protective Services Pilot Project. /		\$1.9 million		X	X	X	X	
10. Update guardianship laws and provide funding for public guardianship services.				X	X		X	

¹ NCAOA: North Carolina Association on Aging

² NC4A: North Carolina Association of Area Agencies on Aging

	Senior Tar Heel Legislature	Governor's Advisory Council on Aging	Coalition on Aging	NCACDSS	AARP- NC	NCAOA	Friends of Residents in Long Term Care	NC4A
11. Fund SHIIP to educate the public about long-term care insurance.					X			
12. Support Area Agencies on Aging to help counties plan for the growth in the aging population/ provide funding for administrative support						X		\$270,000
14. Approve expansion of Medicaid dollars in adult day health as affordable service option.			X		X			
15. Enact legislation for funding a comprehensive plan for our aging population.			X		X			X
16. Increase Medicaid nursing home residents' personal needs allowance in nursing homes.							X	
17. Appropriate funds for Medicare Part D premium assistance for beneficiaries earning up to 200% of the federal poverty level and for medication management and aid for the monitoring of prescriptions for at-risk patients.			\$25 million		X			
18. Increase payment for Medicaid services to dentists.			X					
19. Enact legislation requiring all new nurse aides to show evidence of completion of an approved training program and competency exam without the option of the challenge exam.			X				X	
20. Preserve Medicaid eligibility and services for older and disabled adults.					X			
21. Reduce the number of uninsured individuals in the State and ensure that all North Carolinians have access to necessary and affordable health care.					X			
22. Establish a family caregiver tax credit for expenses incurred in caring for an older or disabled family member at home.					X			
23. Provide employees with a min. number of paid annual sick days to care for themselves or a family member.					X		X	

	Senior Tar Heel Legislature	Governor's Advisory Council on Aging	Coalition on Aging	NCACDSS	AARP- NC	NCAOA	Friends of Residents in Long Term Care	NC4A
24. Support transportation options and choices that enable communities to be senior friendly and that are financed in a fair and sustainable way.					X			
25. Provide a \$50 million recurring appropriation for the Housing Trust Fund.					X			
26. Expand health promotion and disease prevention programs, including making public places and worksites smoke-free.					X			
27. Support funding for the creation, continuation and expansion of Community Resource Connections.						X		
28. Request \$500,000 in non-recurring funding for capacity building of NC Carelink								\$500,000
29. Support a study group to develop a model which would enhance the positioning of the State of North Carolina as a strong candidate to receive future Lifespan Respite Act appropriations.								X
30. Mandatory drug testing in long-term care facilities – both pre-employment and random testing for employees.								X
31. Study feasibility of requiring air conditioning in Adult Care Homes.							X	
32. Monitor implementation of the Star Rating System and Maintain expansion of technical assistance funds for Quality Improvements for Adult Care Homes.							X	
33. Improve disaster preparedness of long-term care facilities and local planning efforts.							X	

Senior Tar Heel Legislature (STHL)

Created by State Senate Bill 479 in 1993, the STHL bridges seniors and the General Assembly. The Senior Tar Heel Legislature was created to:

- *Provide information to seniors on the legislative process and matters being considered by the NC General Assembly*
- *Promote citizen involvement and advocacy concerning aging issues before the General Assembly.*
- *Assess the legislative needs of older citizens by convening a forum modeled after the General Assembly.*

Each county has a delegate, and most have an alternate. The group meets in March, June, and October. STHL members often participate in regional planning with Area Agencies on Aging and provide updates on issues through local senior centers. Current officers of the Senior Tar Heel Legislature are: Charles Dickens, Speaker (Buncombe), Edwin Deaver, Speaker Pro Tempore (Cumberland), Betty Hunt, Deputy Speaker Pro Tempore (Randolph), and Milton Spann, Secretary (Watauga County).

Governor's Advisory Council on Aging (GAC)

The GAC consists of 33 members including 29 members appointed by the Governor, two members appointed by the President Pro Tempore of the Senate and two members appointed by the Speaker of the House of Representatives. The GAC has the following duties: (1) Make recommendations to the Governor and the Secretary of Health and Human Services aimed at improving human services to the elderly; (2) Study ways and means of promoting public understanding of the problems of the aging and consider the need for new State programs in the field of aging; (3) Advise DHHS in the preparation of a plan describing the quality, extent and scope of services being provided, or to be provided, to older persons in North Carolina; (4) Study the programs of all State agencies which provide services for elderly persons and advise the Governor and the Secretary of Health and Human Services on the coordination of program to prevent duplication and overlapping of such services; and (5) Advise the Governor and the Secretary of Health and Human Services upon any matter which the Governor and the Secretary may refer to it. Ann Johnson is the Council Chair.

1993

Table IIIA. Expenditures by Funding Source, Service, and Service Category for Cleints 60+ Years of Age: SFY 2007-2008

	Category	Clients	Expenditure
Funding Source: Department of Transportation			
Elderly and Disabled Transportation Assistance Program	6		\$5,965,440
Elderly and Disabled Transportation Assistance Program (Supplemental)	6		\$2,885,492
		Total	\$8,850,932
Funding Source: Division of Aging and Adult Services			
Adult Day Care	4	549	\$1,903,839
Adult Day Health	4	614	\$2,141,779
Care Management	6	187	\$792,808
Congregate Nutrition	6	28,873	\$9,630,414
Consumer Directed Care	4		\$45,512
Family Caregiver Support - Access	6		\$608,573
Family Caregiver Support - Counseling/Support Groups/Training	6		\$488,628
Family Caregiver Support - Information	6		\$1,130,231
Family Caregiver Support - Respite	6		\$1,590,622
Family Caregiver Support - Supplemental Services	6		\$267,208
Group Respite	6	80	\$111,448
Health Promotion/Disease Prevention	3		\$574,940
Health Screening	3		\$20,682
Home Delivered Meals	4	18,361	\$11,068,533
Home Health Skilled Nursing	4	10	\$16,000
Housing and Home Improvement	6	1,287	\$834,521

	<i>Category</i>	<i>Clients</i>	<i>Expenditure</i>
In Home Aide Level I - Home Management	4	3,449	\$5,047,274
In Home Aide Level I - Respite	4	122	\$274,482
In Home Aide Level II - Home Management	4	183	\$246,423
In Home Aide Level II - Personal Care	4	3,642	\$10,020,180
In Home Aide Level II - Respite	4	252	\$841,931
In Home Aide Level III - Home Management	4	99	\$57,320
In Home Aide Level III - Personal Care	4	712	\$2,430,710
In Home Aide Level III - Respite	4	126	\$581,421
In Home Aide Level IV - Home Management	4	22	\$33,373
Information & Assistance	6		\$1,901,541
Institutional Respite	6	60	\$255,334
Legal	6		\$466,618
Medication Management	3		\$147,615
Senior Center	6		\$5,384,613
Senior Companion	4	88	\$155,081
Transportation, General	6	10,246	\$5,715,289
Transportation, Medical	3	3,662	\$1,173,148
Volunteer Program Development	6		\$203,924
		<i>Total</i>	\$66,162,015

Funding Source: Division of Medical Assistance

ACH-PCS Basic/Enhanced	1	17,926	\$109,600,011
ACH-Transportation	1	17,704	\$2,825,588
CAP/CHOICE	4	32	\$574,386
CAP/DA	4	11,020	\$202,437,795

	<i>Category</i>	<i>Clients</i>	<i>Expenditure</i>
CAP/MR	4	385	\$18,964,999
Clinics	3	35,452	\$21,217,963
Dental	3	45,461	\$18,485,670
HMO	2	11,016	\$8,758,107
Home Health	4	85,308	\$62,306,914
Hospice	4	4,608	\$54,237,446
ICF-MRC	5	554	\$72,041,843
Inpatient Hospital	5	20,095	\$82,989,928
Inpatient Mental Hospital	5	141	\$3,715,128
Lab & X-Ray/Physicians	3	194,046	\$93,677,832
Medicare Part A&B Premiums	2	196,643	\$254,310,575
Medicare Part D Clawback	2	157,623	\$147,733,836
Nursing Homes	5	37,498	\$962,445,101
Other Care	3	76,145	\$15,698,513
Other Practitioners	3	70,544	\$36,585,989
Outpatient Hospital	3	88,147	\$55,462,816
Prescribed Drugs	3	85,506	\$68,923,317
Regular Personal Care (PCS)	4	29,226	\$187,819,679
		Total	\$2,480,813,436

(Almost a billion)

Funding Source: Division of Mental Health/Developmental Disabilities/Substance Abuse Services

Alcohol Rehabilitation Centers	5	65	\$324,799
Developmental Disabilities	3	1,029	\$6,458,546
Mental Health	3	17,147	\$4,518,743
Mental Retardation Centers	5	336	\$60,897,800

	<i>Category</i>	<i>Clients</i>	<i>Expenditure</i>
Psychiatric Hospitals	5	1,600	\$115,418,764
Substance Abuse	3	1,760	\$1,064,277
		<i>Total</i>	<i>\$188,682,928</i>

Funding Source: Division of Services for the Blind

Adjustment Services for the Blind and Visually Impaired	6		\$324,565
Independent Living Rehabilitation Program	3	940	\$332,829
In-Home Services Level 1 Home Management	4		\$256,468
Medical Eye Care Program	3	1,071	\$558,796
Rehabilitation	3	474	\$506,289
Special Assistance for the Blind	1	29	\$153,936
		<i>Total</i>	<i>\$2,132,883</i>

Funding Source: Division of Social Services

Adult Care Home Case Management/Screening	1	4,283	\$2,375,663
Adult Day Care	4	673	\$1,428,267
Adult Day Health	4	388	\$763,811
Adult Placement	6	425	\$222,560
Adult Protective Services	6	6,333	\$3,486,304
At-Risk Case Management	6	2,379	\$1,337,538
Energy Assistance	2	61,864	\$4,194,680
Food and Nutrition Services (Food Stamps)	2	98,052	\$72,307,892
Guardianship Services	6	2,064	\$2,084,140
Housing & Home Improvement	6	145	\$1,296
In-Home Aide Services	4	5,480	\$4,353,989
Meals - Home and Congregate	4	799	\$105,475

Otherwise
DAS

DSS

	<i>Category</i>	<i>Clients</i>	<i>Expenditure</i>
Other Services	6	10,460	\$11,120,719
Special Assistance: Adult Care Home	1	18,292	\$74,140,545
Special Assistance: In-Home	4	1,302	\$4,009,421
Transportation	6	6,220	\$895,934
		<i>Total</i>	<i>\$182,828,232</i>

Funding Source: Division of Vocational Rehabilitation

Independent Living	3	1,865	\$5,141,356
Vocational Rehabilitation	6	736	\$1,381,384
		<i>Total</i>	<i>\$6,522,740</i>

**Table III B
SFY 2007-08**

Schedule of Reported Expenditures by Funding Source and Major Service Category

Funding Source	1. Adult Care Homes	2. Economic Support	3. Physicians, & Other Health Care	4. Home Health & In-Home Care	5. Institutional Care	6. Social Supportive Services	Totals	Percent
Funding Source: Department of Transportation						8,850,932	\$8,850,932	0.30%
Funding Source: Division of Aging and Adult Services			1,916,385	34,863,858		29,381,772	\$66,162,015	2.25%
Funding Source: Division of Medical Assistance	112,425,599	410,802,518	310,052,100	526,341,219	1,121,191,999		\$2,480,813,436	84.50%
Funding Source: Division of Mental Health/Developmental Disabilities/Substance Abuse Services			12,041,566		176,641,363		\$188,682,928	6.43%
Funding Source: Division of Services for the Blind	153,936		1,397,914	256,468		324,565	\$2,132,883	0.07%
Funding Source: Division of Social Services	76,516,208	76,502,572		10,660,963		19,148,490	\$182,828,232	6.23%
Funding Source: Division of Vocational Rehabilitation			5,141,356			1,381,384	\$6,522,740	0.22%
Totals	\$189,095,743	\$487,305,090	\$330,549,322	\$572,122,508	\$1,297,833,362	\$59,087,142	\$2,935,993,167	100.00%
Percent	6.44%	16.60%	11.26%	19.49%	44.20%	2.01%	100.00%	

Nearly
\$3 billion

House Pages

Name Of Committee: AGING Date: 3/11/09

1. Name: Adonna Rowland

County: Durham

Sponsor: Larry Hall (Rep.)

2. Name: Ashara Meekins

County: Cumberland

Sponsor: Elmer Floyd (Rep.)

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: MARTHA PARRISH

2. Name: TOUSSANT ACENT

3. Name: Ken Burroughs

4. Name: _____

5. Name: _____

VISITOR REGISTRATION SHEET

Aquino

Name of Committee

march 17th, 2009

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME

FIRM OR AGENCY

Darnell Boyd

Rep. Adams

Maria McBride

Senior Tangle Legislature

Polly Williams

NC Justice Center / Triangle AWH / Coalition on Aging

Bob Jackson

ANRP

Dennis Streets

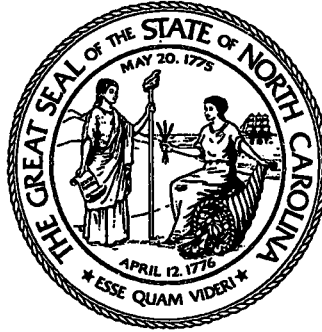
NC Div. of Aging and Adult Services

Erlyn Newmore

ETOR

Mar. Hernandez

Frym Spence



HOUSE COMMITTEE ON AGING
Wednesday, March 18, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 143, Strengthen Disaster Planning/LTC Facilities
Rep. Farmer-Butterfield, Pierce, Bordsen and Mobley
(If favorable, Homeland Security, Military & Veterans Affairs)

HB 144, Special Care Dentistry Collaboration (Proposed Comm. Sub)
Rep. Farmer-Butterfield, Pierce, Bordsen and Mobley
(If favorable, Health)

HB 358, Clarify Consecutive Terms – Aging & Child Com.
Rep. Bordsen, Farmer-Butterfield, and Pierce
(If favorable, Rules, Calendar, and Operations of the House)

SPEAKER:

Theresa Matula, Research Department,
North Carolina General Assembly

ADJOURNMENT

HOUSE COMMITTEE ON AGING
Room 415 LOB
March 18, 2009
11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, March 18, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Darren Jackson; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. The Chair recognized the Sergeants-At-Arms and Pages. A copy of the Visitors Sheet is attached and included with these minutes.

Representative Farmer-Butterfield announced that Representative Garland Pierce would preside over the meeting while she presented two bills that she was the primary sponsor.

Representative Pierce recognized Representative Jean Farmer-Butterfield to present **HB 143, Strengthen Disaster Planning/LTC Facilities**. This bill would direct the Division of Health Services Regulation (Division), Department of Health and Human Services (DHHS), to review the recommendations from the Disability and Elderly Emergency Management (DEEM) Task Force and act to strengthen disaster planning and preparedness for long-term care facilities. The Division is also directed to report findings, actions taken and any additional recommendations to the North Carolina Study Commission on Aging and the Joint Select Committee on Emergency Preparedness and Disaster Management Recovery no later than March 1, 2010. This bill is identical to SB 193, as introduced by Senator Malone, and it is effective when it becomes law. A copy of the bill and bill summary is attached.

Representative Ruth Samuelson asked the bill sponsor whether the DEEM Task Force was working within the capacity of the municipalities and county commissioners. Representative Farmer-Butterfield referred her question to staff member, Sarah Kamprath, who replied that the county commissioners have representation with that task force. Representative Samuelson then moved that HB 143 receive a favorable report and be re-referred to the committee on Homeland Security, Military, and Veterans Affairs. The motion was approved.

Representative Farmer-Butterfield then presented a proposed committee substitute for **HB 144, Special Care Dentistry Collaboration**, which designates the Division of Public Health within the Department of Health and Human Services, to collaborate with the Division of Medical Assistance, the Division of Aging and Adult Services, the State's Schools of Dentistry, the North Carolina Dental Society, and special care dental providers to examine current dental care options for special care populations. As originally introduced, this bill is identical to SB 188, as introduced by Senator Malone, and it becomes effective when it becomes law. Representative Alice Bordsen moved that the PCS be considered for discussion purposes only; the motion was approved. A copy of the bill, bill summary and PCS is attached and included with these minutes.

Representative Jamie Boles asked if the bill required that additional funding be paid to the collaborating agencies or organizations. Staff replied that it did not.

Representative Ruth Samuelson commented why is there a study being considered after the committee has already approved additional mobile dental units.

Representative Farmer-Butterfield explained that mobile dental units are only available in certain geographic areas; this bill will provide the added benefit of improving the availability of services for special care populations.

Representative Pierce recognized Mr. William Potter, a representative for the North Carolina Dental Society. Mr. Potter commented that the Dental Society supports the bill because there are not enough resources available in the state to provide dental care to special populations.

There being no further discussion, Representative Bordsen moved that HB 144 receive a favorable report as to the committee substitute bill, unfavorable as to the original bill, and be re-referred to the committee on Health. The motion was approved. Following approval of the committee substitute bill, Representative Farmer-Butterfield returned as Chair of the meeting.

Representative Bordsen was recognized to present **HB 358, Clarify Consecutive Terms – Aging and Child Commissions**. This bill seeks to clarify the number of consecutive terms for which members may be appointed to the North Carolina Study Commission on Aging and the Legislative Study Commission on Children and Youth. There is some ambiguity regarding the interpretation of the current language for each of the above commissions with regard to the number of consecutive terms a member could serve. This bill seeks to clarify that issue by stating that members may be appointed to a maximum of three consecutive two-year terms after having been off the Commission for two years. The bill becomes effective when it becomes law. A copy of the bill, bill summary and PCS is attached and included with these minutes.

Following the presentation of the bill, Representative Ruth Samuelson proposed that an amendment be included to change the wording on page 1, line 9, from "his"

delegate to "or the Secretary's" delegate. Representative Darren Jackson moved that the amendment be approved. The motion passed. Representative Annie Mobley proposed that a committee substitute be written, and that the committee substitute receive a favorable report unfavorable as to the original bill, and be re-referred to the committee on Rules, Calendar and Operations of the House. The motion was approved.

The Chair recognized Theresa Matula, a member of the Research staff, to present a review of the aging population for the committee. Copies of her handouts - "The Demographics of Aging in North Carolina: Changing Policies for Changing Communities" (Attachment 1), and the 2009 Report from the North Carolina Study Commission on Aging (Attachment 2), are included with these minutes.

Following her presentation, the meeting was adjourned at 11:46 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair



Ruth Merkle
Committee Clerk



HOUSE BILL 143: Strengthen Disaster Planning/LTC Facilities

2009-2010 General Assembly

Committee:	House Aging, if favorable, Homeland Security, Military, and Veterans Affairs	Date:	March 16, 2009
Introduced by:	Reps. Farmer-Butterfield, Pierce, Bordsen, Mobley	Prepared by:	Sara Kamprath Committee Staff
Analysis of:	First Edition		

BILL ANALYSIS: House Bill 143 would direct the Division of Health Service Regulation (Division), Department of Health and Human Services to review the recommendations from the Disability and Elderly Emergency Management (DEEM) Task Force and act to strengthen disaster planning and preparedness for long-term care facilities. The Division is also directed to report findings, actions taken and any additional recommendations to the North Carolina Study Commission on Aging and the Joint Select Committee on Emergency Preparedness and Disaster Management Recovery no later than March 1, 2010. The bill is a recommendation of the North Carolina Study Commission on Aging.

[As introduced, this bill was identical to S193, as introduced by Sen. Malone, which is currently in Senate Health Care.]

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: The Disability and Elderly Emergency Management (DEEM) Initiative is a multi-agency effort created to identify ways to strengthen emergency preparedness and response for older adults and people with disabilities. The DEEM Initiative was co-chaired by Brian Beatty, Secretary of the Department of Crime Control and Public Safety, Dempsey Benton, Secretary of the Department of Health and Human Services, and Allison Breedlove, Disability Advocate.

Two of the report's 16 recommendations pertain to long-term care facilities. Recommendation 15 is to improve long-term care facility disaster planning. All long-term care facilities would be required to have a comprehensive disaster plan. The plan must identify measures for sheltering in place and evacuation.

Recommendation 16 is to improve disaster resistance of facilities and includes suggested actions to prohibit the construction of long-term care facilities in storm surge areas, near industrial plants containing hazardous chemicals or radioactive materials, or in otherwise disaster-prone locations.

HI43-SMRJ-16(e1) v1

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 143*

Short Title: Strengthen Disaster Planning/LTC Facilities. (Public)

Sponsors: Representatives Farmer-Butterfield, Pierce, Bordsen, Mobley (Primary Sponsors); M. Alexander, Allred, Bryant, England, Faison, E. Floyd, Hall, Harrison, Hurley, Lucas, Luebke, McLawhorn, Tolson, and Weiss.

Referred to: Aging, if favorable, Homeland Security, Military, and Veterans Affairs.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO REVIEW RECOMMENDATIONS FROM THE DISABILITY AND ELDERLY EMERGENCY MANAGEMENT (DEEM) TASK FORCE AND TO TAKE APPROPRIATE ACTION TO STRENGTHEN DISASTER PLANNING AND DISASTER PREPAREDNESS FOR LONG-TERM CARE FACILITIES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. The Division of Health Service Regulation, Department of Health and Human Services, shall review recommendations from the Disability and Elderly Emergency Management (DEEM) Task Force, and shall take appropriate action to strengthen disaster planning and disaster preparedness for long-term care facilities. The Division of Health Service Regulation shall report findings, action taken, and any further recommendations to the North Carolina Study Commission on Aging and the Joint Select Committee on Emergency Preparedness and Disaster Management Recovery on or before March 1, 2010.

SECTION 2. This act is effective when it becomes law.



* H 1 4 3 - V - 1 *

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

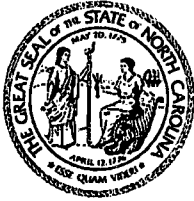
HB 143 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO REVIEW RECOMMENDATIONS FROM THE DISABILITY AND ELDERLY EMERGENCY MANAGEMENT (DEEM) TASK FORCE AND TO TAKE APPROPRIATE ACTION TO STRENGTHEN DISASTER PLANNING AND DISASTER PREPAREDNESS FOR LONG-TERM CARE FACILITIES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on HOMELAND SECURITY, MILITARY, AND VETERANS AFFAIRS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.



HOUSE BILL 144: Special Care Dentistry Collaboration

2009-2010 General Assembly

Committee:	House Aging, if favorable, Health	Date:	March 13, 2009
Introduced by:	Reps. Farmer-Butterfield, Pierce, Bordsen, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	First Edition		

SUMMARY: *The Proposed Committee Substitute (PCS) for House Bill 144 directs the Division of Public Health, within the Department of Health and Human Services, to collaborate with the Division of Medical Assistance, the Division of Aging and Adult Services, the State's Schools of Dentistry, the North Carolina Dental Society, and special care dental providers to examine current dental care options for special care populations. As introduced, this bill is a recommendation from the NC Study Commission on Aging.*

[As introduced, this bill was identical to S188, as introduced by Sen. Malone, which is currently in Senate Health Care.]

BILL ANALYSIS:

The PCS for House Bill 144 directs the Division of Public Health to collaborate with the following entities:

- Division of Medical Assistance,
- Division of Aging and Adult Services,
- University of North Carolina at Chapel Hill School of Dentistry,
- East Carolina University School of Dentistry,
- North Carolina Dental Society, and
- Current providers of special care dentistry services.

This collaboration should result in suggestions for ways to improve the availability of services for special care populations. The Department is required to report findings and recommendations to the North Carolina Study Commission on Aging and the Public Health Study Commission by February 1, 2010.

The PCS designates the Division of Public Health as the lead Division among those divisions within the Department of Health and Human Services that are listed in the bill. The Division of Public Health has an Oral Health Section.

This bill will become effective when it becomes law.

BACKGROUND:

It has been reported that people with disabilities and the institutionalized aged often have more dental disease, more missing teeth, and more difficulty obtaining dental care than other segments of the population. Persons with developmental disabilities residing in community settings have significant unmet health care needs, including oral health needs, and the situation is worse for the aged and disabled living in rural and remote areas. A 2000 Surgeon General's report, *Oral Health in America*, noted that although there have been gains in oral health status for the population as a whole, the gains have not been evenly distributed across sub-populations. Profound disparities for dental care exist among racial and ethnic minorities, individuals with disabilities, elderly persons, and individuals with complicated medical and social conditions. The Medicaid program in North Carolina is one of a minority of states that offers comprehensive dental benefits for adults.¹

*Shawn Parker made substantial contributions to this summary.
H144-SMSH-20(e1) v1

¹ North Carolina Study Commission on Aging's report to the Governor and the 2009 General Assembly.
Research Division

O. Walker Reagan, Director

(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2009

H

1

HOUSE BILL 144*

Short Title: Special Care Dentistry Collaboration. (Public)

Sponsors: Representatives Farmer-Butterfield, Pierce, Bordsen, Mobley (Primary Sponsors); K. Alexander, M. Alexander, Allred, Bryant, Cotham, Current, England, Faison, Fisher, E. Floyd, Glazier, Harrison, Insko, Luebke, McLawhorn, Tarleton, Tolson, Wainwright, R. Warren, Weiss, and Wray.

Referred to: Aging, if favorable, Health.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF MEDICAL ASSISTANCE, DIVISION OF PUBLIC HEALTH, AND DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO COLLABORATE WITH THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND EAST CAROLINA UNIVERSITY SCHOOLS OF DENTISTRY, THE NORTH CAROLINA DENTAL SOCIETY, AND CURRENT SPECIAL CARE DENTAL PROVIDERS, TO EXAMINE DENTAL CARE OPTIONS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. The Division of Medical Assistance, Division of Public Health, and Division of Aging and Adult Services in the Department of Health and Human Services shall collaborate with the University of North Carolina at Chapel Hill and the East Carolina University Schools of Dentistry, the North Carolina Dental Society, and current providers of special care dentistry services, to examine current dental care options for special care populations. The collaboration of these groups shall result in suggestions for ways to improve the availability of services for special care populations. These groups shall report findings and recommendations to the North Carolina Study Commission on Aging and the Public Health Study Commission on or before February 1, 2010.

SECTION 2. This act is effective when it becomes law.



* H 1 4 4 - V - 1 *

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 144 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF MEDICAL ASSISTANCE, DIVISION OF PUBLIC HEALTH, AND DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO COLLABORATE WITH THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND EAST CAROLINA UNIVERSITY SCHOOLS OF DENTISTRY, THE NORTH CAROLINA DENTAL SOCIETY, AND CURRENT SPECIAL CARE DENTAL PROVIDERS, TO EXAMINE DENTAL CARE OPTIONS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

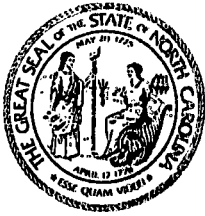
☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.



HOUSE BILL 358: Clarify Consecutive Terms - Aging & Child Com

2009-2010 General Assembly

Committee:	Aging, if favorable, Rules, Calendar, and Operations of the House	Date:	March 17, 2009
Introduced by:	Reps. Bordsen, Farmer-Butterfield, Pierce	Prepared by:	Theresa Matula
Analysis of:	First Edition		Committee Staff

SUMMARY: *House Bill 358 seeks to clarify the number of consecutive terms for which members may be appointed to the North Carolina Study Commission on Aging and the Legislative Study Commission on Children and Youth.*

CURRENT LAW:

NC Study Commission on Aging – The Commission consists of 17 members: eight (8) appointed by the Speaker of the House of Representatives, eight (8) appointed by the President Pro Tempore of the Senate, and the Secretary of the Department of Health and Human Services or delegate as a non-voting member. Members' terms last for two years. G.S. 120-182 currently states that members may be reappointed for two consecutive terms. The Commission members do not receive a salary, but do receive subsistence and travel expenses.

Legislative Study Commission on Children and Youth – The Commission consists of 26 members: eleven (11) appointed by the Speaker of the House of Representatives, eleven (11) appointed by the President Pro Tempore of the Senate, and the four (4) following: Secretary of Health and Human Services or designee, State Superintendent of Public Instruction or designee, Secretary of Administration or designee, and Director of the Administrative Office of the Courts or designee. Members' terms last for two years. G.S. 120-217(b) currently states that members may be reappointed for two consecutive terms. Commission members do not receive a salary, but do receive subsistence and travel expenses for serving on the Commission.

BILL ANALYSIS:

Section 1 of House Bill 358 seeks to clarify the number of consecutive terms that a member of the NC Study Commission on Aging may serve, by specifying that members may be appointed to a maximum of three consecutive terms.

Section 2 of the bill seeks to clarify the number of consecutive terms that a member of the Legislative Study Commission on Children and Youth may serve, by specifying that members may be appointed to a maximum of three consecutive terms.

This bill would become effective when it becomes law.

BACKGROUND:

There is some ambiguity regarding the interpretation of the current language for each of the above commissions with regard to the number of consecutive terms a member could serve. This bill seeks to clarify that issue.

H358-SMSH-21(e1) v2

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

D

HOUSE BILL 358
PROPOSED COMMITTEE SUBSTITUTE H358-PCS50259-SH-7

Short Title: Clarify Consecutive Terms - Aging & Child Com.

(Public)

Sponsors:

Referred to:

March 3, 2009

A BILL TO BE ENTITLED
AN ACT TO CLARIFY APPOINTMENT TO CONSECUTIVE TERMS ON THE NORTH
CAROLINA STUDY COMMISSION ON AGING AND THE LEGISLATIVE STUDY
COMMISSION ON CHILDREN AND YOUTH.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 120-182 reads as rewritten:

"§ 120-182. Commission; membership.

The Commission shall consist of 17 members, as follows:

- (1) The Secretary of the Department of Health and Human Services or the Secretary's delegate shall serve ex officio as a non-voting member;
- (2) Eight shall be appointed by the Speaker of the House of Representatives, five being members of the House of Representatives at the time of their appointment, and at least two being planners for or providers of health, mental health, or social services to older adults; and
- (3) Eight shall be appointed by the President Pro Tempore of the Senate, five being members of the Senate at the time of their appointment, and at least two being planners for or providers of health, mental health, or social services to older adults.

Any vacancy shall be filled by the appointing authority who made the initial appointment and by a person having the same qualifications. All initial appointments shall be made within one calendar month from the effective date of this Article. Members' terms shall last for two years. ~~Members may be reappointed for two consecutive terms.~~ Members may be appointed to a maximum of three consecutive terms and may be appointed again after having been off the Commission for two years."

SECTION 2. G.S. 120-217 reads as rewritten:

"§ 120-217. Commission membership; terms; compensation.

(a) The Commission shall consist of 26 members, as follows:

- (1) Eleven members appointed by the Speaker of the House of Representatives, among them:
 - a. Five shall be members of the House of Representatives at the time of their appointment, of whom at least one shall also serve on the House of Representatives Appropriations Subcommittee on Health and Human Services, one of whom also serves on the Joint Legislative Education Oversight Committee, one of whom also serves on the



- 1 Joint Legislative Oversight Committee on Mental Health,
2 Developmental Disabilities, and Substance Abuse Services, and one
3 of whom also serves on the House of Representatives Appropriations
4 Subcommittee on Justice and Public Safety,
5 b. One shall be the director of a local health department,
6 c. One shall be the director of a county department of social services,
7 d. One shall be the parent of a child who is at risk for behavioral, social,
8 health, or safety problems or academic failure,
9 e. One shall be a licensed physician who is knowledgeable about the
10 health needs of children and youth,
11 f. One shall be a chief district court judge recommended by the Council
12 of Chief District Judges, and
13 g. One shall be a representative from the Covenant with North Carolina
14 Children.

15 (2) Eleven members appointed by the President Pro Tempore of the Senate, as
16 follows:

- 17 a. Five shall be members of the Senate at the time of their appointment,
18 of whom at least one shall also serve on the Senate Appropriations
19 Committee on Health and Human Services, at least one of whom
20 shall also serve on the Joint Legislative Education Oversight
21 Committee, at least one of whom shall also serve on the Joint
22 Legislative Oversight Committee on Mental Health, Developmental
23 Disabilities, and Substance Abuse Services, and at least one of whom
24 also serves on the Senate Appropriations Committee on Justice and
25 Public Safety,
26 b. One shall be the director of a mental health area authority,
27 c. One shall be a representative of the Association of County
28 Commissioners,
29 d. One shall be a representative of a local board of education,
30 e. One shall be a licensed attorney whose practice includes the
31 representation of parents accused of criminal or civil abuse or
32 neglect,
33 f. One shall be a chief district court judge recommended by the Council
34 of Chief District Judges,
35 g. One shall be a representative from Action for Children of North
36 Carolina, and
37 h. One shall be a representative from the North Carolina Child Fatality
38 Task Force.

39 (3) The following shall serve ex officio as nonvoting members of the
40 Commission:

- 41 a. The Secretary of Health and Human Services, or the Secretary's
42 designee,
43 b. The State Superintendent of Public Instruction, or the
44 Superintendent's designee,
45 c. The Secretary of Administration, or the Secretary's designee, and
46 d. The Director of the Administrative Office of the Courts, or the
47 Director's designee.

48 (b) Any vacancy shall be filled by the appointing authority who made the initial
49 appointment and by a person having the same qualification. Members' terms shall last for two
50 years. ~~Members may be reappointed for two consecutive terms~~ Members may be appointed to a

1 maximum of three consecutive terms and may be appointed again after having been off the
2 Commission for two years.

3 (c) Commission members shall receive no salary as a result of serving on the
4 Commission and the Task Force on the Coordination of Children's Services but shall receive
5 necessary subsistence and travel expenses in accordance with G.S. 120-3.1, 138-5, and 138-6,
6 as applicable."

7 **SECTION 3.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 358

Short Title:	Clarify Consecutive Terms - Aging & Child Com.	(Public)
Sponsors:	Representatives Bordsen, Farmer-Butterfield, Pierce (Primary Sponsors); M. Alexander, Goodwin, Hughes, Insko, Johnson, and Lucas.	
Referred to:	Aging, if favorable, Rules, Calendar, and Operations of the House.	

March 3, 2009

A BILL TO BE ENTITLED

AN ACT TO CLARIFY APPOINTMENT TO CONSECUTIVE TERMS ON THE NORTH
CAROLINA STUDY COMMISSION ON AGING AND THE LEGISLATIVE STUDY
COMMISSION ON CHILDREN AND YOUTH.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 120-182 reads as rewritten:

"§ 120-182. Commission; membership.

The Commission shall consist of 17 members, as follows:

- (1) The Secretary of the Department of Health and Human Services or his delegate shall serve ex officio as a non-voting member;
- (2) Eight shall be appointed by the Speaker of the House of Representatives, five being members of the House of Representatives at the time of their appointment, and at least two being planners for or providers of health, mental health, or social services to older adults; and
- (3) Eight shall be appointed by the President Pro Tempore of the Senate, five being members of the Senate at the time of their appointment, and at least two being planners for or providers of health, mental health, or social services to older adults.

Any vacancy shall be filled by the appointing authority who made the initial appointment and by a person having the same qualifications. All initial appointments shall be made within one calendar month from the effective date of this Article. Members' terms shall last for two years. ~~Members may be reappointed for two consecutive terms~~ Members may be appointed to a maximum of three consecutive terms and may be appointed again after having been off the Commission for two years."

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 - a. Five shall be members of the House of Representatives at the time of their appointment, of whom at least one shall also serve on the House of Representatives Appropriations Subcommittee on Health and Human Services, one of whom also serves on the Joint Legislative Education Oversight Committee, one of whom also serves on the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services, and one



- 1 of whom also serves on the House of Representatives Appropriations
2 Subcommittee on Justice and Public Safety,
3 b. One shall be the director of a local health department,
4 c. One shall be the director of a county department of social services,
5 d. One shall be the parent of a child who is at risk for behavioral, social,
6 health, or safety problems or academic failure,
7 e. One shall be a licensed physician who is knowledgeable about the
8 health needs of children and youth,
9 f. One shall be a chief district court judge recommended by the Council
10 of Chief District Judges, and
11 g. One shall be a representative from the Covenant with North Carolina
12 Children.
- 13 (2) Eleven members appointed by the President Pro Tempore of the Senate, as
14 follows:
15 a. Five shall be members of the Senate at the time of their appointment,
16 of whom at least one shall also serve on the Senate Appropriations
17 Committee on Health and Human Services, at least one of whom
18 shall also serve on the Joint Legislative Education Oversight
19 Committee, at least one of whom shall also serve on the Joint
20 Legislative Oversight Committee on Mental Health, Developmental
21 Disabilities, and Substance Abuse Services, and at least one of whom
22 also serves on the Senate Appropriations Committee on Justice and
23 Public Safety,
24 b. One shall be the director of a mental health area authority,
25 c. One shall be a representative of the Association of County
26 Commissioners,
27 d. One shall be a representative of a local board of education,
28 e. One shall be a licensed attorney whose practice includes the
29 representation of parents accused of criminal or civil abuse or
30 neglect,
31 f. One shall be a chief district court judge recommended by the Council
32 of Chief District Judges,
33 g. One shall be a representative from Action for Children of North
34 Carolina, and
35 h. One shall be a representative from the North Carolina Child Fatality
36 Task Force.
- 37 (3) The following shall serve ex officio as nonvoting members of the
38 Commission:
39 a. The Secretary of Health and Human Services, or the Secretary's
40 designee,
41 b. The State Superintendent of Public Instruction, or the
42 Superintendent's designee,
43 c. The Secretary of Administration, or the Secretary's designee, and
44 d. The Director of the Administrative Office of the Courts, or the
45 Director's designee.

46 (b) Any vacancy shall be filled by the appointing authority who made the initial
47 appointment and by a person having the same qualification. Members' terms shall last for two
48 years. ~~Members may be reappointed for two consecutive terms~~ Members may be appointed to a
49 maximum of three consecutive terms and may be appointed again after having been off the
50 Commission for two years.

1 (c) Commission members shall receive no salary as a result of serving on the
2 Commission and the Task Force on the Coordination of Children's Services but shall receive
3 necessary subsistence and travel expenses in accordance with G.S. 120-3.1, 138-5, and 138-6,
4 as applicable."

5 **SECTION 3.** This act is effective when it becomes law.

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 358 A BILL TO BE ENTITLED AN ACT TO CLARIFY APPOINTMENT TO CONSECUTIVE TERMS ON THE NORTH CAROLINA STUDY COMMISSION ON AGING AND THE LEGISLATIVE STUDY COMMISSION ON CHILDREN AND YOUTH.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on RULES, CALENDAR, AND OPERATIONS OF THE HOUSE.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

VISITOR REGISTRATION SHEET

Name of Committee

Date _____

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

NAME

FIRM OR AGENCY

LOG

CCAS

NMSS-NC

NCHCFA

MFS

NC Justice Center/Triangle OWL

DHHS / DH5R

DHAs

DHHS / DAAS

House Pages

Name Of Committee: Ag. Com. Date: 3/18/09

1. Name: Madison Ayers

County: Mecklenburg

Sponsor: Representative Killian

2. Name: Wilson Powell

County: Durham

Sponsor: Finer

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

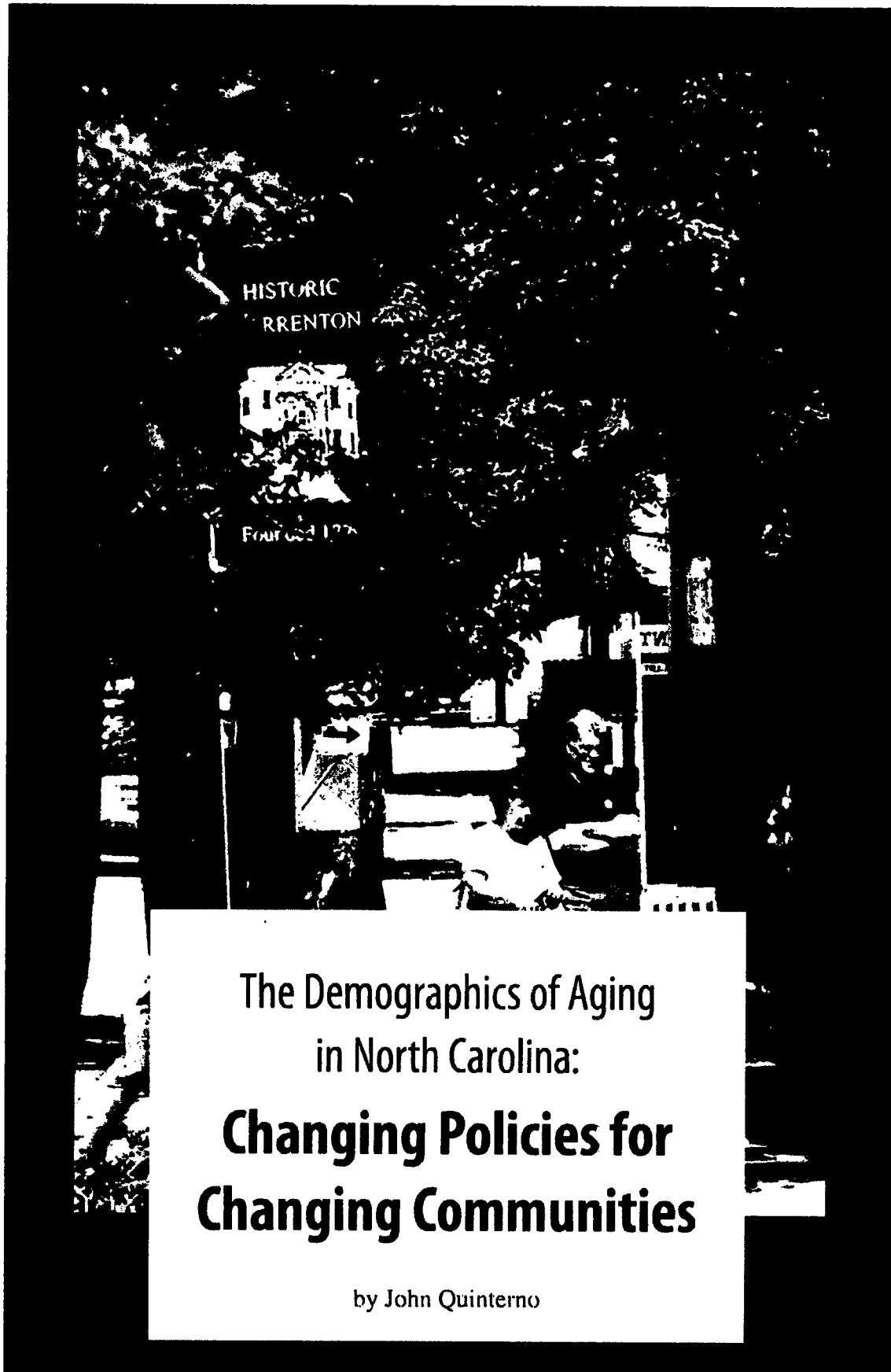
1. Name: Toussaint L. Arent

2. Name: Martha Parrish

3. Name: Gerald Perry

4. Name: _____

5. Name: _____



The Demographics of Aging
in North Carolina:
**Changing Policies for
Changing Communities**

by John Quintero

Executive Summary

Fearrington Village, an active community primarily for older adults just south of Chapel Hill, blends metropolitan sensibilities and rural aesthetics into a high-end version of the good life. Eighty miles to the northeast of Fearrington sits Warrenton, an authentic, antebellum tobacco town. Like Fearrington, Warrenton has an older population (older in this article is generally used to refer to those 65 and over). Unlike Fearrington, the population is likely to be more African American, less affluent, less educated, and even older. Taken together, Fearrington and Warrenton illustrate different aspects of North Carolina's aging population. Wise responses to the age-related issues facing the state will require public leaders to assess the demographic changes and their implications, understand the ability of older adults to contribute in meaningful ways, and meet service needs in communities as diverse as Fearrington and Warrenton.

The Demographic and Social Dimensions of Population Aging

Natural change measures the difference between the number of births and deaths that occur within a population, and *net migration* captures the difference between the number of people moving into and out of a population. The interplay between natural change and net migration alter the size and structure of the American population. In 1900, older adults in the United States accounted for just 4 percent of the population. Over time, multiple

factors—declining fertility, a reduction in infant mortality, increasing life expectancies, and a surge in immigration—resulted in older adults comprising 12 percent of the population in 2000.

Health advances nationwide have allowed more people to reach age 65, and those who do so are apt to live even longer—19 years more on average. Furthermore, older adults overall are more secure financially and able to live independently. Altogether, these factors have created retirement, a phase of life that largely unknown a century ago, now constitutes almost a quarter of a lifetime.

Population Aging in North Carolina, 1900–2000

At the beginning of the 20th century, North Carolina had one of the nation's youngest populations. Just 3.5 percent of all Tar Heels were 65 or older. The state's economic growth in metropolitan areas during the 1970s and the influx of domestic and international migrants in the 1990s produced a North Carolina with an age structure virtually identical to that of the nation. By 2000, some 12 percent of all North Carolinians were 65 or older.

A Portrait of Today's Older Tar Heels

Today's aging population can be divided into three groups: the "young old" (ages 65–74), the "older old" (ages 75–84), and the "oldest old" (ages 85+). The young old account for 53 percent of the state's older adults. Such a relatively young older population is more likely to be healthy and self-sufficient.

In North Carolina, there are 1.2 women per man among the young old, 1.4 women per man among the older old, and 2.4 women per man among the oldest old. The gender composition of the oldest old is especially important since women over age 85 not only are more likely to be frail physically, but they also are frequently widows who are financially vulnerable. In terms of race and ethnicity, whites comprise a disproportionately larger share of North Carolina's older population: 81 percent of the older population versus 68 percent of the overall population.

In 2006, 86 percent of Tar Heels 65 and over were not in the labor force. For most, the reason is simple: They choose not to work. They make that choice because they can afford it, thanks largely to the federal government's Social Security program. In North Carolina, 95 percent of older residents drew Social Security benefits in 2006, with the average benefit totaling \$1,225 per month or \$14,702 annually.

Conventional wisdom holds that retired Americans derive their incomes from a three-legged stool of Social Security, pension benefits, and personal assets, but for some—especially older women—Social Security is their sole source of income. The other parts of the three-legged stool are concentrated among high-income households.

In terms of geography, North Carolina's 85 rural counties contained 57 percent of the older population—some 611,720 residents—in 2006. Rural counties have more older residents in terms of sheer numbers and as a proportion of the county population. A study by Jim Mitchell at East

Carolina University found that older rural adults in Eastern North Carolina have "higher rates of disability, lower incomes, less education, and lower reading ability than their counterparts in small and larger towns." Rural communities also typically lack the supportive health, transportation, and housing services that older residents need to live independently.

The Aging of the Population, 2000–2030

North Carolina's older population is expected to double by 2030, rising from 1.1 million to 2.2 million. If projections hold, North Carolina's future older population will differ demographically from the current population in three respects. First, there will be 2.5 times more Tar Heels age 85 and older. Second, the ratio of older men to older women is expected to rise from 67 men per 100 women to 77 men per 100 women. Third, non-whites are expected to form a larger share of the older population—21 percent in 2030 compared to 19 percent in 2006.

Also, between 2000 and 2030, the Old North State's overall population is expected to expand by 52 percent—jumping from 8 million to 12.2 million—owing primarily to net migration. Older Tar Heels' share of the population is expected to rise from 12 percent to 18 percent.

Financial Well-Being, Location, Work Force, and Public Finance

The changes in aging demographics will force North Carolina to deal with several public policy issues, including those related to financial well-being, the concentration of elderly in rural counties, work force

challenges, and state budget implications. In terms of **financial well-being**, compared to previous ones, the Baby Boom generation should reach older age having earned more money, having built more wealth, and anticipating higher retirement incomes. This overall prosperity, however, clouds important differences in the distribution of income and wealth, which likely will be much more unequal than has been true in the past.

In terms of **geographic location**, rural counties should have the highest proportions of older residents by 2030. Older adults in such communities are more apt to be single, poor, and ill, yet those places often lack needed services. Providing those services may emerge as a critical challenge for local governments.

As the North Carolina Commission on Workforce Development warned in a 2007 report, the retirement of one-quarter of the state's work force may decrease the **supply of workers** over the next two decades. Nonetheless, the overall population growth should produce a state in 2030 in which working-age people still account for 57 percent of the population. But, perhaps work force shortages will encourage Baby Boomers to stay in the work force longer, and employment earnings will become another source of income for those 65 and over.

State budget issues will include the escalating cost of medical care. Not only have medical costs consistently outstripped the rate of inflation in recent decades, but older adults also are bearing more of the costs, due in part to the reduction of employer-sponsored health care coverage for retirees.

While most older adults receive health insurance through federal Medicare or Medicaid programs, these programs are struggling to keep pace with the increasing cost of medical treatment, especially as it relates to end-of-life care. Left unaddressed, the financial costs associated with medical care likely will surge alongside the growth in the older population. Older adults therefore may turn to the public sector for help in affording insurance that supplements Medicare and helps with out-of-pocket expenses. Additionally, because states pay for part of the cost of Medicaid, North Carolina's state budget will be affected directly if Medicaid continues to function as the main source of long-term care coverage. Absent fundamental reform, North Carolina likely will face state budget challenges as it strives to help older citizens afford health care.

The doubling of North Carolina's older population within a quarter of a century will affect many aspects of Tar Heel life. Changes in aging demographics will impact communities as diverse as Fearrington Village and Warrenton in different ways. The potential policy implications of these changes, which are only beginning to manifest themselves, include the financial well-being of older adults, work force shortages, the need for services, and the costs of health care. Policy responses will need to tap the talents of older North Carolinians, consider the diversity within the aging community itself, and respond to the changes in demographic patterns and well-being expected between now and 2030.

Ten miles south of Chapel Hill, just off the road to Pittsboro, stands a simple grain silo flanked by a weathered barn and a rolling pasture full of black Galloway cows with their distinctive 'round-the-belly' white stripes. Nestled behind the barn sits a small shopping district modeled after an English farm town, the crossroads of the 1,800-person retirement community of Fearington Village.



A stroll through the area quickly reveals that the resemblance to a country village is a fleeting one. An active community primarily of older adults, Fearington contains shops not normally associated with farm life: a five-star restaurant, a photography gallery, a top-notch independent bookstore, and a wellness center run by Duke University Health System. And, the weathered barn doubles as a catering hall. Circulating among these stores are the predominantly older, white residents of the adjoining subdivisions. Overall, the village possesses less of a rustic atmosphere than one blending metropolitan sensibilities and rural aesthetics into a high-end version of the good life: a life in which an older adult could spend a morning outdoors, an afternoon savoring the arts, and an evening dining with friends. Even Fearington's signature cows keep cultured company, appearing as they often do in the development's advertisements in *The New Yorker* magazine.

Thoughtful North Carolinians need to consider the talent pool of the elders that are living in our state. They are people of great ability. ... They all have something to contribute. The question remains, 'What will we do with this abundant asset?'

—BILL FRIDAY,

FORMER PRESIDENT OF THE UNC SYSTEM

Eighty miles northeast of Fearington sits Warrenton, another small community with an older population (older in this article is generally used to refer to those 65 and over). The seat of Warren County, one of North Carolina's oldest and formerly richest places, Warrenton is an authentic, antebellum, tobacco town. Traces of the community's former agricultural prosperity appear in a charming downtown lined with brick streets, antique shops, restaurants, and stately homes. Like Fearington, Warrenton has an older population: some 31 percent of the town's 800 residents were at least age 65 in 2000. Unlike Fearington, the population is more likely to be African American, less affluent, less educated, and even older.¹

Taken together, Fearington Village and Warrenton illustrate different aspects of North Carolina's aging population. As is happening nationally, North Carolina's population is growing older. This development, however, is poorly understood due to popular misconceptions surrounding the aging of the Baby Boom generation, the nation's 76 million person cohort born between 1946 and 1964.² Wise responses to the age-related issues facing North Carolina will require public leaders to assess the demographic changes and their implications, understand the ability of older adults to contribute in meaningful ways, and meet service needs in communities as diverse as Fearington and Warrenton.

Bill Friday, former President of the UNC System, says, "Thoughtful North Carolinians need to consider the talent pool of the elders that are living in our state. They are people of great ability. Some are people with international experience. They

John Quinterno is a public policy analyst residing in Chapel Hill, N.C.



FEBRUARY 2009

7



Fearrington Village





all have something to contribute. The question remains, "What will we do with this abundant asset?" It needs to be synthesized with the goals of the state itself."

An aging specialist at N.C. State University, Lucille Bearon notes the need "to plan for the projected needs of the oldest old, the medically needy, and the pockets of poor individuals and families through advocacy and relevant public policies, remedying current inequities to help present and future generations."

The Demographic and Social Dimensions of an Aging Population

The aging of the population and a change in society's understanding of old age were two of 20th century America's defining developments. Between 1900 and 2000, the relative proportion of older Americans (ages 65 and above) tripled, jumping from 4 percent to 12 percent of the population.³ Simultaneously, a new stage of life emerged: retirement. Compared to their predecessors, older adults now live longer and more independently, enjoy better health, possess greater financial resources, and partake in more affordable leisure pursuits.⁴ Age-related issues facing North Carolina flow from the interplay between demographic and social changes, as do the resulting costs of aging both to the individual and the state.

The Drivers of Population Change

Natural change and net migration are the two drivers of changes in a population's size and age structure. *Natural change* measures the difference between the number of births and deaths that occur within a population. *Net migration* captures the difference between the number of people moving into and out of a population.⁵ Migration can be subdivided further into international and domestic movements. Both population drivers hinge on other factors such as medical advances and immigration laws.

In a population without migration, natural change accounts for all of the shifts in the population's size and structure. For the size of the population to hold steady, the average woman would need to bear 2.1 children. Higher fertility will produce larger populations that are relatively young, while lower fertility will yield slow-growing or shrinking populations that are relatively old. The effects of changes in mortality, meanwhile, depend upon the ages at which they occur. The reduction in infant mortality—both from advances in medical treatment and also social determinants of health (better sanitation, nutrition, housing, economic conditions, etc.)—generally produces a younger population, and advances that help adults live longer yield a comparatively older population.⁶

The introduction of migration further molds a population's composition with the actual impacts depending upon the direction of the net population flows and the migrants' traits. Because younger people are more likely to move, populations that have more people entering than leaving often are younger.⁷

The relationship between natural change and net migration altered the size and structure of the American population during the last century. In 1900, the United States was an agricultural nation in which half of all Americans were younger than age 22. Older adults accounted for just 4 percent of the population.⁸ Over time, multiple factors—declining fertility due to changes in contraception as well as marriage and economic patterns; decreasing infant mortality resulting from improved public health and health care; lengthening life expectancies owing to medical advances; and increasing immigration—produced an older population. In 2000, half of all Americans were older than age 35, and older adults comprised 12 percent of the population.⁹



*Grow old along with me!
The best is yet to be,
The last of life, for which
the first was made.*

—ROBERT BROWNING

The Social Aspects of Aging

The aging of the American population occurred alongside a shift in society's view of old age. In 1900, the few people who reached age 65 faced limited prospects. Most had few financial resources, as pensions and social insurance were rare, so older individuals typically lived with relatives or, infrequently, in institutions.¹⁰ The social expectation was for the elderly to "withdraw from all work, abandon all vigorous exercise, and prepare for the afterlife."¹¹ Now, older adults overall are more secure financially and able to live independently. Turning 65 is a common event marking the start of retirement, a "period of enjoyment and creative experience" seen as "a reward for a lifetime of labor."¹²

This shift in expectation was caused by a corresponding shift in life expectancy. In the past, the typical 65-year-old would live for just seven more years to about age 72. Currently, health advances and other factors have allowed more people to reach age 65, and those who do are apt to live even longer—19 years more on average. Bill Tillman, the state demographer, notes, "The normal American that survives to age 65 lives to age 84, but the normal American does not live that long. And the average 65-year-old North Carolina resident can expect to live slightly less than 18 more years, one year less than the average 65-year-old American. In North Carolina, the average male lives to be 74 and the average female lives to 80." Altogether, these factors have led to a phase of life—retirement—largely unknown a century ago. For those that do live to age 84, this phase of life constitutes almost a quarter of their lifetime.

Life Expectancy in the U.S.

59.7	68.2	70.8	75.4	78.1
1930	1950	1970	1990	2006

Source: National Center for Health Statistics. *The Washington Post*

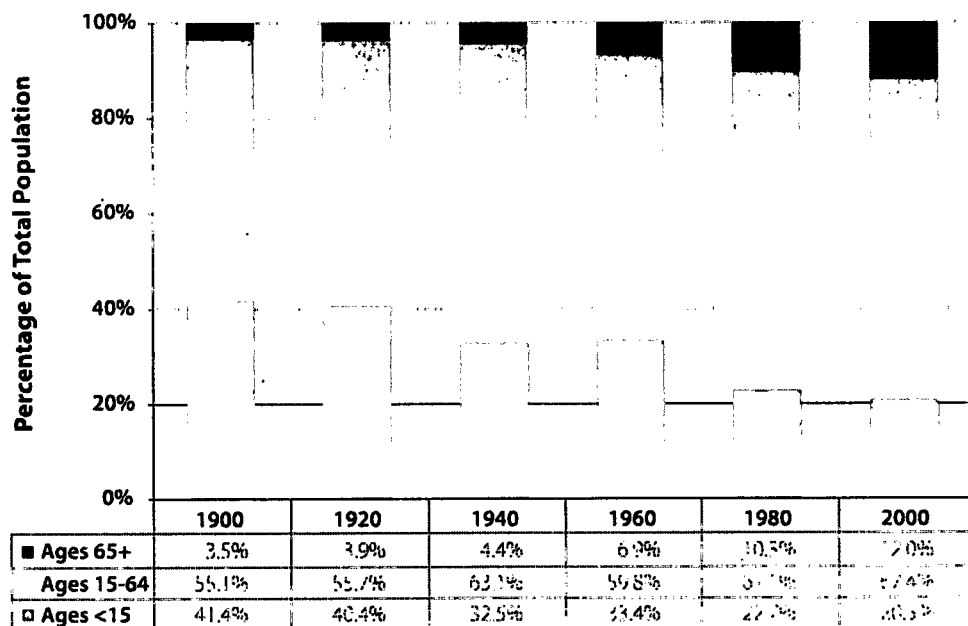
Population Aging in North Carolina, 1900–2000

At the beginning of the 20th century, North Carolina had one of the nation's youngest populations. Approximately half of the state's 1.8 million residents were younger than age 18. Just 3.5 percent of all Tar Heels—a mere 66,148 people—were 65 or older (see Figure 1, p. 12).¹³ Such an age structure was common in the South, which was the nation's youngest region.¹⁴

North Carolina's relatively weak economy, as well as its racial policies and practices, drew few immigrants to the state and led African Americans to leave. Historical census data compiled by Al Stuart of UNC-Charlotte show that the state recorded a net out-migration of residents during every decade between the 1920s and 1960s.¹⁵ In 1960, North Carolina still was an extremely young state in which just 7 percent of all residents were at least age 65.¹⁶

It was during the 1970s that North Carolina began to experience fully the changes remaking the national population. Economic growth centered in the state's metropolitan areas not only kept natives from leaving, but also began attracting migrants into the state. Most initially came from other parts of the country, but foreign immigrants also joined the stream. By the 1990s, North Carolina had become a magnet for domestic and international migrants. According to UNC-Charlotte's Stuart, migration drove 71 percent of the state's population growth during the 1990s with nearly equal numbers of migrants coming from domestic and international origins.¹⁷ Collectively, these factors produced a North Carolina with an age structure virtually identical to that of the nation. By 2000, some 12 percent of all North Carolinians were 65 or older, and 1.3 percent of all Tar Heels were 85 or older. The latter was an age group that essentially did not exist a century earlier.¹⁸

**Figure 1: N.C. Age Structure, by
Selected Age Ranges and Decades, 1900-2000**



Source: Frank Hobbs and Nicole Stoops, Demographic Trends in the 20th Century, U.S. Census Bureau (CENSR-4), Washington, D.C., 2002.





A Portrait of Today's Older Tar Heels

Some 1.1 million older adults lived in North Carolina in 2006. This older population was the nation's 10th largest in total numbers, but 14th smallest as ranked by percentage of population (see Table 1, pp. 14–15).¹⁹ But, this population is expected to grow sharply in relative and absolute terms (see Table 2, pp. 18–19). One way to assess the needs of tomorrow's older adults is by looking carefully at the characteristics of today's population. Four factors to consider include the population's age structure; gender and racial composition; employment and income; and geographic distribution.

Age Structure

The structure of the older population is as important as its size. That is because younger seniors "tend to be healthier and in a better economic position," while older seniors "are more vulnerable to the negative aspects of aging, including faltering health, the death of a spouse, and mobility limitations."²⁰ One way to grasp those differences is to divide the population into three groups: the "young old" (ages 65–74), the "older old" (ages 75–84), and the "oldest old" (ages 85+).

Applying that grouping to North Carolina reveals an older population that is relatively young. The young old account for 53 percent of the state's older population—a percentage larger than those in all but seven other states: Alaska, Colorado, Georgia, Nevada, South Carolina, Tennessee, and Virginia. The oldest old, meanwhile, comprise 13 percent of the older population, which is a percentage well below the national rate and all but five other states (see Figure 2, p 16).²¹ Such a relatively young older population is more likely to be healthy and self-sufficient.

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**Table 1: Elder Population by State and Selected Age Groups,
2006 Ranked by Percentage of Total Population Age 65+**

State	Total Population	Number of Older Residents		Percentage of Total Population		Population Ranks	
		Age 65+	Age 85+	Age 65+	Age 85+	Number Age 65+	Percent Age 65+
United States	299,398,484	37,260,352	5,296,817	12.45%	1.77%	NA	NA
Florida	18,089,888	3,037,704	462,545	16.79%	2.56%	2	1
West Virginia	1,818,470	278,692	36,073	15.33%	1.98%	34	2
Pennsylvania	12,440,621	1,885,323	294,824	15.15%	2.37%	5	3
Iowa	2,982,085	435,657	75,180	14.61%	2.52%	30	4
North Dakota	635,867	92,874	16,797	14.61%	2.64%	47	5
Maine	1,321,574	192,639	27,012	14.58%	2.04%	39	6
South Dakota	781,919	111,183	19,075	14.22%	2.44%	46	7
Hawaii	1,285,498	470,443	26,888	36.60%	2.09%	40	8
Arkansas	2,810,872	390,421	54,889	13.89%	1.95%	31	9
Rhode Island	1,067,610	147,966	25,123	13.86%	2.35%	43	10
Montana	944,632	130,592	19,000	13.82%	2.01%	44	11
Delaware	853,476	114,574	14,553	13.42%	1.71%	45	12
Connecticut	3,504,809	470,443	76,395	13.42%	2.18%	29	13
Alabama	4,599,030	615,597	79,530	13.39%	1.73%	22	14

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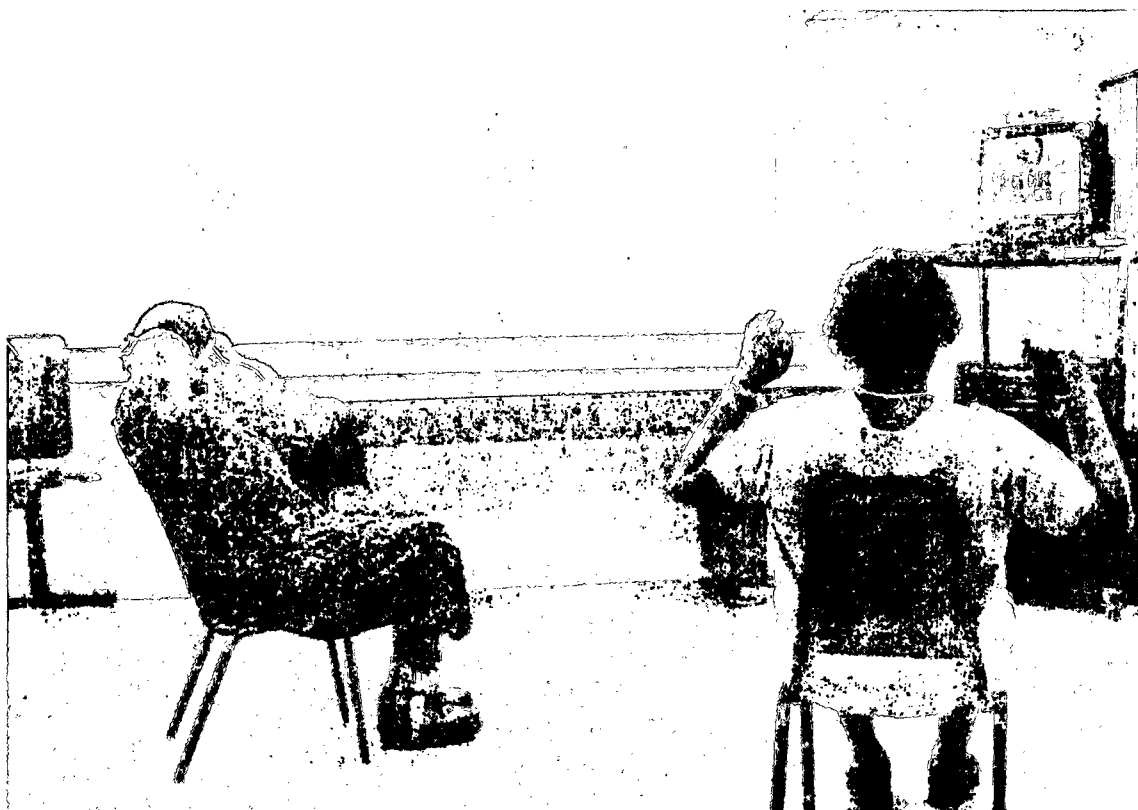
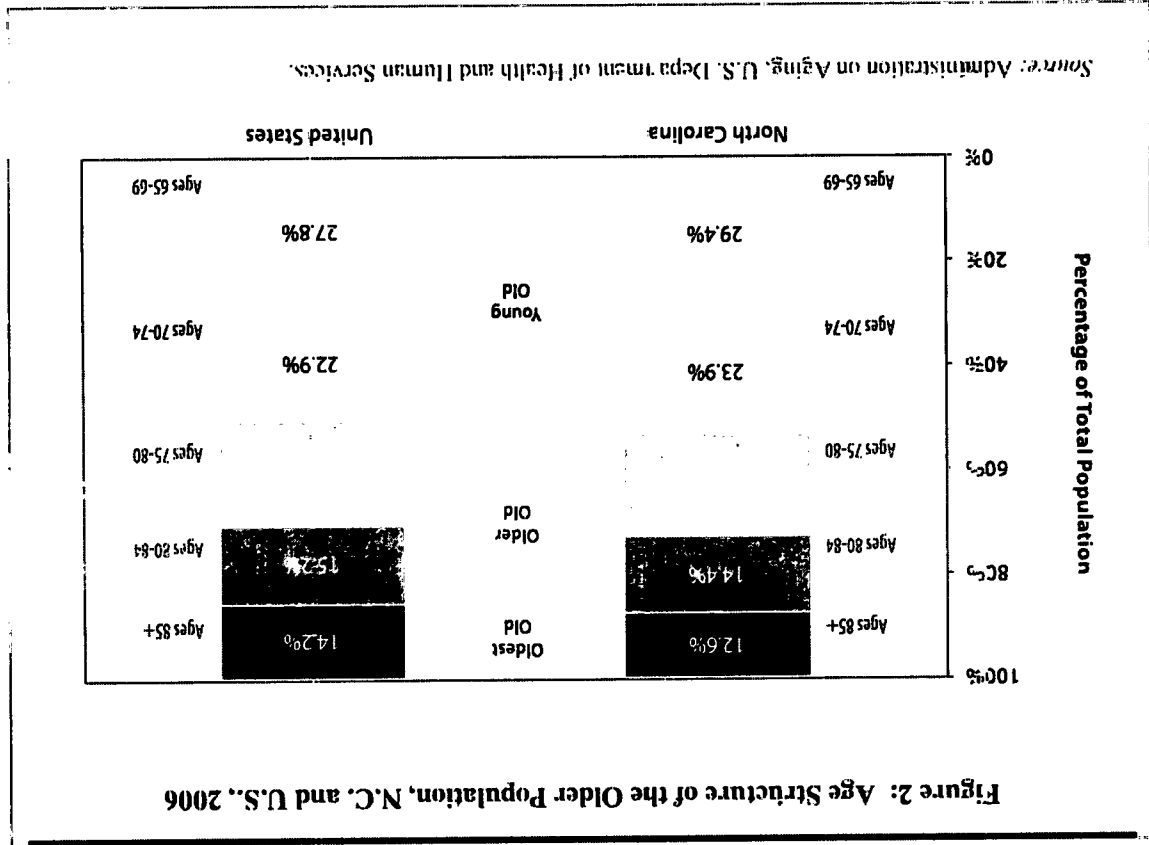


**Table 1: Elder Population by State and Selected Age Groups,
2006 Ranked by Percentage of Total Population Age 65+**

State	Total Population	Number of Older Residents		Percentage of Total Population		Population Ranks	
		Age 65+	Age 85+	Age 65+	Age 85+	Number Age 65+	Percent Age 65+
Ohio	11,478,006	1,531,994	216,992	13.35%	1.89%	7	15
Missouri	5,842,713	778,891	113,789	13.33%	1.95%	16	16
Vermont	623,908	82,966	11,714	13.30%	1.88%	48	17
Massachusetts	6,437,193	855,962	137,022	13.30%	2.13%	13	18
Nebraska	1,768,331	234,655	39,128	13.27%	2.21%	37	19
Oklahoma	3,579,212	473,545	65,571	13.23%	1.83%	28	20
New York	19,306,183	2,522,686	371,667	13.07%	1.93%	3	21
Wisconsin	5,556,506	724,034	111,159	13.03%	2.00%	19	22
Kansas	2,764,075	357,709	59,518	12.94%	2.15%	33	23
New Jersey	8,724,560	1,127,742	166,529	12.93%	1.91%	9	24
Oregon	3,700,758	478,180	70,969	12.92%	1.92%	26	25
Arizona	6,166,318	790,286	105,104	12.82%	1.70%	14	26
South Carolina	4,321,249	553,396	68,701	12.81%	1.59%	23	27
Kentucky	4,206,074	537,294	69,463	12.77%	1.65%	24	28
Tennessee	6,038,803	769,222	97,712	12.74%	1.62%	17	29
Michigan	10,095,643	1,260,864	174,758	12.49%	1.73%	8	30
Mississippi	2,910,540	362,172	49,582	12.44%	1.70%	32	31
Indiana	6,313,520	784,219	111,190	12.42%	1.76%	15	32
New Mexico	1,954,599	242,600	31,309	12.41%	1.60%	36	33
New Hampshire	1,314,895	162,629	23,118	12.37%	1.76%	42	34
District of Columbia	581,530	71,331	10,770	12.27%	1.85%	49	35
Louisiana	4,287,768	523,346	67,599	12.21%	1.58%	25	36
Wyoming	515,004	62,750	8,367	12.18%	1.62%	50	37
North Carolina	8,856,505	1,076,951	136,229	12.16%	1.54%	10	38
Minnesota	5,167,101	627,394	101,634	12.14%	1.97%	21	39
Illinois	12,831,970	71,331	227,074	0.56%	1.77%	6	40
Virginia	7,642,884	887,768	112,129	11.62%	1.47%	12	41
Maryland	5,615,727	650,568	85,783	11.58%	1.53%	20	42
Washington	6,395,798	738,369	107,032	11.54%	1.67%	18	43
Idaho	1,466,465	114,574	23,384	7.81%	1.59%	41	44
Nevada	2,495,529	276,943	27,841	11.10%	1.12%	35	45
California	36,457,549	3,931,514	555,473	10.78%	1.52%	1	46
Colorado	4,753,377	477,186	61,232	10.04%	1.29%	27	47
Texas	23,507,783	2,334,459	302,646	9.93%	1.29%	4	48
Georgia	9,363,941	477,186	113,362	5.10%	1.21%	11	49
Utah	2,550,063	225,539	29,235	8.84%	1.15%	38	50
Alaska	670,053	45,630	4,148	6.81%	0.62%	51	51

Source: Administration on Aging, U.S. Department of Health and Human Services. On the Internet at
<http://www.aoa.gov/prof/statistics/statistics.asp>.



Gender and Racial Composition

Because women tend to outlive men, the older population is disproportionately female with the discrepancy growing more pronounced with age (see Figure 3, p. 20). In North Carolina, there are 1.4 older women per older man. This ratio varies from 1.2 women per man among the young old to a high of 2.4 among the oldest old.²² The gender composition of the oldest old is especially important since women over age 85 not only are more likely to be frail physically, but they also are frequently widows who are financially vulnerable.²³

In terms of race and ethnicity, whites comprise 81 percent of the older population in North Carolina versus 72 percent of the overall population. African Americans, meanwhile, comprise 16 percent of the older population but 22 percent of the total population. Hispanics account for just 1.2 percent of the older population and 5 percent of the total population.²⁴ Older minorities typically are prone to be sicker and poorer than either the general population or their white peers.²⁵

Employment and Income

In 2006, 86 percent of older Tar Heels were not in the labor force.²⁶ For most, the reason is simple: They choose not to work.²⁷ They make that choice because they can afford it, thanks largely to the federal government's Social Security program.

A universal retirement system established in 1935 and subsequently expanded, Social Security provides a modest pension to retired individuals, as well as disability and survivors' benefits to qualified individuals. In North Carolina, 95 percent of older residents drew Social Security benefits in 2006, with the average benefit totaling \$1,225 per month or \$14,702 annually.²⁸ Virtually all older adults also receive medical insurance through Medicare, a federally-funded acute care insurance program for those



**Table 2: Projected Older Population by State and Selected Age Groups, 2030
Ranked by Percentage of Total United States Population Age 65+**

	Total Population	Number of Older Residents		Percentage of Total Population		Population Ranks	
		Age 65+	Age 85+	Age 65+	Age 85+	Number Age 65+	Percent Age 65+
United States	363,584,435	71,453,471	9,603,034	19.65%	2.64%	NA	NA
Florida	28,685,769	7,769,452	943,675	27.08%	3.29%	1	1
Maine	1,411,097	374,017	52,273	26.51%	3.70%	39	2
Wyoming	522,979	138,586	19,352	26.50%	3.70%	39	3
New Mexico	2,099,708	555,184	75,629	26.44%	3.60%	35	4
Montana	1,044,898	269,558	37,394	25.80%	3.58%	43	5
North Dakota	606,566	152,358	23,302	25.12%	3.84%	48	6
West Virginia	1,719,959	426,443	53,375	24.79%	3.10%	37	7
Vermont	711,867	173,940	24,893	24.43%	3.50%	47	8
Delaware	1,012,658	237,823	28,995	23.49%	2.86%	45	9
South Dakota	800,462	185,064	27,974	23.12%	3.49%	46	10
Pennsylvania	12,768,184	2,890,068	415,436	22.63%	3.25%	5	11
Iowa	2,955,172	663,186	104,977	22.44%	3.55%	31	12
Hawaii	1,466,046	326,957	48,254	22.30%	3.29%	42	13
Arizona	10,712,397	2,371,354	265,274	22.14%	2.48%	7	14
South Carolina	5,148,569	1,134,459	141,286	22.03%	2.74%	22	15
Connecticut	3,688,630	794,405	132,440	21.54%	3.59%	29	16
New Hampshire	1,646,471	352,786	44,874	21.43%	2.73%	41	17
Rhode Island	1,152,941	246,507	36,912	21.38%	3.20%	44	18
Wisconsin	6,150,764	1,312,225	182,654	21.33%	2.97%	17	19
Alabama	4,874,243	1,039,160	132,070	21.32%	2.71%	23	20
Massachusetts	7,012,009	1,463,110	211,939	20.87%	3.02%	15	21
Nebraska	1,820,247	375,811	56,186	20.65%	3.09%	38	22
Mississippi	3,092,410	634,067	73,646	20.50%	2.38%	33	23
Ohio	11,550,528	2,357,022	322,497	20.41%	2.79%	8	24
Arkansas	3,240,208	656,406	82,327	20.26%	2.54%	32	25
Missouri	6,430,173	1,301,714	174,196	20.24%	2.71%	18	26
Kansas	2,940,084	593,091	87,969	20.17%	2.99%	34	27
New York	19,477,429	3,916,891	621,771	20.11%	3.19%	4	28
New Jersey	9,802,440	1,959,545	290,911	19.99%	2.97%	11	29
Kentucky	4,554,998	903,450	106,052	19.83%	2.33%	26	30
Louisiana	4,802,633	944,212	126,215	19.66%	2.63%	25	31
Michigan	10,694,172	2,080,725	287,089	19.46%	2.68%	10	32
Oklahoma	3,913,251	757,553	99,559	19.36%	2.54%	30	33
Tennessee	7,380,634	1,417,708	180,192	19.21%	2.44%	16	34
Minnesota	6,306,130	1,193,124	168,459	18.92%	2.67%	21	35

**Table 2: Projected Older Population by State and Selected Age Groups, 2030
Ranked by Percentage of Total United States Population Age 65+**

	Total Population	Number of Older Residents		Percentage of Total Population		Population Rank	
		Age 65+	Age 85+	Age 65+	Age 85+	Number Age 65+	Percent Age 65+
Virginia	9,825,019	1,843,988	250,366	18.77%	2.55%	13	36
Nevada	4,282,102	797,179	82,573	18.62%	1.93%	28	37
Idaho	1,969,624	361,033	47,021	18.33%	2.39%	40	38
Oregon	4,833,918	881,957	121,741	18.25%	2.52%	27	39
Washington	8,624,801	1,563,901	215,899	18.13%	2.50%	14	40
Indiana	6,810,108	1,231,873	169,134	18.09%	2.48%	20	41
Illinois	13,432,892	2,412,177	351,941	17.96%	2.62%	6	42
North Carolina	12,227,739	2,173,173	266,881	17.77%	2.18%	9	43
Maryland	7,022,251	1,235,695	176,713	17.60%	2.52%	19	44
Colorado	5,792,357	956,278	132,035	16.51%	2.28%	24	45
Georgia	12,017,838	1,907,837	224,926	15.88%	1.87%	12	46
Texas	33,317,744	5,186,185	638,855	15.57%	1.92%	2	47
Alaska	867,674	127,202	18,057	14.66%	2.08%	50	48
Utah	3,485,367	460,553	59,470	13.21%	1.71%	36	49
District of Columbia	581,530	71,331	10,770	12.27%	1.85%	51	50
California	46,444,861	3,931,514	1,158,537	8.46%	2.49%	3	51

Source: Administration on Aging, U.S. Department of Health and Human Services. On the Internet at <http://www.aoa.gov/prof/statistics/statistics.asp>

65 and older, while extremely low-income elders also can participate in Medicaid, a joint federal-state health insurance program.

Conventional wisdom holds that retired Americans derive their incomes from a three-legged stool of Social Security, pension benefits, and personal assets, but for many—especially older women—Social Security is the only leg. The typical older household receives 38 percent of its annual income from Social Security, but this average masks variations in income and age. Older households in the bottom 40 percent in income, for example, derive more than 80 percent of their income from Social Security, and even middle-income households draw two-thirds of their income from the program. Also, the oldest old rely heavily upon Social Security—some exclusively.²⁹

The other parts of the three-legged stool are concentrated among high-income households. For instance, two-thirds of the older households in the top 25 percent of income receive pensions compared to 8 percent of households in the lowest 20 percent.³⁰ What makes such data interesting is that the working lives of today's older households occurred during a time in which incomes rose and defined-benefit pensions were more common, yet most older households still possess few financial resources apart from Social Security. Even housing wealth, most households' main asset, is modest; half of all the homes owned by older Tar Heels in 2006 were worth less than \$126,500. Without Social Security, many older adults would be unable to retire, and many probably would be poor. Instead, older Tar Heels are less likely to be poor—a

...an unprecedented number of Americans—one out of every five—will be at least 65 in 2030...

poverty rate of 11 percent compared to 14 percent of all persons and 20 percent of all children.³¹

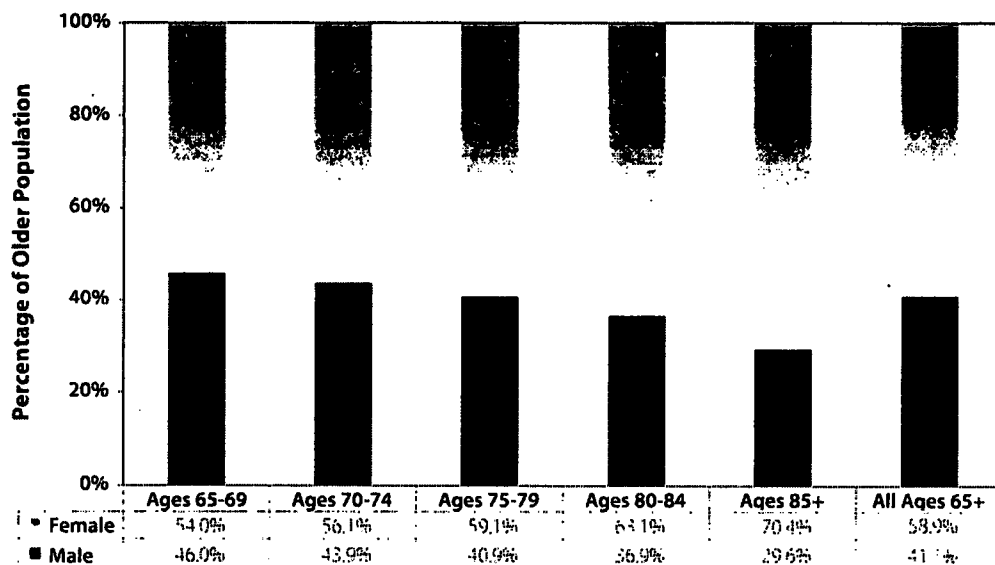
Geographic Distribution

There are important rural/urban differences in North Carolina's older population. According to the N.C. Rural Economic Development Center, North Carolina's 85 rural counties contained 57 percent of the older population—some 611,720 residents—in 2006 (see Table 3, pp. 26–31).³² Rural counties have more older residents in terms of sheer numbers and as a proportion of the population. Older residents accounted for more than 12 percent of the population in 78 of North Carolina's rural counties with western counties possessing the highest concentrations of older adults. Rural counties also were the state's oldest in terms of median age in 2006. In fact, 72 of the 79 counties with median ages above the statewide level were rural.³³

Older rural residents confront distinctive challenges. A 2000 study by Jim Mitchell of East Carolina University found that older rural adults in Eastern North Carolina had "higher rates of disability, lower incomes, less education, and lower reading ability than their counterparts in small and larger towns."³⁴ Rural communities also typically lack the supportive health, transportation, and housing services that older residents need to live independently.

Contrary to popular perception, counties with significant older populations are not all booming retirement magnets. Some, like Brunswick and Moore counties, are, but others, like Warren County, actually are losing residents. Of the 17 counties that shrank between 2000 and 2004, 15 were rural counties with relatively large older populations.³⁵ Additionally, the N.C. Department of Commerce currently classifies a third of the 15 counties with the greatest concentrations of older residents as severely economically distressed. None rank among the least distressed.³⁶

Figure 3: Gender Composition of Older Population by Selected Ages, N.C., 2006



Source: Administration on Aging, U.S. Department of Health and Human Services.



The Aging of the Population, 2000–2030

Between 2000 and 2030, the number of older Americans is expected to more than double, jumping from 35 million to 72 million.³⁷ This development is tied to the aging of the Baby Boom generation, the largest generation in American history comprised by roughly 76 million people born between 1946 and 1964. The anomalously large size of this group, combined with lower fertility rates and increasing life expectancy, is pushing American society in an older direction. The first Boomers will reach age 65 in 2011, and by 2030, all living members of the cohort will be between the ages of 65 and 84.

If these projections hold, an unprecedented number of Americans—one out of every five—will be at least 65 in 2030. Compared to today's older adults, Boomers likely will be healthier and live longer. Studies also suggest that Boomer households should have higher real incomes and control more wealth.³⁸ Ultimately, the interplay between the demographic traits and social expectations of the Boomers will shape the policy issues surrounding the aging population.

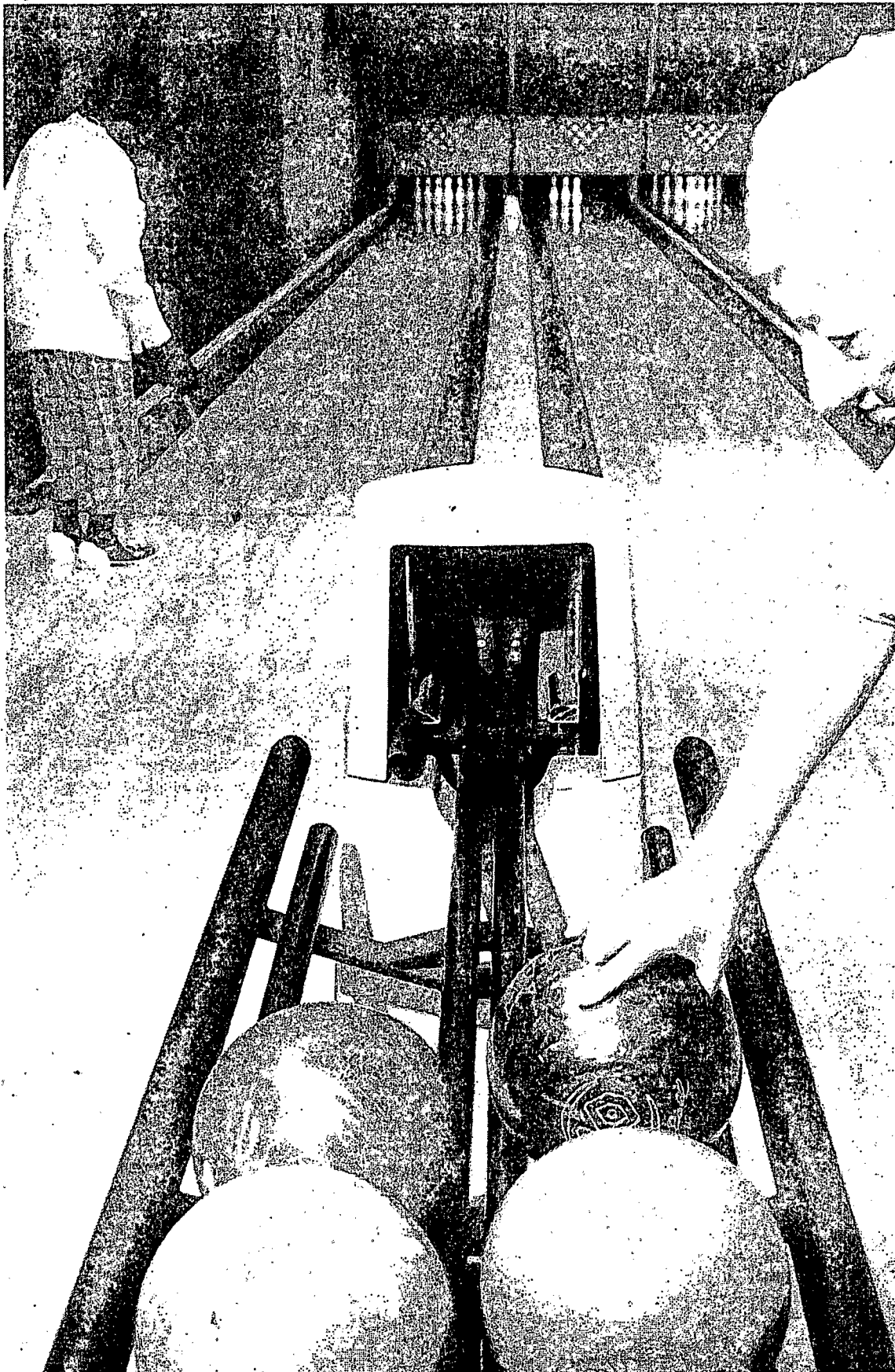
North Carolina's older population is expected to double by 2030, rising from 1.1 million to 2.2 million ...

An Increasing Number of Older Tar Heels . . .

North Carolina's older population is expected to double by 2030, rising from 1.1 million to 2.2 million.³⁹ If the projections hold, North Carolina's older population not only will be twice as large, but it also will differ demographically from the current population in three respects. First, there will be 2.5 times more Tar Heels older than age 85 than currently is the case. Second, the gender composition of the older population will shift. The ratio of older men to older women is expected to rise from

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67 men per 100 women to 77 men per 100 women. However, women still will form the bulk of the older population. Plus, changes in marital patterns should lead a greater number of unmarried women reaching age 65. This is significant because unmarried older women are more often financially insecure.⁴⁰ Third, non-whites are expected to comprise a larger share of the older population—21 percent in 2030 compared to 19 percent in 2006.

In terms of geographic location, the percentage of the older population living in rural areas is projected to fall over the next quarter century. Some 53 percent of older adults will live in rural counties in 2030, down from the current level of 56 percent (see Table 4, p. 32).⁴¹ Counties in the state's west and northeast still should have the greatest concentrations of older adults. Of the 20 counties expected to have the highest concentrations, 10 are in the west, and seven are in the northeast. The youngest



counties, meanwhile, will fall into two categories: large urban counties like Mecklenburg and Wake and counties with military bases like Cumberland and Onslow.

. . . Due to Aging and Migration . . .

Two factors should drive the changes in our state's population. One factor is the aging of the 2.4 million Baby Boomers who lived in North Carolina in 2000.⁴² The second factor is North Carolina's increasing appeal as a migration destination, particularly for older in-migrants from other parts of the country.

U.S. Census Bureau data suggest that older Americans are less likely to move than younger ones and that most moves involving older adults occur within the county in which the adult already resides.⁴³ Long-distance moves are rare. "In any recent five-year period," observes Charles Longino, a Wake Forest University expert on retirement migration, "people of retirement age are only about half as likely to make long-distance moves as is the U.S. population as a whole."⁴⁴ Longino further divides older, long-distance migrants into two categories: "dependency migrants" who move for health or financial reasons and "amenity migrants" who move for lifestyle reasons. While amenity migrants form a small subset of older movers, they represent an elite group of typically well-off "young old."

Longino's studies indicate that amenity migrants long have flocked to a few states, primarily Florida, Texas, and California, but in recent decades, other states, especially in the South Atlantic, have emerged as alternatives. North Carolina came into its own as a retirement destination during the 1990s. Between 1995 and 2000, the rate of older adults moving into North Carolina was the nation's sixth highest. A sizable number of migrants came from the northeast, especially New York, and many were natives who had left North Carolina and chose to return.⁴⁵

North Carolina's attractiveness stems from such factors as its temperate climate, attractive beaches and mountains, comparatively modest living costs, and relatively low taxes. Similar factors also explain the distribution of retirees within the state. Al Stuart, a UNC-Charlotte professor, observes that retirees moving to North Carolina have clustered in a few counties: Brunswick, Currituck, and Dare along the coast, Henderson in the mountains, and Moore in the Piedmont.⁴⁶

. . . Leads to 6 Percent Increase in Percentage of the Population but a Relatively Young North Carolina.

Between 2000 and 2030, the Old North State's overall population is expected to expand by 52 percent—jumping from 8 million to 12.2 million—owing primarily to net migration. Older Tar Heels' share of the population is expected to rise from 12 percent to 18 percent (see Figure 4, p. 32).

Nevertheless, compared to other states, North Carolina should be relatively younger in 2030 than it was in 2000. At the start of the millennium, the Old North State had proportionally fewer older residents than all but 14 states, but by 2030, only eight states are projected to be younger (see Table 2, pp. 18–19).⁴⁷ This means that North Carolina will approach the middle of the 21st century just as it approached the middle of the last one: possessing one of the nation's youngest populations. But, the country as a whole will be much older.



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page 32*

Table 3: Older Population in N.C. by County and Selected Age Groups, 2006
Ranked by Percentage of Total Population Age 65+

County	Type	Select 2006 Population			
		Total Population	Median Age (2005)	# Age 65+	% Age 65+
Alamance	Urban	142,661	36.5	19,574	13.72%
Alexander	Rural	36,177	37.8	4,686	12.95%
Alleghany	Rural	10,912	44.6	2,129	19.51%
Anson	Rural	25,472	37.9	3,574	14.03%
Ashe	Rural	25,499	43.7	4,798	18.82%
Avery	Rural	17,674	40.4	3,456	19.55%
Beaufort	Rural	46,355	42.1	7,759	16.74%
Bertie	Rural	19,094	41.1	3,089	16.18%
Bladen	Rural	32,921	38.9	4,943	15.01%
Brunswick	Rural	94,945	44.3	17,094	18.00%
Buncombe	Urban	222,174	39.8	33,885	15.25%
Burke	Rural	90,054	37.9	13,039	14.48%
Cabarrus	Urban	156,395	35.6	16,695	10.67%
Caldwell	Rural	79,841	39.1	11,525	14.43%
Camden	Rural	9,271	40.5	1,080	11.65%
Carteret	Rural	63,584	45.4	11,024	17.34%
Caswell	Rural	23,546	39.6	3,400	14.44%
Catawba	Urban	153,784	36.7	19,730	12.83%
Chatham	Rural	60,052	39.7	8,268	13.77%
Cherokee	Rural	26,309	46.0	5,351	20.34%
Chowan	Rural	14,695	42.9	2,595	17.66%
Clay	Rural	10,008	49.1	2,248	22.46%
Cleveland	Rural	98,373	37.7	14,003	14.23%
Columbus	Rural	54,637	38.2	7,883	14.43%
Craven	Rural	94,875	36.4	14,126	14.89%
Cumberland	Urban	299,060	30.8	27,279	9.12%
Currituck	Rural	23,770	39.8	2,625	11.04%
Dare	Rural	33,935	42.3	4,489	13.23%
Davidson	Urban	156,236	38.2	20,542	13.15%
Davie	Rural	40,035	39.3	5,734	14.32%
Duplin	Rural	52,790	35.0	6,728	12.74%
Durham	Urban	246,896	32.4	23,250	9.42%
Edgecombe	Rural	53,964	37.7	6,434	11.92%
Forsyth	Urban	332,355	36.4	41,402	12.46%

County	Percentage of Total Population			Population Ranks		
	% Young Old	% Older Old	% Oldest Old	% Age 65+	% Young Old	% Oldest Old
Alamance	49.42%	36.01%	14.57%	57	89	13
Alexander	57.77%	32.27%	9.97%	67	8	94
Alleghany	55.19%	31.94%	12.87%	12	21	42
Anson	48.04%	36.12%	15.84%	52	96	4
Ashe	52.33%	34.26%	13.40%	15	63	33
Avery	44.44%	44.47%	11.08%	11	99	87
Beaufort	54.04%	33.25%	12.71%	23	38	50
Bertie	51.44%	37.10%	11.46%	29	78	81
Bladen	50.09%	31.16%	18.75%	38	87	2
Brunswick	58.87%	33.20%	7.93%	17	3	100
Buncombe	49.10%	36.25%	14.66%	35	93	12
Burke	54.34%	32.91%	12.75%	45	33	48
Cabarrus	53.09%	33.47%	13.44%	87	55	32
Caldwell	55.64%	32.46%	11.90%	47	15	73
Camden	57.13%	31.85%	11.02%	83	9	88
Carteret	53.98%	35.17%	10.85%	21	39	90
Caswell	53.94%	33.88%	12.18%	46	43	63
Catawba	54.43%	33.32%	12.25%	68	32	59
Chatham	49.10%	35.38%	15.52%	55	92	5
Cherokee	53.34%	32.59%	14.07%	8	52	21
Chowan	50.21%	35.57%	14.22%	20	85	19
Clay	49.38%	35.23%	15.39%	4	90	8
Cleveland	52.45%	33.90%	13.65%	50	61	28
Columbus	55.60%	31.88%	12.52%	48	16	52
Craven	53.36%	36.25%	10.39%	41	51	93
Cumberland	59.75%	30.77%	9.47%	94	2	97
Currituck	58.06%	31.20%	10.74%	85	7	91
Dare	58.41%	33.35%	8.24%	65	4	99
Davidson	54.81%	33.20%	11.99%	66	26	69
Davie	54.34%	33.61%	12.05%	49	34	67
Duplin	54.22%	33.16%	12.62%	72	35	51
Durham	51.45%	33.75%	14.80%	93	77	11
Edgecombe	53.96%	33.25%	12.79%	80	40	47
Forsyth	52.17%	34.91%	12.92%	75	68	39

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Table 3: Older Population in N.C. by County and Selected Age Groups, 2006
Ranked by Percentage of Total Population Age 65+

County	Type	Select 2006 Population			
		Total Population	Median Age (2005)	# Age 65+	% Age 65+
Franklin	Rural	55,886	36.7	5,895	10.55%
Gaston	Urban	199,397	37.6	25,343	12.71%
Gates	Rural	11,527	40.3	1,528	13.26%
Graham	Rural	7,995	43.4	1,412	17.66%
Granville	Rural	54,473	37.2	5,933	10.89%
Greene	Rural	20,157	35.7	2,390	11.86%
Guilford	Urban	451,905	35.4	54,193	11.99%
Halifax	Rural	55,521	39.1	8,472	15.26%
Harnett	Rural	106,283	33.4	10,161	9.56%
Haywood	Rural	56,447	43.6	11,072	19.61%
Henderson	Rural	99,033	43.5	21,314	21.52%
Hertford	Rural	23,581	40.9	3,447	14.62%
Hoke	Rural	42,303	30.9	3,045	7.20%
Hyde	Rural	5,341	41.5	880	16.48%
Iredell	Rural	146,206	37.2	17,921	12.26%
Jackson	Rural	35,562	36.7	4,942	13.90%
Johnston	Rural	152,143	34.7	13,868	9.12%
Jones	Rural	10,204	41.5	1,743	17.08%
Lee	Rural	56,908	36.3	7,810	13.72%
Lenoir	Rural	57,662	39.7	9,053	15.70%
Lincoln	Rural	71,894	37.6	8,478	11.79%
Macon	Rural	32,395	46.3	7,386	22.80%
Madison	Rural	20,355	40.7	3,383	16.62%
Martin	Rural	24,342	40.5	3,925	16.12%
McDowell	Rural	43,414	39.0	6,607	15.22%
Mecklenburg	Urban	827,445	33.8	68,832	8.32%
Mitchell	Rural	15,681	43.5	3,047	19.43%
Montgomery	Rural	27,638	37.7	3,709	13.42%
Moore	Rural	83,162	43.3	17,456	20.99%
Nash	Rural	92,312	37.4	12,480	13.52%
New Hanover	Urban	182,591	37.2	24,166	13.24%
Northampton	Rural	21,247	42.1	3,945	18.57%
Onslow	Rural	150,673	24.0	11,420	7.58%
Orange	Urban	120,100	32.1	11,599	9.66%
Pamlico	Rural	12,785	45.2	2,615	20.45%

County	Percentage of Total Population			Population Ranks		
	% Young Old	% Older Old	% Oldest Old	% Age 65+	% Young Old	% Oldest Old
Franklin	54.69%	32.99%	12.32%	88	29	57
Gaston	53.86%	34.16%	11.97%	73	45	71
Gates	54.91%	33.64%	11.45%	62	25	82
Graham	53.82%	34.07%	12.11%	19	46	65
Granville	55.47%	33.15%	11.38%	86	18	84
Greene	54.18%	31.84%	13.97%	81	36	23
Guilford	51.71%	34.71%	13.58%	79	75	29
Halifax	50.85%	35.69%	13.46%	34	82	31
Harnett	55.01%	32.80%	12.18%	92	23	61
Haywood	51.96%	35.18%	12.86%	10	71	44
Henderson	45.61%	38.95%	15.44%	5	97	7
Hertford	52.28%	34.46%	13.26%	43	64	35
Hoke	58.16%	32.05%	9.79%	100	5	96
Hyde	52.27%	31.36%	16.36%	27	65	3
Iredell	53.67%	34.23%	12.09%	78	47	66
Jackson	56.37%	32.34%	11.29%	54	14	86
Johnston	56.46%	31.96%	11.58%	95	13	78
Jones	52.21%	36.32%	11.47%	22	67	80
Lee	51.97%	36.03%	12.00%	56	70	68
Lenoir	53.13%	35.47%	11.40%	32	54	83
Lincoln	56.53%	32.14%	11.32%	82	12	85
Macon	50.35%	36.57%	13.08%	3	83	38
Madison	52.26%	33.55%	14.19%	25	66	20
Martin	52.13%	34.09%	13.78%	30	69	24
McDowell	53.96%	34.09%	11.96%	37	41	72
Mecklenburg	54.75%	32.42%	12.83%	96	28	45
Mitchell	51.13%	36.69%	12.18%	13	79	64
Montgomery	53.30%	33.89%	12.81%	60	53	46
Moore	45.30%	39.34%	15.36%	6	98	9
Nash	51.86%	35.86%	12.28%	59	73	58
New Hanover	52.89%	34.93%	12.18%	64	58	62
Northampton	49.76%	35.84%	14.40%	16	88	16
Onslow	61.94%	29.57%	8.49%	99	1	98
Orange	53.49%	33.61%	12.91%	91	50	40
Pamlico	54.80%	33.46%	11.74%	7	27	75

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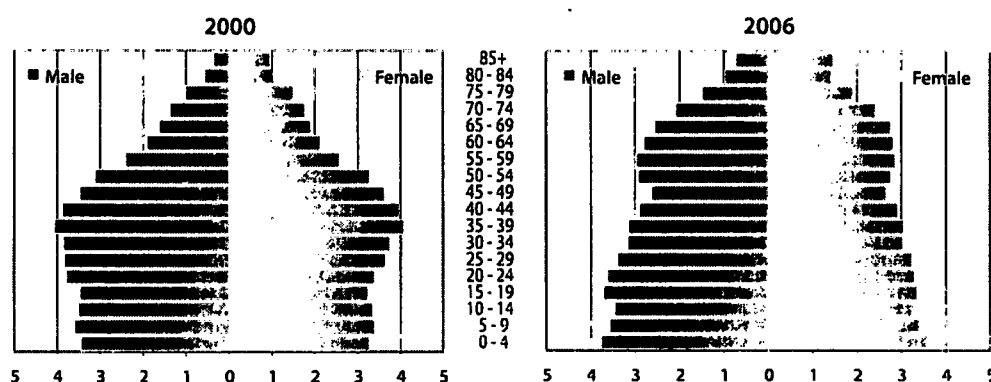
Table 3: Older Population in N.C. by County and Selected Age Groups, 2006
Ranked by Percentage of Total Population Age 65+

County	Type	Select 2006 Population			
		Total Population	Median Age (2005)	# Age 65+	% Age 65+
Pasquotank	Rural	39,591	37.3	5,063	12.79%
Pender	Rural	48,630	40.4	7,126	14.65%
Perquimans	Rural	12,337	44.7	2,447	19.83%
Person	Rural	37,341	39.4	5,010	13.42%
Pitt	Rural	145,619	31.8	14,380	9.88%
Polk	Rural	19,226	45.8	4,418	22.98%
Randolph	Rural	140,410	36.9	17,902	12.75%
Richmond	Rural	46,555	36.5	6,383	13.71%
Robeson	Rural	129,021	33.2	13,321	10.32%
Rockingham	Rural	93,063	39.9	14,183	15.24%
Rowan	Urban	136,254	37.0	19,049	13.98%
Rutherford	Rural	63,867	39.8	10,386	16.26%
Sampson	Rural	63,561	35.2	8,118	12.77%
Scotland	Rural	37,094	36.0	4,318	11.64%
Stanly	Rural	59,358	38.0	8,665	14.60%
Stokes	Rural	46,168	38.7	6,507	14.09%
Surry	Rural	72,687	38.9	11,618	15.98%
Swain	Rural	13,445	40.1	2,239	16.65%
Transylvania	Rural	29,780	46.4	7,071	23.74%
Tyrrell	Rural	4,187	40.0	627	14.97%
Union	Rural	175,272	34.7	14,466	8.25%
Vance	Rural	43,810	35.6	5,511	12.58%
Wake	Urban	786,522	33.5	60,565	7.70%
Warren	Rural	19,605	41.3	3,480	17.75%
Washington	Rural	13,227	41.2	2,197	16.61%
Watauga	Rural	42,700	31.6	5,247	12.29%
Wayne	Rural	113,847	35.4	14,011	12.31%
Wilkes	Rural	67,310	39.9	10,279	15.27%
Wilson	Rural	76,624	37.0	10,144	13.24%
Yadkin	Rural	38,056	38.4	5,700	14.98%
Yancey	Rural	18,421	43.5	3,486	18.92%
North Carolina		8,856,505	36.0	1,077,824	12.17%

County	Percentage of Total Population			Population Ranks		
	% Young Old	% Older Old	% Oldest Old	% Age 65+	% Young Old	% Oldest Old
Pasquotank	48.45%	36.99%	14.56%	69	95	14
Pender	55.16%	34.30%	10.54%	42	22	92
Perquimans	52.55%	33.80%	13.65%	9	59	27
Person	53.53%	33.73%	12.73%	61	48	49
Pitt	52.97%	33.91%	13.12%	90	56	37
Polk	43.46%	36.49%	20.05%	2	100	1
Randolph	53.87%	33.65%	12.48%	71	44	54
Richmond	52.37%	35.64%	11.98%	58	62	70
Robeson	55.43%	32.94%	11.63%	89	19	77
Rockingham	51.87%	34.63%	13.50%	36	72	30
Rowan	48.84%	35.67%	15.49%	53	94	6
Rutherford	50.24%	34.70%	15.06%	28	84	10
Sampson	53.52%	33.30%	13.18%	70	49	36
Scotland	54.47%	32.65%	12.88%	84	31	41
Stanly	50.96%	35.28%	13.76%	44	81	25
Stokes	55.52%	32.00%	12.48%	51	17	55
Surry	50.20%	35.52%	14.28%	31	86	17
Swain	52.93%	33.01%	14.07%	24	57	22
Transylvania	49.31%	36.42%	14.27%	1	91	18
Tyrrell	51.04%	35.25%	13.72%	40	80	26
Union	58.12%	30.95%	10.94%	97	6	89
Vance	54.47%	33.32%	12.21%	74	30	60
Wake	56.63%	31.80%	11.57%	98	11	79
Warren	52.50%	35.80%	11.70%	18	60	76
Washington	51.66%	33.91%	14.43%	26	76	15
Watauga	54.05%	33.09%	12.86%	77	37	43
Wayne	56.69%	33.41%	9.90%	76	10	95
Wilkes	54.98%	33.19%	11.83%	33	24	74
Wilson	53.95%	33.56%	12.49%	63	42	53
Yadkin	55.21%	32.46%	12.33%	39	20	56
Yancey	51.81%	34.91%	13.28%	14	74	34
North Carolina	53.31%	34.02%	12.68%			

Sources: Administration on Aging, U.S. Department of Health and Human Services; U.S. Census Bureau; Office of the State Demographer; North Carolina Rural Economic Development Center

**Figure 4: Population Change in N.C., 2000–2030
Changes by Select Age Groups**



Age Group	Census 2000				Projection 2030			
	Number			Percent	Number			Percent
	Total	Male	Female		Total	Male	Female	
Total	8,049,313	3,942,695	4,106,618	100.0	12,227,739	6,065,373	6,162,366	100.0
0 - 4	539,509	276,327	263,182	6.7	897,492	458,638	438,854	7.3
5 - 9	562,553	288,493	274,060	7.0	852,589	434,956	417,633	7.0
10 - 14	551,367	281,184	270,183	6.8	821,618	421,558	400,060	6.7
15 - 19	539,931	277,824	262,107	6.7	862,740	452,519	410,221	7.1
20 - 24	577,508	303,418	274,090	7.2	845,712	440,586	405,126	6.9
25 - 29	601,522	307,363	294,159	7.5	810,202	412,819	397,383	6.6
30 - 34	611,893	309,302	302,591	7.6	758,562	385,823	372,739	6.2
35 - 39	655,440	326,356	329,084	8.1	756,616	382,488	374,128	6.2
40 - 44	631,680	310,945	320,735	7.8	711,864	353,043	358,821	5.8
45 - 49	570,411	277,718	292,693	7.1	645,601	318,610	326,991	5.3
50 - 54	514,739	250,294	264,445	6.4	693,638	354,989	338,649	5.7
55 - 59	400,207	192,337	207,870	5.0	712,350	361,211	351,139	5.8
60 - 64	323,505	152,123	171,382	4.0	685,582	339,941	345,641	5.6
65 - 69	282,836	128,908	153,928	3.5	650,060	311,250	338,810	5.3
70 - 74	250,941	108,563	142,378	3.1	548,758	252,578	296,180	4.5
75 - 79	201,444	79,756	121,688	2.5	415,682	180,191	235,491	3.4
80 - 84	128,366	44,416	83,950	1.6	291,792	116,830	174,962	2.4
85+	105,461	27,368	78,093	1.3	266,881	87,343	179,538	2.2

Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005

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page 25

Aging Considerations: Financial Well-Being, Location, Work Force, and Public Finance

In terms of public policy, the critical issues ahead in North Carolina likely will be those relating to financial well-being, the concentration of elderly in rural counties, work force challenges, and state budget finances.

The Financial Well-Being of Older Adults

Compared to previous generations, the Baby Boomers should reach older age having earned more money, having built more wealth, and anticipating higher retirement incomes.⁴⁸ This overall prosperity, however, clouds important differences in the distribution of income and wealth, which likely will be much more unequal than has been true in the past. This trend is intertwined with the widening income inequality of recent years, the erosion of retirement security due to the decline of defined-benefit pension plans, and demographic shifts likely to produce more older

households led by minorities and single women—groups more apt to be financially insecure.⁴⁹

The escalating cost of medical care will exacerbate this situation. Medical costs consistently have outstripped the rate of inflation in recent decades. Also, older adults are bearing more of the costs, due in part to the reduction of employer-sponsored health care coverage for retirees. This means that an older household facing a serious illness simply may lack the financial resources needed to respond.

AARP, formerly the American Association of Retired Persons, is a national organization representing older adults. AARP reports that only the top fifth of Boomer households, which most often are dual-income, married-couple households with protection from medical costs, likely will enjoy financially independent retirements. The next 60 percent of Boomer households, meanwhile, are projected to face a future dependent largely upon the strength of employer-sponsored benefits and social insurance systems. And, the bottom 20 percent of Boomer households are expected to struggle.⁵⁰ The continuing centrality of Social Security and Medicare to most older households gives state leaders a stake in debates over the future of federal insurance programs and increases the odds that older Tar Heels may turn to Raleigh for help in managing the consequences of unfavorable federal actions.

Geographic Location of the Elderly

The effects of population aging likely will develop differently in rural and urban areas. As discussed previously, rural counties in North Carolina should have the highest proportions of older residents in 2030, with the oldest counties clustering in the economically distressed west and northeast. Older adults in such communities are more apt to be single, poor, and ill, yet those places often lack needed services.⁵¹ Providing those services may emerge as a critical challenge for local governments.

Kathy Heilig of the N.C. Hospital Association, says, "The lack of infrastructure in rural [regions] in the area of home health care, rehab care, pharmaceutical services, outpatient allied health therapies, respite care for families caring for the elderly with dementia, dementia services for patients, end-of-life care, dialysis care, and management of chronic mental-emotional disorders is frequently the motivation for relocation.

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page 40*



Table 4: Older Population in N.C. by County and Selected Age Groups, 2030
Ranked by Percentage of Total Population Age 65+

County	Type	Projected Select 2030 Population			
		Total Population	Median Age	# Age 65+	% Age 65+
Alamance	Urban	187,203	36.9	31,274	16.71%
Alexander	Rural	44,976	40.4	8,767	19.49%
Alleghany	Rural	12,266	49.3	3,442	28.06%
Anson	Rural	23,748	43.4	5,053	21.28%
Ashe	Rural	29,780	48.6	8,239	27.67%
Avery	Rural	18,846	49.0	4,929	26.15%
Beaufort	Rural	50,207	47.1	13,267	26.42%
Bertie	Rural	17,066	49.2	4,942	28.96%
Bladen	Rural	36,130	42.6	7,915	21.91%
Brunswick	Rural	164,165	47.5	43,132	26.27%
Buncombe	Urban	289,908	42.5	62,082	21.41%
Burke	Rural	97,626	40.1	19,389	19.86%
Cabarrus	Urban	271,194	35.7	39,594	14.60%
Caldwell	Rural	85,966	42.3	18,955	22.05%
Camden	Rural	16,241	41.7	3,190	19.64%
Carteret	Rural	74,116	52.8	23,900	32.25%
Caswell	Rural	25,603	42.9	5,261	20.55%
Catawba	Urban	196,363	37.9	34,403	17.52%
Chatham	Rural	88,671	41.2	18,733	21.13%
Cherokee	Rural	34,177	51.7	10,426	30.51%
Chowan	Rural	16,028	48.0	4,527	28.24%
Clay	Rural	13,709	55.1	4,789	34.93%
Cleveland	Rural	104,933	40.1	20,909	19.93%
Columbus	Rural	57,823	42.1	12,326	21.32%
Craven	Rural	108,411	42.0	26,721	24.65%
Cumberland	Urban	347,460	34.2	51,111	14.71%
Currituck	Rural	40,689	42.0	8,056	19.80%
Dare	Rural	50,831	44.2	12,124	23.85%
Davidson	Urban	191,080	39.8	37,443	19.60%
Davie	Rural	58,682	40.3	11,742	20.01%
Duplin	Rural	72,638	36.5	11,463	15.78%
Durham	Urban	337,743	33.0	50,514	14.96%
Edgecombe	Rural	43,534	43.3	10,333	23.74%
Forsyth	Urban	439,967	36.9	78,412	17.82%

County	Percentage of Total Population			Population Ranks		
	% Young Old	% Older Old	% Oldest Old	% Age 65+	% Young Old	% Oldest Old
Alamance	54.55%	32.72%	12.73%	83	43	40
Alexander	55.08%	32.23%	12.68%	69	37	42
Alleghany	51.86%	33.00%	15.14%	13	82	8
Anson	54.03%	33.86%	12.11%	46	53	57
Ashe	50.38%	34.86%	14.76%	15	91	11
Avery	51.61%	34.33%	14.06%	24	83	21
Beaufort	52.32%	34.82%	12.86%	21	77	37
Bertie	54.23%	33.45%	12.32%	6	51	52
Bladen	54.00%	34.11%	11.89%	42	55	61
Brunswick	53.40%	33.44%	13.16%	23	65	33
Buncombe	52.21%	34.44%	13.35%	44	79	30
Burke	53.64%	32.66%	13.70%	63	63	23
Cabarrus	57.81%	31.29%	10.90%	93	13	83
Caldwell	53.05%	33.46%	13.48%	41	68	27
Camden	59.62%	30.22%	10.16%	66	5	92
Carteret	52.18%	34.29%	13.53%	3	80	26
Caswell	57.18%	32.28%	10.55%	56	18	90
Catawba	53.96%	33.63%	12.40%	79	58	50
Chatham	50.65%	35.19%	14.16%	50	89	20
Cherokee	49.66%	34.92%	15.41%	4	94	6
Chowan	51.91%	33.69%	14.40%	9	81	14
Clay	47.82%	34.91%	17.27%	1	99	2
Cleveland	53.71%	33.32%	12.97%	61	61	35
Columbus	54.73%	33.00%	12.27%	45	40	53
Craven	54.25%	33.36%	12.40%	29	49	51
Cumberland	57.73%	31.05%	11.23%	92	14	76
Currituck	59.66%	30.42%	9.92%	64	4	97
Dare	57.33%	32.39%	10.28%	33	16	91
Davidson	54.55%	32.82%	12.63%	68	42	44
Davie	52.84%	33.50%	13.66%	60	72	24
Duplin	56.10%	32.78%	11.12%	89	25	80
Durham	54.28%	34.07%	11.65%	91	47	69
Edgecombe	55.26%	33.78%	10.96%	35	34	82
Forsyth	53.63%	33.54%	12.83%	76	64	38

(continues)

Table 4: Older Population in N.C. by County and Selected Age Groups, 2030
Ranked by Percentage of Total Population Age 65+

County	Type	Projected Select 2030 Population			
		Total Population	Median Age	# Age 65+	% Age 65+
Franklin	Rural	86,324	38.4	14,078	16.31%
Gaston	Urban	224,946	41.1	45,319	20.15%
Gates	Rural	15,301	42.9	3,419	22.34%
Graham	Rural	8,699	48.2	2,451	28.18%
Granville	Rural	73,388	40.1	12,906	17.59%
Greene	Rural	26,929	37.8	4,447	16.51%
Guilford	Urban	593,830	36.9	97,259	16.38%
Halifax	Rural	51,328	45.2	12,828	24.99%
Harnett	Rural	159,155	36.3	22,163	13.93%
Haywood	Rural	67,144	46.9	17,720	26.39%
Henderson	Rural	144,989	44.6	37,211	25.66%
Hertford	Rural	23,013	46.9	6,103	26.52%
Hoke	Rural	79,427	32.5	8,273	10.42%
Hyde	Rural	5,073	49.3	1,267	24.98%
Iredell	Rural	237,564	38.1	40,444	17.02%
Jackson	Rural	43,697	41.1	9,757	22.33%
Johnston	Rural	277,292	35.8	36,674	13.23%
Jones	Rural	10,768	47.2	2,863	26.59%
Lee	Rural	79,148	37.9	13,544	17.11%
Lenoir	Rural	55,594	43.4	13,374	24.06%
Lincoln	Rural	102,567	40.0	18,774	18.30%
Macon	Rural	52,144	42.4	10,812	20.73%
Madison	Rural	46,345	47.5	12,958	27.96%
Martin	Rural	24,022	45.1	5,754	23.95%
McDowell	Rural	21,657	46.1	5,635	26.02%
Mecklenburg	Urban	1,391,703	35.2	180,612	12.98%
Mitchell	Rural	16,736	47.5	4,597	27.47%
Montgomery	Rural	32,486	39.8	6,796	20.92%
Moore	Rural	113,638	45.8	30,580	26.91%
Nash	Rural	111,706	39.9	21,921	19.62%
New Hanover	Urban	271,030	41.5	54,675	20.17%
Northampton	Rural	20,973	47.5	5,658	26.98%
Onslow	Rural	166,283	24.7	22,686	13.64%
Orange	Urban	157,806	35.1	26,499	16.79%
Pamlico	Rural	13,942	51.8	4,133	29.64%

County	Percentage of Total Population			Population Ranks		
	% Young Old	% Older Old	% Oldest Old	% Age 65+	% Young Old	% Oldest Old
Franklin	60.59%	29.71%	9.70%	86	3	98
Gaston	54.44%	33.70%	11.86%	59	45	62
Gates	57.59%	30.80%	11.61%	38	15	72
Graham	49.65%	34.68%	15.67%	11	95	5
Granville	59.41%	30.54%	10.05%	78	7	95
Greene	56.40%	31.89%	11.72%	84	23	68
Guilford	54.24%	33.13%	12.63%	85	50	43
Halifax	54.01%	33.56%	12.43%	27	54	49
Harnett	59.43%	30.51%	10.06%	95	6	94
Haywood	51.08%	34.41%	14.51%	22	87	13
Henderson	49.34%	34.95%	15.71%	26	97	4
Hertford	53.30%	33.93%	12.76%	20	67	39
Hoke	63.53%	28.66%	7.81%	100	1	100
Hyde	55.01%	30.62%	14.36%	28	38	16
Iredell	56.89%	31.57%	11.53%	81	19	74
Jackson	52.27%	35.20%	12.53%	39	78	45
Johnston	60.91%	29.97%	9.12%	98	2	99
Jones	55.50%	32.73%	11.77%	19	32	67
Lee	56.02%	32.44%	11.54%	80	27	73
Lenoir	53.96%	34.22%	11.81%	30	59	64
Lincoln	56.78%	31.79%	11.44%	74	20	75
Macon	53.97%	33.54%	12.50%	53	57	46
Madison	49.85%	35.40%	14.76%	14	93	12
Martin	51.27%	34.57%	14.16%	31	85	19
McDowell	52.72%	35.07%	12.21%	25	74	55
Mecklenburg	58.33%	30.98%	10.69%	99	11	86
Mitchell	51.12%	35.48%	13.40%	16	86	28
Montgomery	52.83%	34.70%	12.48%	51	73	48
Moore	50.62%	34.01%	15.36%	18	90	7
Nash	54.64%	34.23%	11.13%	67	41	79
New Hanover	53.04%	34.09%	12.87%	58	69	36
Northampton	53.34%	32.43%	14.23%	17	66	18
Onslow	57.25%	31.91%	10.84%	96	17	85
Orange	53.99%	35.41%	10.60%	82	56	88
Pamlico	54.54%	32.23%	13.23%	5	44	32

(continues)

**Table 4: Older Population in N.C. by County and Selected Age Groups, 2030
Ranked by Percentage of Total Population Age 65+**

County	Type	Projected Select 2030 Population			
		Total Population	Median Age	# Age 65+	% Age 65+
Pasquotank	Rural	54,141	41.5	11,475	21.19%
Pender	Rural	78,479	44.1	16,858	21.48%
Perquimans	Rural	15,700	49.2	4,500	28.66%
Person	Rural	46,117	42.4	9,787	21.22%
Pitt	Rural	198,152	34.4	31,486	15.89%
Polk	Rural	24,223	48.2	6,828	28.19%
Randolph	Rural	180,076	38.4	32,111	17.83%
Richmond	Rural	46,757	40.1	9,308	19.91%
Robeson	Rural	155,753	36.9	25,106	16.12%
Rockingham	Rural	94,430	43.2	21,779	23.06%
Rowan	Urban	165,647	38.7	29,393	17.74%
Rutherford	Rural	67,149	43.8	15,980	23.80%
Sampson	Rural	87,624	37.0	13,718	15.66%
Scotland	Rural	37,392	41.1	7,725	20.66%
Stanly	Rural	66,247	40.4	13,099	19.77%
Stokes	Rural	54,723	41.7	11,395	20.82%
Surry	Rural	84,859	40.3	17,551	20.68%
Swain	Rural	17,871	42.3	3,968	22.20%
Transylvania	Rural	34,219	53.1	11,492	33.58%
Tyrrell	Rural	4,377	45.9	926	21.16%
Union	Rural	350,928	35.4	49,595	14.13%
Vance	Rural	49,857	37.5	9,182	18.42%
Wake	Urban	1,464,029	35.4	195,282	13.34%
Warren	Rural	21,457	46.2	5,123	23.88%
Washington	Rural	11,759	48.4	3,402	28.93%
Watauga	Rural	46,866	36.7	9,455	20.17%
Wayne	Rural	127,537	36.4	23,792	18.65%
Wilkes	Rural	72,983	42.5	16,837	23.07%
Wilson	Rural	92,348	39.3	17,796	19.27%
Yadkin	Rural	47,243	39.2	8,859	18.75%
Yancey	Rural	21,063	48.3	5,928	28.14%
North Carolina		12,274,433	38.0	2,161,289	17.61%

County	Percentage of Total Population			Population Ranks		
	% Young Old	% Older Old	% Oldest Old	% Age 65+	% Young Old	% Oldest Old
Pasquotank	54.17%	32.20%	13.63%	48	52	25
Pender	56.71%	32.13%	11.16%	43	21	77
Perquimans	52.53%	33.56%	13.91%	8	75	22
Person	56.68%	32.70%	10.63%	47	22	87
Pitt	55.60%	33.25%	11.15%	88	31	78
Polk	47.25%	35.40%	17.36%	10	100	1
Randolph	55.38%	32.36%	12.27%	75	33	54
Richmond	55.12%	33.09%	11.79%	62	36	66
Robeson	57.87%	32.01%	10.12%	87	12	93
Rockingham	53.03%	33.62%	13.35%	37	70	29
Rowan	55.89%	32.08%	12.03%	77	29	59
Rutherford	51.27%	34.44%	14.29%	34	84	17
Sampson	56.26%	31.80%	11.93%	90	24	60
Scotland	54.25%	33.68%	12.06%	55	48	58
Stanly	55.23%	33.15%	11.63%	65	35	70
Stokes	54.30%	32.98%	12.72%	52	46	41
Surry	51.06%	34.12%	14.82%	54	88	10
Swain	53.68%	33.17%	13.16%	40	62	34
Transylvania	48.87%	34.64%	16.49%	2	98	3
Tyrrell	58.96%	30.45%	10.58%	49	10	89
Union	59.21%	29.94%	10.86%	94	8	84
Vance	54.97%	33.23%	11.81%	73	39	65
Wake	59.13%	30.85%	10.02%	97	9	96
Warren	56.02%	32.36%	11.61%	32	26	71
Washington	49.85%	35.21%	14.93%	7	92	9
Watauga	52.93%	34.57%	12.49%	57	71	47
Wayne	55.91%	33.05%	11.04%	72	28	81
Wilkes	52.53%	34.22%	13.25%	36	76	31
Wilson	53.82%	34.36%	11.82%	70	60	63
Yadkin	55.88%	31.97%	12.16%	71	30	56
Yancey	49.65%	35.96%	14.39%	12	96	15
North Carolina	55.28%	32.71%	12.01%			

Sources: Administration on Aging, U.S. Department of Health and Human Services; U.S. Census Bureau; Office of the State Demographer; North Carolina Rural Economic Development Center



—continues from
page 33

*When you see me walking, stumbling,
Don't study and get it wrong.
'Cause tired don't mean lazy
And every goodbye ain't gone.
I'm the same person I was back then,
A little less hair, a little less chin,
A lot less lungs and much less wind.
But ain't I lucky I can still breathe in*

—MAYA ANGELOU, "ON AGING"

Those demands alone will grow exponentially over the next two decades, and facility expansion cannot begin to accommodate the needs of the elderly population in North Carolina...nor will most be able to afford that. The insurers/payers of health care have not begun to appreciate the value that those services alone would bring to stabilizing expenditures for acute care and skilled nursing services."

Two different sets of issues, meanwhile, could confront communities that have become retirement destinations. First, the rapid influx of relatively affluent people to places like Brunswick County can produce social tensions as newcomers change the environment. A recent study of housing needs in Brunswick County, for example, found that rapid development has pushed up the cost of housing, especially for low-income, minority, younger, and working-age households; in short, it has become more expensive for the county's native work force to live there.⁵²

Second, retirement migration's long-term impact is unclear. Wake Forest University's Charles Longino notes that the recruitment of retirees has become a short-term economic development strategy championed by proponents claiming that retirees expand the local tax base while consuming few public services. Yet the existing evidence calls both those claims into question. Not only is the economic impact seemingly confined to the housing-related sectors of the economy, but also the claims that retirees require fewer public services appear based on the fact that it is the young old who are most apt to move.⁵³ Thus, the demand for public services might increase sharply in 20 years

once affluent, fit 65-year-olds have aged into less affluent, frail 85-year olds. *

However, Longino cautions, "The rise in the proportion of 60+ or 85+ will no doubt create new market demands and challenges for health care in-state as in the United States generally. For example, the next generation of 65+ will more inclined to exercise and work on obesity issues than the last generation because of greater awareness of these problems and the link between obesity and flaccidity with many diseases and disabilities. Also, the decline in smoking in that generation should increase their life expectancy." Longino says that some who have moved to North Carolina will move again as they age to be with children in other states.

On a related note, a single-minded focus on retirement communities may blind public leaders to the fact that an increasing number of older adults likely will live in metropolitan areas. Research by Brookings Institution demographer William Frey has documented that "pre-seniors" (ages 55–64) are the fastest-growing age group in thriving Sunbelt cities such as Raleigh. And, because most people age in place, a growing pre-senior population eventually should yield a larger older population.⁵⁴ Moreover, the popularity of cities like Charlotte among younger migrants might increase the odds that older migrants will bypass retirement destinations for

the places where their family members live. A narrow focus on retirement centers consequently may lead leaders to ignore the effects of population aging in areas that otherwise appear young.

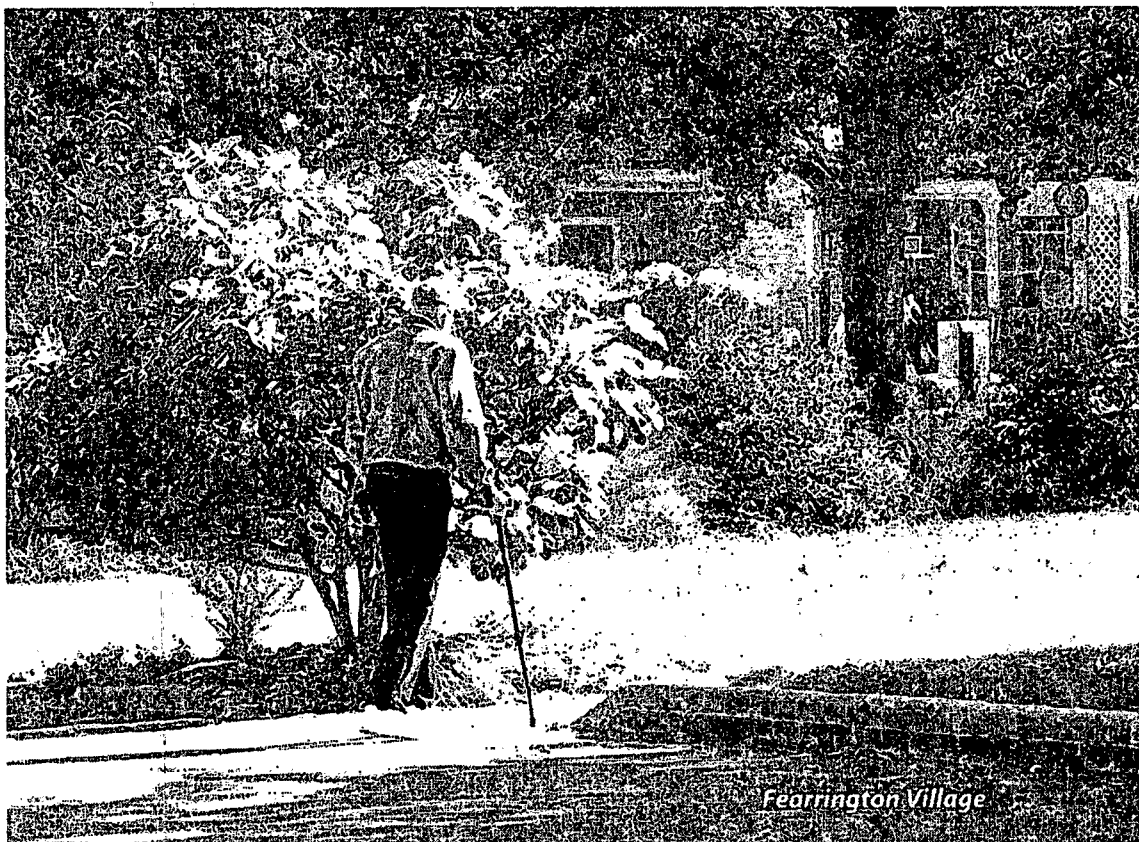
Charles Dickens, Speaker of the North Carolina Senior Tar Heel Legislature, notes the need for policymakers to focus on "the concentration of senior citizens in a small number of counties." In 2006 and probably in 2030, the largest number of persons ages 60 and over will live in Mecklenburg, Wake, Guilford, Forsyth, and Buncombe counties. Dickens says, "Even if the older population is a lower percentage of the total in these five counties than is the case in rural counties, the five counties may be considered 'senior hot spots.'" Dickens hopes these five counties will offer real opportunities for innovative programming and delivery of services. "The concentration of large numbers of older persons in limited geographic areas should allow relatively more funds to be spent on items other than basic transportation," he says. See Tables 3 and 4, pp. 26–31 and 34–39.

Work Force Challenges

Because most older adults chose to exit the work force, the impending retirement of the Baby Boom generation may deprive North Carolina of the workers needed to compete economically. As the North Carolina Commission on Workforce Development warned in a 2007 report, the "retirement of one-quarter of the state's workforce ... has the potential to leave a gaping hole in the supply of workers over the next two decades."³⁵

Yet even if the overwhelming majority of Baby Boomers exit the labor force at age 65, overall population growth should produce a state in 2030 in which working-age people still account for 57 percent of the population. And, younger workers under





There is a recognition that we need to keep people engaged longer in productive work as they age—not just to avoid the so-called pension burden, but also simply to meet labor force demands.

age 45) should comprise 35 percent of the population.⁵⁶ Those forecasted percentages are not radically lower than current levels and could be offset by productivity gains. It is worth noting that the Baby Boom generation's replacements in the work force may be people who have grown up in poverty with inadequate resources at home and inadequate educational opportunities at school.⁵⁷ The challenge, therefore, is less one of raw numbers than one of ensuring that younger workers have the skills needed to be productive—a challenge fundamentally about education and work force development rather than aging.

But perhaps work force shortages will encourage Baby Boomers to stay in the work force longer, and employment earnings will become another source of income for those 65 and over. Victor Marshall, director of the UNC Institute of Aging, says, "There is a recognition that we need to keep people engaged longer in productive work as they age—not just to avoid the so-called pension burden, but also simply to meet labor force demands. This economic pressure creates opportunities for people to remain productive and actively engaged in meaningful activities—both socially and economically rewarding to them—just as it sets challenges for employers to create the working conditions, pension and benefits arrangements, and workplace environments that will induce older workers to remain longer in paid employment."

State Budget Challenges

Perhaps the most commonly cited fear associated with an aging population is that a jump in the number of older adults will permit them to use their aggregate numbers to direct spending in ways that unfairly benefit themselves.⁵⁸ A related fear is that a

NORTH CAROLINA INSIGHT



FEBRUARY 2009

43



Warren County Senior Center

large increase in the older population will reduce support for public investments that benefit non-elderly citizens. For example, will older households refuse to pay local property taxes that benefit public schools? No conclusive evidence supports such claims, which are grounded in two questionable assumptions. First, this view assumes that older adults do not care for the well-being of their communities or for children and younger relatives. Second, the argument assumes that older voters act as a coherent bloc capable of imposing their political will. While older voters are more likely to vote than other age groups—with 50.1 percent of adults aged 65 and older voting in North Carolina's 2006 elections versus 37 percent of registered voters overall. Still, there is no distinct, unified older vote.⁵⁹ In the 2004 election, for instance, 55 percent of North Carolina's older voters supported President George W. Bush, according to exit polls. This partisan split was virtually identical to those found among younger voters and in the overall electorate. Similarly, little evidence of a unified voting bloc was present among voters belonging to the Baby Boom generation.⁶⁰

In all likelihood, a larger older population will want different kinds of spending, such as funding for recreational amenities reflective of older adults' tastes or improved public transportation to help those unable to drive. A larger older population also may demand tax breaks, such as preferential tax treatment for long-term care insurance or homestead exemptions from income taxes, designed to address certain problems facing older adults. Yet the most worrisome expense linked to the aging of the population is not the cost of golf courses, buses, or select tax breaks, but the spiraling cost of health care.

It is no secret that the growth in medical costs has outstripped the cost of virtually any other good or service.⁶¹ While most older adults receive health insurance through Medicare (the federal government's national health insurance program for citizens aged 65 and older) or Medicaid (the state-run health insurance program for

low-income North Carolinians) these programs are struggling to keep pace with the increasing cost of medical care, especially as it relates to end-of-life care.⁶² Moreover, despite physician coverage and the benefit allowed for pharmaceuticals, Medicare's benefit package has not changed dramatically since the 1960s, thereby resulting in coverage gaps and greater exposure to out-of-pocket costs. Dennis Streets, the state director of the Division of Aging, notes that costs associated with vision and hearing loss remain uncovered services, creating both quality of life and safety issues for seniors. Also, Medicare provides little coverage for long-term care, so people who need such care generally must pay themselves and then, after they have depleted their resources, turn to Medicaid. In fact, Medicaid financed 45 percent of all long-term care costs in the country in 2002 and 45 percent of all long-term care costs in North Carolina for recipients older than 65 in state fiscal year 2005–06.⁶³

Left unaddressed, the financial costs associated with health care likely will surge alongside the growth in the older population. Older adults therefore may turn to the public sector for help in affording additional insurance that supplements Medicare and meets out-of-pocket expenses. Additionally, the state budget will be affected directly if Medicaid continues to function as the main source of long-term care coverage. In 2005, 70 percent of nursing home beds in North Carolina were paid for through Medicaid.⁶⁴ Because Medicaid is an entitlement program whose costs are split between the federal government (60 percent) and the state (40 percent), North Carolina's financial responsibility will rise as the program grows.⁶⁵ Absent fundamental reform, North Carolina likely will face state budget challenges as it strives to help older citizens afford health care.

Changes in aging demographics will impact communities as diverse as Fearrington Village and Warrenton in different ways.

The doubling of North Carolina's older population within a quarter of a century will affect many aspects of Tar Heel life. Changes in aging demographics will impact communities as diverse as Fearrington Village and Warrenton in different ways. The potential policy implications of these changes, which are only beginning to manifest themselves, include the financial well-being of older adults, work force shortages, the need for services, and the costs of health care. Policy responses will need to tap the talents of older North Carolinians, consider the diversity within the aging community itself, and respond to the changes in demographic patterns and well-being expected between now and 2030. 

Footnotes

¹ Author's analysis of data from Census 2000. U.S. Census Bureau, Washington, DC. On the Internet at <http://www.census.gov/main/www/cen2000.html>. Note that while Warrenton is an incorporated municipality, Fearrington Village is not. These comparisons consequently are based on data for the zip codes that include, but are not limited to, Warrenton (27589) and Fearrington Village (27312).

² James H. Schulz and Robert H. Binstock, *Aging Nation*, Praeger, Westport, CT, 2006, p. 4.

³ Frank Hobbs and Nicole Stoops, *Demographic Trends in the 21st Century*, U.S. Census Bureau (CENSR-4), Washington, DC, Nov. 2002, p. A-19. On the Internet at <http://www.census.gov/prod/2002pubs/cenr-4.pdf>.

⁴ Dora Costa, *The Evolution of Retirement: An American Economic History, 1880–1990*, University of Chicago Press, Chicago, IL, 1998, p. 188.

⁵ Alfred Stuart, "Population," *The North Carolina Atlas Revisited*, The University of North Carolina at Charlotte, Charlotte, NC. Accessed Dec. 2007 on the Internet at <http://www.ncatlasrevisited.org>.

⁶ Robert L. Clark et al., *The Economics of an Aging Society*, Blackwell Publishing, Malden, MA, 2004, pp. 13–14.

⁷ Wan He and Jason Schachter, *Internal Migration of the Older Population: 1995 to 2000*, U.S. Census Bureau (CENSR-10), Washington, DC, Aug. 2003, p. 1. On the Internet at <http://www.census.gov/prod/2003pubs/cenr-10.pdf>.

⁸ Hobbs and Stoops, note 3 above, pp. 47 and A-19.

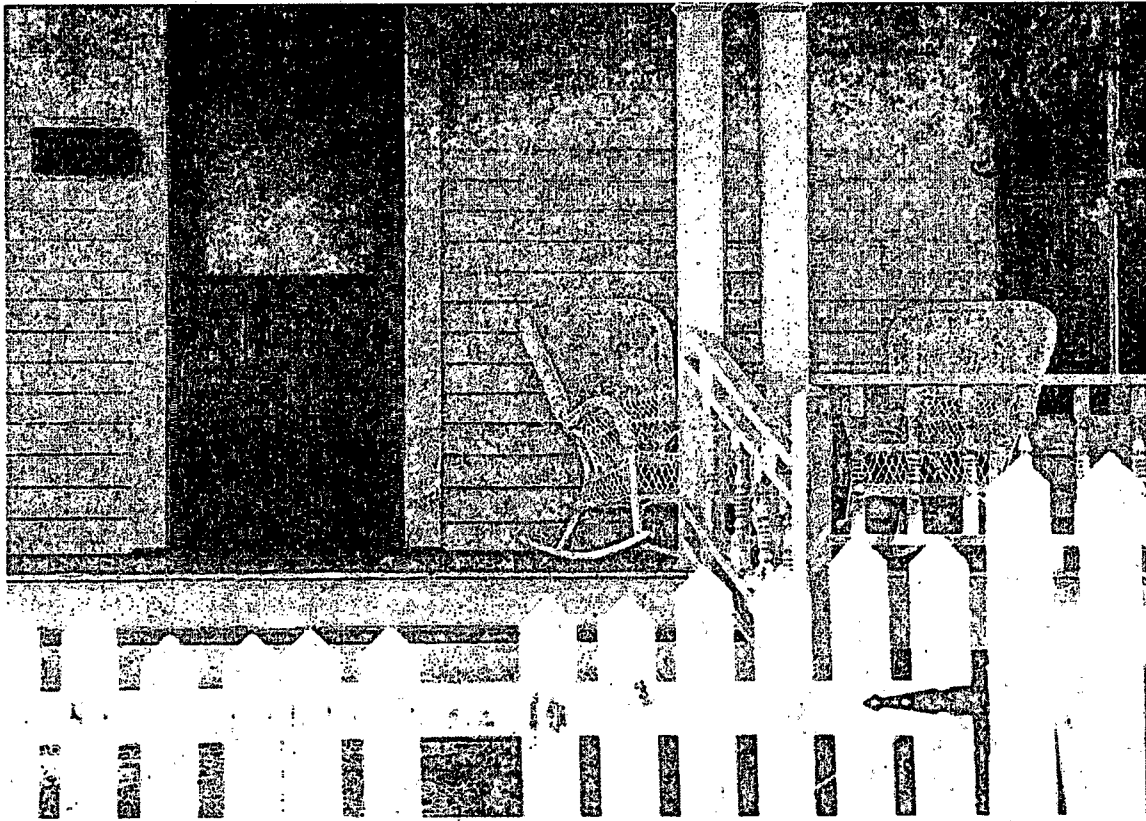
⁹ *Ibid.*

¹⁰ Schulz and Binstock, note 2 above, p. 46.

¹¹ Costa, note 4 above, p. 26.

¹² *Ibid.*, pp. 155 and 27.

¹³ *Twelfth Census of the United States*, Vol. 2, U.S. Census Bureau, Washington, DC, 1902, pp. 74–75.



¹⁴ Hobbs and Stoops, note 3 above, p. 61.

¹⁵ Stuart, note 5 above.

¹⁶ Hobbs and Stoops, note 3 above, p. A-18.

¹⁷ Stuart, note 5 above. Note that measures of international migration track individuals who move directly from abroad to a particular state. So a person moving directly to North Carolina from India, for example, would be recorded as an international migrant, while a person who moves from India to California and then to North Carolina would be a domestic migrant.

¹⁸ Census 2000, note 1 above, and author's analysis of 1990 Census, note 13 above.

¹⁹ Author's analysis of 2006 data compiled by Administration on Aging, U.S. Department of Health and Human Services, Washington, DC. On the Internet at <http://www.aou.gov/prof/statistics/statistics.asp>

²⁰ William H. Frey, *America's Regional Demographics in the '00 Decade: The Role of Seniors, Boomers, and New Minorities*, Research Institute for Housing America, Washington, DC, 2006, pp. 11-12.

²¹ Author's analysis of 2006 data compiled by Administration on Aging, note 19 above.

²² *Ibid.*

²³ Clark *et al.*, note 6 above, p. 25.

²⁴ Author's analysis of 2006 American Community Survey and 2006 data compiled by Administration on Aging, note 19 above.

²⁵ *Gender, Race, and Class: Enduring Inequalities in Later Life*, UNC Institute on Aging, Chapel Hill, NC, 2005. On the Internet at <http://www.aging.unc.edu/infocenter/resources/2005/projectsrevised.pdf>

²⁶ Author's analysis of 2006 American Community Survey.

²⁷ Costa, note 4 above, p. 155.

²⁸ Author's analysis of 2006 American Community Survey.

²⁹ Clark *et al.*, note 6 above, pp. 40-42.

³⁰ *Ibid.*

³¹ Author's analysis of 2006 American Community Survey.

³² The N.C. Rural Economic Development Center defines counties as "rural" or "urban" based on population density as of the 1990 Census of Population. Rural counties contain fewer than 200 persons per square mile. This definition differs from that of the U.S. Census Bureau, which defines as "urban" all territory, population, and housing units located within an "urbanized area" (UA) or an "urban cluster" (UC). UA and UC boundaries include densely populated areas such as census blocks that have a population density of at least 1,000 people per square mile and surrounding census blocks that have an overall density of at least 500 people per square mile. The Census Bureau's classification of "rural" consists of all territory, population, and housing units located outside of UAs and UCs. Under this definition, counties often are "split" between urban and rural territory.

³³ Author's analysis of data from the Administration on Aging and North Carolina State Demographer, note 19 above.

³⁴ Lucille B. Bearon, editor, "Executive Summary," *Serving Older Adults in Rural North Carolina: Meeting the Challenge: A Report from the North Carolina Governor's Advocacy Council Symposium*, UNC Institute on Aging, Chapel Hill, NC, 2000, p. 6 and pp. 9-14. On the Internet at <http://www.aging.unc.edu/infocenter/resources/2000/ruralaging.pdf>

³⁵ Author's analysis of data presented in Stuart, note 5 above.

³⁶ *County Tier Designations 2008*, North Carolina Department of Commerce, Raleigh, NC. Accessed Dec. 2007 on the Internet at <http://www.nccommerce.com/en/BusinessServices/LocateYourBusiness/WhyNC/Incentives/CountyTierDesignations/>

³⁷ *State Interim Population Projections by Age and Sex 2004-2030*, U.S. Census Bureau, Washington, DC. Accessed Dec. 2007 on the Internet at <http://www.census.gov/population/www/projections/statepyramid.html>

³⁸ *Boomers Approaching Midlife: How Secure a Future?*, AARP, Washington, DC, 1998. On the Internet at http://assets.aarp.org/rgcenter/econdl16687_boomers.pdf

³⁹ *State Interim Population Projections by Age and Sex 2004-2030*, note 37 above.

⁴⁰ *Aging North Carolina: The 2007 Profile*, North Carolina Division of Aging and Adult Services, Raleigh, NC, p. 4. On the Internet at <http://www.dhhs.state.nc.us/aging/cprofile/2007Profile.pdf>

⁴¹ Author's analysis of data compiled by the North Carolina State Demographer. The geographic analysis applies 2006 urban-rural classification to 2030 population projections. This could result in an undercount, given that some rural counties are likely to become urban ones by 2030.

⁴² Census 2000, note 1 above.

⁴³ He and Schachter, note 7 above, p. 2.

⁴⁴ Charles Longino, *Retirement Migration in America*, Vacation Publications, Houston, TX, 1995, pp. 11 and 13.

⁴⁵ He and Schachter, note 7 above, p. 6.

⁴⁶ Stuart, note 5 above.

⁴⁷ Author's analysis of *State Interim Population Projections by Age and Sex 2004-2030*, note 37 above.

⁴⁸ *Boomers Approaching Midlife: How Secure a Future?*, note 38 above, pp. 1-2.

⁴⁹ *Ibid.*, pp. 18-30.

⁵⁰ *Boomers Approaching Midlife: How Secure a Future?*, note 38 above, p. 60.

⁵¹ Bearon, note 34 above, p. 5.

⁵² William Rohe and Spencer Cowan, *Workforce Housing Needs in Brunswick County, North Carolina*, UNC-Chapel Hill Center for Urban and Regional Studies, Chapel Hill, NC, June 2000, pp. 32-35.

⁵³ Longino, note 44 above, p. 105.

⁵⁴ William Frey, *Mapping the Growth of Older Americans: Seniors and Boomers in the Early 21st Century*, The Brookings Institution, Washington, DC, May 2007, pp. 4-5. On the Internet at <http://www3.brookings.edu/views/articles/200705frey.pdf>

⁵⁵ North Carolina Commission on Workforce Development, *State of the North Carolina Workforce: An Assessment of the State's Labor Force Demand and Supply 2007-2017*, N.C.

Department of Commerce, Raleigh, NC, 2007, p. vi. On the Internet at <http://www.nccommerce.com/en/WorkforceServices/FindInformationForWorkforceProfessionals/PlansPoliciesandReports/Resource3>

⁵⁶ Author's analysis of *State Interim Population Projections by Age and Sex 2004-2030*, note 39 above.

⁵⁷ John Quintero, *North Carolina's Unfinished Transformation: Connecting Working Families to the State's Newfound Prosperity*, N.C. Budget and Tax Center, Raleigh, NC, Winter 2006, p. 19. On the Internet at http://www.aecf.org/upload/PublicationFiles/north_carolina.pdf

⁵⁸ Schulz and Binstock, note 2 above, pp. 8-10.

⁵⁹ N.C. Board of Elections and *Annual County Population Totals 2000-2009*, North Carolina State Data Center, Raleigh, NC Accessed March 18, 2008, on the Internet at <http://demov.state.nc.us/demov/mages00.html> and Schulz and Binstock, note 2 above, pp. 204-05.

⁶⁰ 2004 U.S. President-North Carolina Exit Poll, CNN.com website. On the Internet at www.cnn.com/ELECTION/2004/pages/results/state/NC/p00/epolls.0.html

⁶¹ *Boomers Approaching Midlife: How Secure a Future?*, note 38 above, p. 43.

⁶² Clark *et al.*, note 6 above, pp. 276-80 and 292-93.

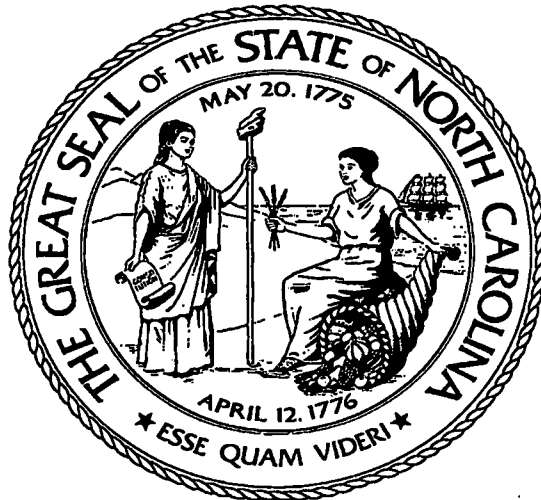
⁶³ *Ibid.*, p. 326, and *Medicaid in North Carolina Annual Report, State Fiscal Year 2006*, N.C. Department of Health and Human Services, Division of Medical Assistance, Raleigh, NC, Apr. 2007, p. 75.

⁶⁴ *Medicaid Program Overview*, Fiscal Research Division, N.C. General Assembly, Jan. 31, 2007, p. 15. On the Internet at http://www.ncga.state.nc.us/fiscalresearch/topics_of_interest/topics.pdf#mediatid=program_overview_jan_2007.pdf and Kaiser Family Foundation databases. On the Internet at www.kff.org

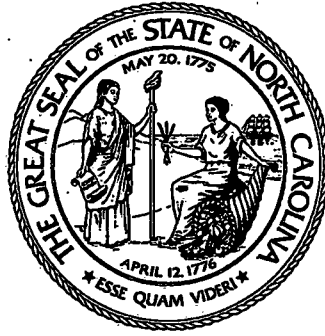
⁶⁵ *The Aging of North Carolina: The 2003-2007 North Carolina Aging Services Plan*, North Carolina Department of Health and Human Services Division of Aging, Raleigh, NC, 2003, p. 33. On the Internet at <http://www.dhhs.state.nc.us/aging/sasp2003.pdf>



NORTH CAROLINA STUDY COMMISSION ON AGING



**REPORT TO THE
GOVERNOR AND THE 2009 REGULAR SESSION OF THE
2009 GENERAL ASSEMBLY**



HOUSE COMMITTEE ON AGING
Wednesday, March 25, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 147, DHHS Workgroup on Mixed Populations ACH
Representatives Farmer-Butterfield, Bordsen, Pierce and Mobley
(If favorable, Health)

HB 292, Randolph County/Senior Adults Facility
Representatives Brubaker, Hurley
(If favorable, Appropriations)

SB 195, Preparations for Aging Baby Boomers
Senators Malone, Dorsett and Bingham
(If favorable, Education)

ADJOURNMENT

HOUSE COMMITTEE ON AGING
Room 415 LOB
March 25, 2009
11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, March 25, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Earl Jones; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. The Chair recognized the Sergeants-At-Arms and Pages. A copy of the Visitors Sheet is attached and included with these minutes.

The Chair recognized Representative Alice Bordsen to present **HB 147, DHHS Workgroup on Mixed Populations ACH**. A copy of the bill, bill summary and PCS are attached.

The proposed committee substitute for HB 147 directs the Division of Aging and Adult Services to assemble a workgroup with the DHHS Divisions of Health Services Regulation, Medical Assistance, and Mental Health, Developmental Disabilities and Substance Services, to develop short-term and long-term strategies to address issues related to housing the frail elderly and the mentally ill together in adult care homes. This bill is identical to SB 196, as introduced by Senator Malone, and is effective when it becomes law. This bill was introduced as a recommendation from the Study Commission on Aging.

Rep, Mobley moved that the proposed committee substitute (PCS) be approved without objection for purposes of discussion only. The motion was approved. Staff member Theresa Matula explained the background for this bill and reasons for a PCS. The PCS added in the Division of Mental Health, Developmental Disabilities and Substance Abuse into the workgroup and also added the developmentally disabled in the description on line 15. The PCS also directs the various groups to look into the concerns of mixing populations in adult care homes.

Representative Jennifer Weiss commented if advocates from the mental health community could be added to the work group. Rep. Darrell McCormick asked what the numbers were for mixed populations in adult care homes.

The Chair recognized John Toth, Executive Director of the Mental Health Association of North Carolina, to address Representative McCormick's question. He stated that there are more than 36,000 beds in long term care facilities across the state, and of those, it is estimated that 9,000 are occupied by persons with mental disabilities.

Representative Earl. Jones asked Mr. Toth how many of the 9,000 people in these facilities are aged 30 and under. Mr. Toth responded that there are a significant number of individuals who are younger than the general population of group home residents who are housed with frail and elderly persons. Representative McCormick asked what the percentage was for younger persons in adult care homes versus the general population of residents.

The Chair recognized Sharnese Ransome of the Department of Health and Human Services to address his concern. Ms. Ransome stated that she would provide to the committee a list with the latest number of total beds and break it down by age category.

Representative Jones asked why young people and persons with mental illnesses are being mixed with the frail and elderly. The Chair commented that this has been going on for many years in North Carolina. Mr. Toth added that North Carolina has an inadequate number of residential options to deal with people with mental disabilities.

The Chair recognized Ms. Evelyn Hawthorne, a representative for the North Carolina Assisted Living Association. She stated that in 2005 the General Assembly approved SB 572 to create separate licensing categories for assisted living communities that serve only frail elderly adults. The Medical Care Commission was directed to adopt rules to implement this act but no rules have been promulgated.

Representative Farmer-Butterfield recognized Mr. Dennis Street, Director of Aging and Adult Services, DHHS, who commented that the Senior Tar Heel Legislature has made this issue a priority.

The Chair then recommended the bill be displaced following adoption of an amendment to the PCS put forward by Representative Weiss.

The amendment shall include the following:

On line 16: after ombudsmen and before On, **“the workgroup shall seek input from advocates representing senior adults, individuals with disabilities, and individuals with mental illnesses.”** Representative Jones moved that the amendment be adopted. The motion was approved and the PCS was displaced.

Senator Vernon Malone was recognized to present **SB 195, Preparations for Aging Baby Boomers.** The bill directs the University of North Carolina's Institute on Aging, and the Division of Aging and Adult Services to take a leadership role in helping North Carolina prepare for increased numbers of older adults, as recommended by the North Carolina Study Commission on Aging. Representative Weiss moved for a

favorable report of Senate Bill 195 and that the bill be re-referred to the Committee on Education. The motion was approved.

The Chair recognized Representative Harold Brubaker to present **SB 292, Randolph County/Senior Adults Facility.** This bill is to appropriate from the General Fund to the Randolph County Senior Adult Association, Inc., a nonprofit organization, the sum of two million dollars (\$2,000,000) for the 2009-2010 fiscal year. These funds shall be used to assist with the development and construction costs for a new Senior Adults Facility to serve Randolph County. The act becomes law effective July 1, 2009.

Following presentation of the bill, Representative McCormick moved that SB 292 receive a favorable report and be re-referred to the Committee on Appropriations. The motion was approved.

The meeting was adjourned at 11:40 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair

Ruth Merkle
Ruth Merkle
Committee Clerk

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

Correct
Version

H

D

HOUSE BILL 147*
PROPOSED COMMITTEE SUBSTITUTE H147-CSSH-10 [v.3]

3/25/2009 10:46:10 AM

Short Title: DHHS Workgroup on Mixed Populations ACH.

(Public)

Sponsors:

Referred to:

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF AGING AND ADULT SERVICES TO ASSEMBLE A WORKGROUP WITH REPRESENTATIVES FROM THE DIVISION OF HEALTH SERVICE REGULATION, DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO DEVELOP STRATEGIES TO ADDRESS ISSUES OF MIXED POPULATIONS IN ADULT CARE HOMES.

The General Assembly of North Carolina enacts:

SECTION 1. The Division of Aging and Adult Services shall convene a workgroup with the Division of Health Service Regulation, Division of Medical Assistance, and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services, in the Department of Health and Human Services, to develop short-term and long-term strategies to address issues within adult care homes that provide residence to persons who are frail and elderly, the developmentally disabled, and to persons with mental illness. The workgroup shall include ~~adult care home~~ ^{developmentally disabled} specialists and long-term care ombudsmen. ^{amendment} On or before August 1, 2010, the Division of Aging and Adult Services shall report on the workgroup's activities and recommendations for improvement to the North Carolina Study Commission on Aging and the Joint Legislative Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services. ^{inserted here}

SECTION 2. This act is effective when it becomes law.



* H 1 4 7 - C S S H - 1 0 - V - 3 *

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2009

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1

HOUSE BILL 147*

Short Title: DHHS Workgroup on Mixed Populations ACH.

(Public)

Sponsors: Representatives Farmer-Butterfield, Bordsen, Pierce, Mobley (Primary Sponsors); Adams, M. Alexander, Allred, Bryant, Carney, England, Faison, E. Floyd, Glazier, Harrison, Insko, Lucas, Luebke, Parmon, Ross, Tolson, and Weiss.

Referred to: Aging, if favorable, Health.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO ASSEMBLE A WORKGROUP TO DEVELOP STRATEGIES TO ADDRESS ISSUES OF MIXED POPULATIONS IN ADULT CARE HOMES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. The Division of Health Service Regulation, Division of Medical Assistance, and the Division of Aging and Adult Services in the Department of Health and Human Services shall convene a workgroup to develop short-term and long-term strategies to address issues within adult care homes that provide residence to persons who are frail and elderly and to persons suffering from mental illness. The workgroup shall include adult care home specialists and long-term care ombudsmen. The Department shall report on the activities of the workgroup along with any recommendations to the Study Commission on Aging and the Joint Legislative Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services on or before August 1, 2010.

SECTION 2. This act is effective when it becomes law.



* H 1 4 7 - V - 1 *

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 147 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO ASSEMBLE A WORKGROUP TO DEVELOP STRATEGIES TO ADDRESS ISSUES OF MIXED POPULATIONS IN ADULT CARE HOMES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

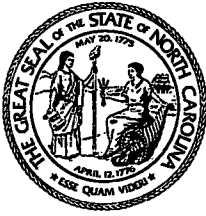
☒ With a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.



HOUSE BILL 292: Randolph County/Senior Adults Facility

2009-2010 General Assembly

Committee:	House Aging, if favorable, Appropriations	Date:	March 24, 2009
Introduced by:	Reps. Brubaker, Hurley	Prepared by:	Sara Kamprath
Analysis of:	First Edition		Committee Staff

SUMMARY: *House Bill 292 appropriates funds to the Randolph County Senior Adults Association, Inc. for the 2009-2010 fiscal year to assist with development and construction costs for a new Senior Adults Facility in Randolph County.*

BILL ANALYSIS: House Bill 292 appropriates \$2 million for the 2009-2010 FY to the Randolph County Senior Adults Association, Inc., a nonprofit organization, to help with development and construction costs of a new Senior Adults Facility.

EFFECTIVE DATE: This act becomes effective July 1, 2009.

BACKGROUND: At the September 24, 2008 meeting of the North Carolina Study Commission on Aging, Candie Rudzinski, Executive Director of the Randolph County Senior Adults Association, Inc. explained that the Association was appointed by the Randolph County Board of Commissioners to serve as the lead agency for aging services and operates 4 Senior Centers. The Senior Centers provide congregate meals, home-delivered meals and various social activities for older residents.

According to information from the Division of Aging and Adult Services, senior centers rely primarily on local support but most use multiple funding streams including State funds. The Division of Aging and Adult Services has three sources of funds to support senior centers.

1. The State combines federal funding and State funding in the Home and Community Care Block Grant (HCCBG) which can be used to assist with operations and staffing of multipurpose senior centers. Each county has established a Home and Community Care Block Grant planning committee to recommend how funding will be allocated. For FY 08-09, the average allocation is \$46,075. A 10% local match is required.
2. Senior Center Outreach funding is a state appropriation for the purpose of developing new services and expanding existing services that will be provided by and/or coordinated with an existing multipurpose senior center and delivered to the elderly living in un-served and underserved areas. Funding may also be used to develop new senior centers with the approval of the county's Board of Commissioners. For FY 08-09, the Division received \$100,000 in Senior Center Outreach funds which is divided equally among the 17 area agencies on aging for local allocation. Awards are made on a project basis and not all senior centers may be funded in a given year. A 25% local match is required, either cash or in-kind.
3. Senior Center General Purpose funding is a state appropriation designated for the purpose of supporting existing and developing senior centers. Funding goes to both state certified and non-certified centers. Additional funding is provided to certified centers based on their certification status. A 25% local funding match is required. Currently non-certified senior centers receive \$5,817; Centers of Merit receive \$11,635 and Centers of Excellence receive \$17,452 including local match.

H292-SMRJ-21(e1) v2

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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1

HOUSE BILL 292

Short Title: Randolph County/Senior Adults Facility. (Public)

Sponsors: Representatives Brubaker, Hurley (Primary Sponsors); and Dockham.

Referred to: Aging, if favorable, Appropriations.

February 25, 2009

A BILL TO BE ENTITLED

**AN ACT TO APPROPRIATE FUNDS TO THE RANDOLPH COUNTY SENIOR ADULTS
ASSOCIATION, INC., TO ASSIST IN DEVELOPING A NEW SENIOR ADULTS
FACILITY TO SERVE RANDOLPH COUNTY.**

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the Randolph County Senior Adults Association, Inc., a nonprofit organization, the sum of two million dollars (\$2,000,000) for the 2009-2010 fiscal year. These funds shall be used to assist with the development and construction costs for a new Senior Adults Facility to serve Randolph County.

SECTION 2. This act becomes effective July 1, 2009.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

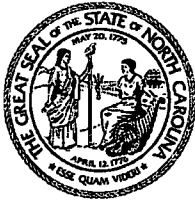
HB 292 A BILL TO BE ENTITLED AN ACT TO APPROPRIATE FUNDS TO THE RANDOLPH COUNTY SENIOR ADULTS ASSOCIATION, INC., TO ASSIST IN DEVELOPING A NEW SENIOR ADULTS FACILITY TO SERVE RANDOLPH COUNTY.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on APPROPRIATIONS.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.



SENATE BILL 195: Preparations for Aging Baby Boomers

2009-2010 General Assembly

Committee:	House Aging, if favorable, Education	Date:	March 24, 2009
Introduced by:	Sen. Malone	Prepared by:	Theresa Matula
Analysis of:	First Edition		Committee Staff

SUMMARY: *Senate Bill 195 directs the University of North Carolina Institute on Aging and the Division of Aging and Adult Services to provide leadership to the State in its preparation for increased numbers of older adults. This bill represents a recommendation from the North Carolina Study Commission on Aging.*

[As introduced, this bill was identical to H273, as introduced by Reps. Farmer-Butterfield, Pierce, Bordsen, which is currently in House Aging, if favorable, Education.]

BILL ANALYSIS:

Senate Bill 195 requires the University of North Carolina Institute on Aging and the Division of Aging and Adult Services to assist the State in its preparations for the projected population growth of older adults by:

- (1) Organizing and facilitating meetings of gerontologists, researchers, county representatives, directors of area agencies on aging, and various providers of State services to identify and prioritize issues for the State to address.
- (2) Establishing a Web site containing models of local planning efforts and information on fostering retiree and volunteer involvement. The information contained on this site must represent the input of the NC Association of County Commissioners, the University of North Carolina School of Government, higher education departments of municipal and regional planning and their partners, and area agencies on aging.

The Institute on Aging and the Division of Aging and Adult Services are directed to make progress reports on the above activities to the Governor and to the Study Commission on Aging on or before March 1, 2010, and on or before November 1, 2010.

EFFECTIVE DATE:

This act is effective when it becomes law.

BACKGROUND:

On November 12, 2008, the Study Commission on Aging and the Joint Study Committee on Local Social Services Issues joined together for a meeting devoted to the State's preparation for increased numbers of older adults. During this meeting the members of both the Commission and the Joint Committee heard presentations on the following: a recent proposal to study the population growth of older adults in North Carolina, a presentation on current forecasts and the importance of planning, and anticipated changes in North Carolina's older adult population and suggestions on ways to prepare. During the presentations, it was noted that between 2000 and 2030 the population growth for the State as a whole is projected at 52.5%, while the population age 65 and older is expected to grow 123% and those age 85 and older by 146%. The members also received information on a national report, *The Maturing of America: Getting Communities on Track for An Aging Population*, which provided that, "...only 46% of American communities have started addressing the needs of the rapidly increasing aging population." It was mentioned that the report concluded, "that local governments...as yet do not

Senate Bill 195

Page 2

have the policies, programs or services in place to promote the quality of life and the abilities of older adults to live independently and contribute to their communities for as long as possible..."

Additionally, the Commission and Joint Committee heard from Ashe County and the Town of Davidson on their local planning efforts, the processes they used, their findings, and how they plan to implement changes. The meeting closed with a panel discussion featuring representatives from AARP-NC, UNC Institute on Aging, North Carolina Association of County Commissioners, and the NC Association of Area Agencies on Aging. The panel participants agreed on the importance of increasing the awareness of the need to plan for larger numbers of older adults and the need for technical assistance and resources when planning.¹

**Shawn Parker contributed to this summary.*

SI95-SMSH-35(e1) v3

¹ North Carolina Study Commission on Aging's report to the Governor and the 2009 General Assembly.
Research Division

O. Walker Reagan, Director

(919) 733-2578

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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SENATE BILL 195*

Short Title: Preparations for Aging Baby Boomers.

(Public)

Sponsors: Senators Malone, Dorsett, Bingham; Berger of Franklin, Brunstetter, Davis, Forrester, Goss, Hoyle, Jones, McKissick, Purcell, Queen, Stein, Stevens, and Tillman.

Referred to: Health Care.

February 18, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE UNIVERSITY OF NORTH CAROLINA INSTITUTE ON AGING, AND THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO TAKE A LEADERSHIP ROLE IN HELPING NORTH CAROLINA PREPARE FOR INCREASED NUMBERS OF OLDER ADULTS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. The University of North Carolina Institute on Aging, and the Division of Aging and Adult Services, Department of Health and Human Services, shall help the State prepare for increased numbers of older adults, due to the aging of the baby boomer generation and the influx of elderly retirees into the State. Activities shall include, but are not limited to, the following:

- (1) Organizing and facilitating meetings of gerontologists, researchers, county representatives, directors of area agencies on aging, and providers of State services, to collectively identify and prioritize issues for the State to address.
- (2) Working with the North Carolina Association of County Commissioners, the University of North Carolina School of Government, higher education departments of municipal and regional planning and their partners, and area agencies on aging to establish a Web site containing:
 - a. Information on fostering retiree and volunteer involvement, and
 - b. Models of local planning efforts, in order to assist municipalities in addressing accessibility and service delivery for increasing numbers of older adults.

SECTION 2. The University of North Carolina Institute on Aging, and the Division of Aging and Adult Services, Department of Health and Human Services, shall make progress reports on the activities required by this act to the Governor and to the North Carolina Study Commission on Aging on or before March 1, 2010, and on or before November 1, 2010.

SECTION 3. This act is effective when it becomes law.



* S 1 9 5 - V - 1 *

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

SB 195 A BILL TO BE ENTITLED AN ACT TO DIRECT THE UNIVERSITY OF NORTH CAROLINA INSTITUTE ON AGING, AND THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO TAKE A LEADERSHIP ROLE IN HELPING NORTH CAROLINA PREPARE FOR INCREASED NUMBERS OF OLDER ADULTS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on EDUCATION.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.

House Pages

Name Of Committee: Aging Date: 3/25/09

1. Name: Dominique murray

County: more

Sponsor: Hackney

2. Name: Miranda salser

County: Catawba

Sponsor: Hackney

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms.

1. Name: Toussaint L. Advent

2. Name: Martha Parrish

3. Name: Gerald Perry

4. Name: _____

5. Name: _____

VISITOR REGISTRATION SHEET

Name of Committee: JOINT APPROPRIATIONS SUBCOMMITTEE ON THE
DEPARTMENT OF TRANSPORTATION

DATE: March 25, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
ASSISTANT

NAME	FIRM OR AGENCY AND ADDRESS
Kay Paksoy	BSW Intern, NASW- NC
Paula A. Wolf	Friends of Residents
Shemariah Harrington	DHHS
Sharnese Ransome	DHHS
Jennifer Mahen	MHANC
Hugh Tilson	NUTA

VISITOR REGISTRATION SHEET

~~Name of Committee: JOINT APPROPRIATIONS SUBCOMMITTEE ON THE
DEPARTMENT OF TRANSPORTATION~~

DATE: March 25, 2009

Aging

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
ASSISTANT

NAME

FIRM OR AGENCY AND ADDRESS

Dan Johnston, MD

Seashells Center Asheville NC

Robin Hoffman

NC Psychiatric Association

Lu Ann [Signature]

NCFA



HOUSE BILL 147: DHHS Workgroup on Mixed Populations ACH

2009-2010 General Assembly

Committee:	House Aging, if favorable, Health	Date:	March 23, 2009
Introduced by:	Reps. Farmer-Butterfield, Bordsen, Pierce, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	PCS to First Edition H147-CSSH-10		

SUMMARY: *The Proposed Committee Substitute for House Bill 147 directs the Division of Aging and Adult Services to assemble a workgroup with the DHHS Divisions of Health Service Regulation, Medical Assistance, and Mental Health, Developmental Disabilities, and Substance Abuse Services, to develop short-term and long-term strategies to address issues related to housing the frail elderly and the mentally ill together in adult care homes.*

[As introduced, this bill was identical to S196, as introduced by Sen. Malone, which is currently in Senate Health Care.]

BILL ANALYSIS:

The Proposed Committee Substitute (PCS) for House Bill 147 requires the Division of Aging and Adult Services to coordinate with the Division of Health Service Regulation, the Division of Medical Assistance, and the Division Mental Health, Developmental Disabilities and Substance Abuse Services, to convene a workgroup to develop short-term and long-term strategies to address issues that arise within adult care homes that provide residence to persons who are frail and elderly and persons with mental illness. The workgroup must include adult care home specialists and long-term care ombudsmen. The PCS requires the Division of Aging and Adult Services to assemble the workgroup and includes the Division of Mental Health, Developmental Disabilities and Substance Abuse Services in the workgroup.

EFFECTIVE DATE:

House Bill 147 would become effective when it becomes law.

BACKGROUND:

This bill was introduced as a recommendation from the NC Study Commission on Aging. The Study Commission on Aging's report to the Governor and the 2009 General Assembly noted that several studies have been conducted on the issue of mentally ill residents in adult care homes, a number of avenues have been explored, and there are several efforts underway. However, addressing issues related to individuals with mental illness residing in adult care homes or the mixing of frail elderly individuals and young individuals with mental illness continues to be an issue of concern. This issue was the third most frequently mentioned item during the public hearings conducted by the Commission this fall. The Commission's report pointed out that adult care home specialists and long-term care ombudsmen are involved in the issues surrounding the care of various individuals in adult care homes. As such the report noted that these employees may be good resources for solutions because they are familiar with the issues and with the rules and regulations for adult care homes.

H147-SMSH-34(CSSH-10) v2

Ruth Merkle (Rep. Farmer-Butterfield)

From: Sharnese Ransome [Sharnese.Ransome@ncmail.net]
Sent: Tuesday, March 31, 2009 3:01 PM
To: Ruth Merkle (Rep. Farmer-Butterfield)
Cc: Theresa Matula (Research); Shomealah Harrington
Subject: DHHS Report to Housing Initiatives for MH/DD/SAS
Attachments: 400 Initiative Update 3-31-09 for H 147.doc

Ruth,

Please find attached the Department's report on the Housing Initiatives for persons with mental illness, developmental disabilities and substance abuse. At the last meeting I promised to report back to the Committee on our housing efforts.

Sharnese

--
[.]

Sharnese Ransome
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**Report to the House Committee on Aging
Prepared Department of Health and Human Services**

3/31/2009

400 Initiative Progress Report: March 2009

The 400 Initiative provides housing for extremely low income households headed by adults with disabilities. 400 Initiative units are supported by the Key Program. To receive Key Program assistance the qualifying adult has income based upon disability (SSI, SSDI, etc.) and the total household income cannot exceed 30% of the area median income. The Key Program is North Carolina's production based operating subsidy, providing housing owners the difference between what the tenant can afford to pay as rent and a statewide operating standard that covers the cost of operating the unit. The average cost per unit in the Key Program is \$250 per unit per month. The Key Program is designed as a "bridge" subsidy, i.e. to provide assistance until the household can secure permanent federal rental assistance.

400 Initiative funding to date: To support the 400 Initiative the General Assembly has appropriated \$25.4 million in non-recurring funds to the state's Housing Trust Fund (HTF) for the development of rental housing and \$6.555 million in recurring funds to DHHS for the Key Program. The current budget environment has thus far reduced the 2008-2009 appropriations from \$7 million to \$5.1 million to the HTF and a one time reduction of \$1 million for the Key Program.

400 Initiative Progress to date:

- 893 units have been awarded funding.
- These units are spread across 145 properties, in 84 cities in 51 counties.
- Developments that involved new construction and rehabilitation are beginning to open.
- To date, 101 tenants have received Key payments under the 400 Initiative.
- 400 Initiative funding is being distributed through four programs:
 - The pre-existing DHHS-NCHFA partnership in the Housing Credit Program. Since 2004, 10% of the units in every Housing Credit development have been targeted to persons with disabilities under the existing DHHS-NCHFA Targeting Plan partnership. The 400 Initiative operating assistance extends the Key Program to 513 units for persons with disabilities developed through the 2007 and 2008 Housing Credit awards. 2009 Housing Credit applications are under review.
 - The Housing 400 Initiative Supportive Housing Development Program (SHDP400). Under this variation of NCHFA's existing Supportive Housing Development Program, 172 units have received capital funding for new construction or acquisition/rehabilitation of small scale independent apartment developments reserved for persons with disabilities. The 2009 SHDP-400 application incentivizes developments in counties as yet unserved by 400 Initiative funding.
 - The Housing 400 Initiative Preservation Loan Program (PLP 400). Under this variation of NCHFA's existing Preservation Loan Program, 69 units have been reserved in existing affordable rental development, by providing funds for rehabilitating properties that will set aside 10% (or a minimum of 5) of the units in their development for tenants with disabilities. A third round of applications will be released later this spring.
 - Key Only. Provides operating subsidies to existing properties. So far, 139 units have been targeted for persons with disabilities to assure rents are affordable to persons living on SSI income. A second round of Key Only requests is under review.
- NCHFA-DHHS have submitted Interim (March 2008) and Final (March 2009) Reports on the *"Plan for the Efficient and Effective Use of State Resources in the Financing and Development of Independent and Supportive-living Apartments for Persons with Disabilities"* to the Legislative Oversight Committee for MH/DD/SAS.



**North Carolina Department of Health and Human Services
Division of Health Service Regulation**

2701 Mail Service Center • Raleigh, North Carolina 27699-2701

<http://www.ncdhhs.gov/dhsr/>

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

Jeff Horton, Acting Director
Phone: 919-855-3757
Fax: 919-733-2757

January 26, 2009

Representative Jean Farmer-Butterfield, Co-Chair
Senator Vernon Malone, Co-Chair
NC House of Representatives
300 N. Salisbury Street Room 528
Raleigh, NC 27603-5925

Dear Representative Farmer-Butterfield and Senator Malone:

I am responding to the inquiry made at the January 15, 2009 meeting regarding the development of rules to address residents residing in adult care homes that are licensed as adult care homes serving the elderly. This type of assisted living residence was created by statute. Specifically, G.S. 131D-2(a)(1d) states:

"Effective October 1, 2005, there are two types of assisted living residences: adult care homes and adult care homes that serve only elderly persons. As used in this section, "elderly person" means:

- a. Any person who has attained the age of 55 years or older and requires assistance with activities of daily living, housing, and services, or*
- b. Any adult who has a primary diagnosis of Alzheimer's disease or other form of dementia who requires assistance with activities of daily living, housing, and services provided by a licensed Alzheimer's and dementia care unit."*

In response to the above provision, the Division of Health Service Regulation requested homes that wish to operate the home as one that serves only "elderly persons" indicate this category on their licensure application form and as a result, licenses are issued noting "this home serves only elderly persons". At this time, based on the most recent 2009 annual license renewals, the Division has 242 licensed facilities in this category.

In addition, the Division currently has in place a group of stakeholders reviewing all of the Adult Care rules. This group has representation from provider associations, advocacy groups, county departments of social services and agencies within the Department. The group has proceeded with rule revision activities and at this time has completed review of physical plant requirements including those for special care units. As we continue this rules review and development process, we will focus on the establishment of core rules that will apply to all adult care homes regardless of who is served. With this goal we do not anticipate developing rules specifically for adult care homes that serve only elderly residents.



NC Study Commission on Aging
January 26, 2009
Page Two

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Sincerely,

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Jeff Horton, Acting Director
Division of Health Service Regulation

Cc: Sharnese Ransome
Theresa Matula
Shawn Parker
Ben Popkin

Effective October 1, 2007, the General Assembly increased the Special Assistance payment for residents residing in Special Care Units for Alzheimer and as a result, many homes serving residents who were dependent on Special Assistance rather than private payment were able to be served in SCUs. This change has results in an increase in the development of more units with 146 currently licensed.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2005-66
SENATE BILL 572**

**AN ACT TO CREATE A LICENSURE CATEGORY FOR ASSISTED LIVING
COMMUNITIES THAT SERVE ONLY ELDERLY ADULTS.**

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 131D-2(a)(1d) reads as rewritten:

"§ 131D-2. Licensing of adult care homes for the aged and disabled.

(a) The following definitions will apply in the interpretation of this section:

- (1d) "Assisted living residence" means any group housing and services program for two or more unrelated adults, by whatever name it is called, that makes available, at a minimum, one meal a day and housekeeping services and provides personal care services directly or through a formal written agreement with one or more licensed home care or hospice agencies. The Department may allow nursing service exceptions on a case-by-case basis. Settings in which services are delivered may include self-contained apartment units or single or shared-room units with private or area baths. Assisted living residences are to be distinguished from nursing homes subject to provisions of G.S. 131E-102. ~~Effective October 1, 1995,~~ Effective October 1, 2005, there are two types of assisted living residences: adult care homes and ~~group homes for developmentally disabled adults;~~ adult care homes that serve only elderly persons. As used in this section, "elderly person" means:
- a. Any person who has attained the age of 55 years or older and requires assistance with activities of daily living, housing, and services, or
 - b. Any adult who has a primary diagnosis of Alzheimer's disease or other form of dementia who requires assistance with activities of daily living, housing, and services provided by a licensed Alzheimer's and dementia care unit.

Effective July 1, 1996, there is a third type, multiunit assisted housing with services."

SECTION 2. The Medical Care Commission shall adopt rules to implement this act.

SECTION 3. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 18th day of May, 2005.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 1:37 p.m. this 26th day of May, 2005

**Report to the House Committee on Aging
Prepared Department of Health and Human Services**

3/31/2009

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Beverly Eaves Perdue, Governor
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NC Study Commission on Aging
January 26, 2009
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**Mental Illness
Percentage
by
Year**

Adult Care Home			
	Total Number of MI Resident	Total Number of Resident in Facility	Percentage of Resident with MI
2002	4495	24633	18.2%
2003	4918	17766	27.7%
2004	4450	14442	30.8%
2005	5006	24831	20.2%
2006	5068	25100	20.2%
2007	5079	20606	24.6%
2008	5392	26896	20.0%
2009	6414	26543	24.2%

Family Care Home			
	Total Number of MI Resident	Total Number of Resident in Facility	Percentage of Resident with MI
2002	1093	2871	38.1%
2003	1200	2277	52.7%
2004	1258	2096	60.0%
2005	1145	2578	44.4%
2006	1202	2644	45.5%
2007	1155	2544	45.4%
2008	1152	2496	46.2%
2009	1330	2628	50.6%

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2007	1155	2544	45.4%
2008	1152	2496	46.2%
2009	1330	2628	50.6%

**Diagnosis Data
by Age Groups
2009**

ADULT CARE HOME DATA RESIDENTS WITH MI, MR/DD, OR ALZHEIMERS									
AGE	Total Residents (1)	MI	% of Total Residents with MI	MR/DD	% of Total Residents with MR/DD	ALZ/DEM	% of Total Residents with ALZ/DEM	Total Adult Care Facilities	Total Adult Care Bed Count
18-24	91	58	63.7%	22	24.2%	1	1.1%		
25-34	431	308	71.5%	53	12.3%	10	2.3%		
35-49	1660	1093	65.8%	235	14.2%	47	2.8%		
50-64	4115	2130	51.8%	457	11.1%	442	10.7%		
65-74	3685	1063	28.8%	249	6.8%	982	26.6%		
75-84	7321	912	12.5%	152	2.1%	3198	43.7%		
85+	9240	850	9.2%	99	1.1%	3985	43.1%		
ALL	26543	6414	24.2%	1267	4.8%	8665	32.6%	630	36484

(1) Total number of all residents in all Adult Care Homes in North Carolina

All residents are not identified by primary diagnosis, only those with primary diagnosis of these categories do not equal total resident.

FAMILY CARE HOME DATA RESIDENTS WITH MI, MR/DD, OR ALZHEIMERS									
AGE	Total Residents (2)	MI	% of Total Residents with MI	MR/DD	% of Total Residents with MR/DD	ALZ/DEM	% of Total Residents with ALZ/DEM	Total Family Care Facilities	Total Family Care Bed Count
18-24	71	44	62.0%	23	32.4%	0	0.0%		
25-34	177	111	62.7%	51	28.8%	0	0.0%		
35-49	608	420	69.1%	127	20.9%	1	0.2%		
50-64	827	510	61.7%	144	17.4%	14	1.7%		
65-74	405	162	40.0%	86	21.2%	62	15.3%		
75-84	341	70	20.5%	25	7.3%	128	37.5%		
85+	199	13	6.5%	8	4.0%	99	49.7%		
ALL	2628	1330	50.6%	464	17.7%	304	11.6%	625	3495

(2) Total number of all residents in all Family Care Homes in North Carolina

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Data obtain from 2009 License Renewals.
Does not include facilities with recent change of ownership.

**DIAGNOSIS DATA
BY AGE GROUP
2008**

ADULT CARE HOME DATA									
AGE	Total Resident s (1)	MI	% of Total Resident s with MI	MR/DD	% of Total Resident s with MR/DD	ALZ/DEM	% of Total Resident s with ALZ/DEM	Total Adult Care Facilitie s	Total Adult Care Bed Count
18-24	94	71	75.5%	14	14.9%	0	0.0%		
25-34	441	303	68.7%	80	18.1%	1	0.2%		
35-49	1734	1145	66.0%	254	14.6%	51	2.9%		
50-64	4080	1968	48.2%	550	13.5%	338	8.3%		
65-74	3794	941	24.8%	286	7.5%	940	24.8%		
75-84	7673	653	8.5%	154	2.0%	3239	42.2%		
85+	9080	311	3.4%	47	0.5%	3913	43.1%		
ALL	26896	5392	20.0%	1385	5.1%	8482	31.5%	636	36408

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FAMILY CARE HOME DATA									
AGE	Total Resident s (2)	MI	% of Total Resident s with MI	MR/DD	% of Total Resident s with MR/DD	ALZ/DEM	% of Total Resident s with ALZ/DEM	Total Family Care Facilitie s	Total Family Care Bed Count
18-24	62	31	50.0%	19	30.6%	0	0.0%		
25-34	185	111	60.0%	49	26.5%	2	1.1%		
35-49	588	360	61.2%	137	23.3%	3	0.5%		
50-64	777	448	57.7%	163	21.0%	24	3.1%		
65-74	360	135	37.5%	58	16.1%	53	14.7%		
75-84	325	55	16.9%	39	12.0%	127	39.1%		
85+	199	12	6.0%	7	3.5%	86	43.2%		
ALL	2496	1152	46.2%	472	18.9%	295	11.8%	654	3641

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Data obtain from 2008 License Renewals

**DIAGNOSIS DATA
BY AGE GROUP
2007**

ADULT CARE HOME DATA									
AGE	Total Residents (1)	MI	% of Total Residents with MI	MR/DD	% of Total Residents with MR/DD	ALZ/DEM	% of Total Residents with ALZ/DEM	Total Adult Care Facilities	Total Adult Care Bed Count
18-24	112	78	69.6%	24	21.4%	1	0.9%		
25-34	383	233	60.8%	94	24.5%	10	2.6%		
35-49	1787	1072	60.0%	253	14.2%	40	2.2%		
50-64	3896	1851	47.5%	509	13.1%	313	8.0%		
65-74	3826	901	23.5%	289	7.6%	985	25.7%		
75-84	1752	642	36.6%	156	8.9%	3024	172.6%		
85+	8850	302	3.4%	97	1.1%	3566	40.3%		
ALL	20606	5079	24.6%	1422	6.9%	7939	38.5%	636	36408

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FAMILY CARE HOME DATA									
AGE	Total Residents (2)	MI	% of Total Residents with MI	MR/DD	% of Total Residents with MR/DD	ALZ/DEM	% of Total Residents with ALZ/DEM	Total Family Care Facilities	Total Family Care Bed Count
18-24	110	42	38.2%	19	17.3%	0	0.0%		
25-34	360	99	27.5%	47	13.1%	4	1.1%		
35-49	733	404	55.1%	120	16.4%	10	1.4%		
50-64	600	415	69.2%	131	21.8%	35	5.8%		
65-74	369	125	33.9%	57	15.4%	57	15.4%		
75-84	294	53	18.0%	40	13.6%	129	43.9%		
85+	78	17	21.8%	4	5.1%	92	117.9%		
ALL	2544	1155	45.4%	418	16.4%	327	12.9%	654	3641

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Data obtain from 2007 License
Renewals

**Diagnosis Data
by Age Group
2006**

ADULT CARE HOME DATA RESIDENTS WITH MI, MR/DD, OR ALZHEIMERS									
AGE	Total Residents (1)	MI	% of Total Residents with MI	MR/DD	% of Total Residents with MR/DD	ALZ/DEM	% of Total Residents with ALZ/DEM	Total Adult Care Facilities	Total Adult Care Bed Count
18-24	137	93	67.9%	23	16.8%	0	0.0%		
25-34	377	250	66.3%	75	19.9%	22	5.8%		
35-49	1823	1187	65.1%	251	13.8%	22	1.2%		
50-64	3639	1694	46.6%	568	15.6%	311	8.5%		
65-74	3692	929	25.2%	339	9.2%	1019	27.6%		
75-84	7252	638	8.8%	175	2.4%	3048	42.0%		
85+	8180	277	3.4%	87	1.1%	3483	42.6%		
ALL	25100	5068	20.2%	1518	6.0%	7905	31.5%	605	34034
(1) Total number of all residents in all Adult Care Homes in North Carolina									

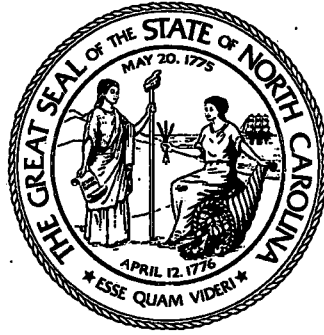
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18-24	56	34	60.7%	18	32.1%	1	1.8%		
25-34	198	127	64.1%	52	26.3%	0	0.0%		
35-49	643	410	63.8%	152	23.6%	2	0.3%		
50-64	790	439	55.6%	156	19.7%	28	3.5%		
65-74	358	119	33.2%	78	21.8%	61	17.0%		
75-84	366	54	14.8%	36	9.8%	127	34.7%		
85+	233	19	8.2%	7	3.0%	108	46.4%		
ALL	2644	1202	45.5%	499	18.9%	327	12.4%	602	3397

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Data obtain from 2006 License
Renewals



HOUSE COMMITTEE ON AGING
Wednesday, April 1, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 418 Drivers License Changes/Older Drivers
Representatives Killian, Daughtry, Cole and Sutton
(If favorable, Transportation)

HB 147 DHHS Workgroup on Mixed Populations ACH
Representatives Farmer-Butterfield, Bordsen, Pierce and Mobley
(If favorable, Health)

ADJOURN

HOUSE COMMITTEE ON AGING

Room 415 LOB

April 1, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, April 1, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. Alma Adams; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Beverly Earle; Rep. Darren Jackson; Rep. Earl Jones; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. The Chair recognized the Sergeants-At-Arms and Pages. A copy of the Visitors Sheet is attached and included with the minutes.

The Chair recognized Representative Richard Killian to speak on **HB 418, Drivers License Changes/Older Drivers**. This bill requires any individual who is at least 85 years old to take a road test in order to renew a driver's license and changes the duration of an original and renewed driver's license for individuals aged 65 years or older. This bill is effective October 1, 2009 and applies to licenses issued or renewed on or after that date. A copy of the bill, bill summary and fiscal note is attached.

Representative Killian gave the committee a legislative fiscal note for the bill and several handouts, which are included with these minutes. Following his presentation of the bill, the Chair introduced Ms. Jane Stutts, Ph.D., retired from the UNC Highway Safety Research Center. A copy of her presentation and attachments is included with the minutes.

The Chair recognized Representative Earle, who asked if the bill had any opposition. Representative Farmer-Butterfield replied that there were groups present who were against the bill. She introduced Susan Stewart, Page Partin and Michael Jarman from the Department of Motor Vehicles (DMV), and stated that DMV has taken no position on this bill. Ms. Stewart explained the department's procedures for conducting a medical review of older drivers.

Representative Bordsen asked about a fiscal note and why there was a need for more frequent testing of older drivers. Representative Killian explained that drivers drive less as they age but are involved in more accidents.

Rep. Darrell McCormick stated that his interpretation of the bill is that it gives the DMV more authority.

Rep. Grey Mills asked if this bill strengthens what is already in place.

The Chair recognized Bill Wilson from AARP North Carolina. He commented that the AARP opposes the bill in its current form. He presented two handouts to the committee. A copy is attached for these minutes.

Mr. Dick Hatch of AARP was recognized. He stated that this bill is discriminatory because it would set criteria for license renewals that are based on age rather than ability.

Following additional discussion by members of the committee and the bill sponsor, Representative McCormick made a motion to give HB 418 a favorable report and be re-referred to the Committee on Transportation. The Chair asked for a show of hands. The motion passed 8-6.

The Chair recognized Representative Jones, who moved that the PCS for HB 147 be approved for discussion only. The motion passed. Representative Annie Mobley then motioned that **HB 147, DHHS Workgroup on Mixed Populations ACH**, receive a favorable report as to the committee substitute bill and be re-referred to the Committee on Health. The motion passed.

The meeting was adjourned at 11:50 am.

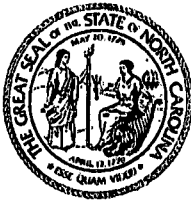
Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair



Ruth Merkle
Committee Clerk

8/24/09



HOUSE BILL 418: Drivers License Changes/Older Drivers

2009-2010 General Assembly

Committee:	House Aging, if favorable, Transportation	Date:	March 31, 2009
Introduced by:	Reps. Killian, Daughtry, Cole, Sutton	Prepared by:	Sara Kamprath
Analysis of:	First Edition		Committee Staff

SUMMARY: House Bill 418 requires any individual who is at least 85 years old to take a road test in order to renew a drivers license and changes the duration of an original and renewed drivers license for individuals aged 65 or older.

BILL ANALYSIS: The Division of Motor Vehicles shall not require a person who is applying to renew a license to take a road test except in the following circumstances:

Road test required

Current law

Not required unless one or more applies:

- The person has been convicted of a traffic violation since the license was last issued
- The applicant suffers from a mental or physical condition that impairs the ability to drive a motor vehicle

Proposed in bill

Same requirement

Person at least 85 years old

Duration of original and renewed drivers licenses

Current law

18 years old but less than 54 years old
8th year after issuance

54 years old and older
5th year after issuance

Proposed in bill

18 years old but less than 65 years old
8th year after issuance

65 years old but less than 75 years old
5th year after issuance

75 years old and older
3rd year of issuance

EFFECTIVE DATE: The bill is effective October 1, 2009 and applies to licenses issued or renewed on or after that date.

House Bill 418

Page 2

BACKGROUND: Nationally and in North Carolina older drivers are an increasing percentage of all drivers. Although older drivers are involved in fewer crashes, the crash rate increases sharply after age 70 or 75. Drivers over 75 have been reported to have a 24 percent higher crash rate than all other drivers. The University of North Carolina Highway Safety Research Center reports that seniors drive fewer miles per licensed driver compared to younger licensed drivers but have higher crash rates than any other group except teen drivers.

According to information dated March 2009 from the Insurance Institute for Highway Safety, Illinois and New Hampshire require a road test for adults aged 75+ who are seeking to renew a drivers license. Eighteen states have accelerated renewal cycles that have shorter renewal intervals for persons older than a specified age, usually 65 or 70.

H418-SMRJ-23(e1) v1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 418

Short Title:	Drivers License Changes/Older Drivers.	(Public)
Sponsors:	Representatives Killian, Daughtry, Cole, Sutton (Primary Sponsors); Cleveland, Coates, Harrell, Hughes, Moore, Steen, and Wilkins.	
Referred to:	Aging, if favorable, Transportation.	

March 5, 2009

A BILL TO BE ENTITLED
AN ACT TO MAKE CHANGES TO DRIVERS LICENSE RENEWAL PERIODS.
The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-7(c) reads as rewritten:

"(c) Tests. – To demonstrate physical and mental ability, a person must pass an examination. The examination may include road tests, vision tests, oral tests, and, in the case of literate applicants, written tests, as the Division may require. The tests must ensure that an applicant recognizes the handicapped international symbol of access, as defined in G.S. 20-37.5. ~~The~~ Except as otherwise provided in this subsection, the Division may not require a person who applies to renew a license that has not expired to take a written test or a road test unless one or more of the following applies:

- (1) The person has been convicted of a traffic violation since the person's license was last issued.
- (2) The applicant suffers from a mental or physical condition that impairs the person's ability to drive a motor vehicle.

The Division shall require any person who is at least 85 years old to take a road test. The Division may not require a person who is at least 60 years old to parallel park a motor vehicle as part of a road test."

SECTION 2. G.S. 20-7(f) reads as rewritten:

"(f) Duration and Renewal of Licenses. – Drivers licenses shall be issued and renewed pursuant to the provisions of this subsection:

- (1) Duration of license for persons under age 18. – A full provisional license issued to a person under the age of 18 expires on the person's twenty-first birthday.
- (2) Duration of original license for persons at least 18 years of age or older. – A drivers license issued to a person at least 18 years old but less than ~~54~~65 years old expires on the birthday of the licensee in the eighth year after issuance. A drivers license issued to a person at least ~~54-65~~ years old but less than 75 years old expires on the birthday of the licensee in the fifth year after issuance. A drivers license issued to a person at least 75 years old expires on the birthday of the licensee in the third year after issuance. A commercial drivers license that has a vehicles carrying passengers (P) and school bus (S) endorsement issued pursuant to G.S. 20-37.16 shall expire on the birth date of the licensee three years after the date of issuance, if the licensee is certified to drive a school bus in North Carolina.



(2a) Duration of renewed licenses. – A renewed drivers license that was issued by the Division to a person at least 18 years old but less than ~~54-65~~ years old expires eight years after the expiration date of the license that is renewed. A renewed drivers license that was issued by the Division to a person at least ~~54-65~~ years old but less than 75 years old expires five years after the expiration date of the license that is renewed. A renewed drivers license that was issued by the Division to a person at least 75 years old expires three years after the expiration date of the license that is renewed.

(3) Duration of license for certain other drivers. – The durations listed in subdivisions (1), (2) and (2a) of this subsection are valid unless the Division determines that a license of shorter duration should be issued when the applicant holds valid documentation issued by, or under the authority of, the United States government that demonstrates the applicant's legal presence of limited duration in the United States. In no event shall a license of limited duration expire later than the expiration of the authorization for the applicant's legal presence in the United States.

(3a) When to renew. – A person may apply to the Division to renew a license during the 180-day period before the license expires. The Division may not accept an application for renewal made before the 180-day period begins.

(4) Renewal by mail. – The Division may renew by mail a drivers license issued by the Division to a person who meets any of the following descriptions:

a. Is serving on active duty in the armed forces of the United States and is stationed outside this State.

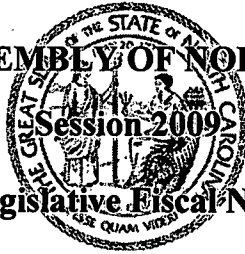
b. Is a resident of this State and has been residing outside the State for at least 30 continuous days.

When renewing a license by mail, the Division may waive the examination that would otherwise be required for the renewal and may impose any conditions it finds advisable. A license renewed by mail is a temporary license that expires 60 days after the person to whom it is issued returns to this State.

(5) License to be sent by mail. – The Division shall issue to the applicant a temporary driving certificate valid for 20 days, unless the applicant is applying for renewal by mail under subdivision (4) of this subsection. The temporary driving certificate shall be valid for driving purposes only and shall not be valid for identification purposes. The Division shall produce the applicant's drivers license at a central location and send it to the applicant by first-class mail at the residence address provided by the applicant, unless the applicant is ineligible for mail delivery by the United States Postal Service at the applicant's residence. If the United States Postal Service documents that it does not deliver to the residential address provided by the applicant, and the Division has verified the applicant's residential address by other means, the Division may mail the drivers license to the post office box provided by the applicant. Applicants whose only mailing address prior to July 1, 2008, was a post office box in this State may continue to receive their license at that post office box, provided the applicant's residential address has been verified by the Division."

SECTION 3. This act becomes effective October 1, 2009, and applies to licenses issued or renewed on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA



Legislative Fiscal Note

BILL NUMBER: House Bill 418 (First Edition)

SHORT TITLE: Drivers License Changes/Older Drivers.

SPONSOR(S): Representatives Daughtry, Cole, Sutton, and Killian

FISCAL IMPACT					
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2009-10</u>	<u>FY 2010-11</u>	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>
REVENUES		\$1,840,472	\$1,709,968	\$1,639,024	\$3,236,564
EXPENDITURES					
DMV	\$18,701	\$225,673	\$199,098	\$199,098	\$199,098
POSITIONS (cumulative):		4	4	4	4
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Division of Motor Vehicles, Department of Transportation Information Technology					
EFFECTIVE DATE: This bill becomes effective on October 1, 2009, and applies to driver licenses issued or renewed after that date.					

BILL SUMMARY: This bill makes changes to drivers license renewal periods. The bill increases the age at which drivers licenses expire in the eighth year after issuance from 54 to 65. A drivers license issued to a person at least 65 years old but less than 75 years old will expire on the birthday of the licensee in the fifth year after issue. A drivers license issued to a person at least 75 years old expires on the birthday of the licensee in the third year after issue, instead of the fifth year. Any person who is at least 85 years old will be required to take a road test.

ASSUMPTIONS AND METHODOLOGY: The Division of Motor Vehicles estimates there will be approximately 240,000 renewal customers per year in the age group of 54 to 65. Because customers will be paying for an eight year license (8 x \$4.00 per year), the customer will be paying more at the time of issuance than they do now (5 x \$4.00). This will result in an acceleration of revenue collected. However, by fiscal year 2015-2016, after the first 5-year cycle of customers coming in and changing to an eight year license, there will be a reduction in the number of renewal customers each year, which will result in a reduction of revenue. Revenue should equalize after an eight year cycle.

Department of Transportation statistics below show the number of age 75 and older drivers who can be expected to renew each year. Under current law, these drivers would be expected to renew every five years at a cost of \$20, or \$4 per year. Under this bill, the cost decreases to \$12, reducing the amount of revenue for the first three years of the change. Starting in SFY 2013-14, the drivers who initially renewed for three years would return, increasing the number of customers and the amount of revenue.

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
75+ Renewals	129,941	146,254	155,122	150,341	150,000
Current 75 + Revenue	\$2,598,820	\$2,925,080	\$3,102,440	\$3,006,820	\$3,000,000
Bill Revenue	\$1,559,292	\$1,755,048	\$1,861,464	\$1,804,092	\$1,800,000
3-Year Renewals (First 3-year renewal drivers returning)				129,941	146,254
Renewals Revenue				\$1,559,292	\$1,755,048
Net 75+ Revenue	(\$1,039,528)	(\$1,170,032)	(\$1,240,976)	\$356,564	\$555,048
54 to 65 Renewals- Additional Revenue	\$2,880,000	\$2,880,000	\$2,880,000	\$2,880,000	\$2,880,000
Total Additional Receipts/Fees	\$1,840,472	\$1,709,968	\$1,639,024	\$3,236,564	\$3,435,048

According to the DMV, there are approximately 177,879 licensed drivers over the age of 85, resulting in an average of 59,000 renewals each year. The DMV currently road tests a percentage of customers every year, so they anticipate a 50 percent increase. If 29,500 drivers are tested for 15 minutes, the result is a requirement for an additional 442,500 minutes of testing, or 7,375 hours. Since each examiner is expected to work 1800 hours each year, the bill creates a requirement for four additional examiners.

Total costs for four additional examiners are explained below:

PERSONNEL

Driver License Examiner (Pay grade 65)

Salary @ minimum	\$31,622
Number of Positions	4
Total Salary	\$126,488
FRINGE BENEFITS	
Hospitalization @4,157	\$16,628
Social Security @ .0765	\$9,676
Retirement @ .0814	\$10,296
FRINGE Total	\$36,600
Annual Salary and Benefits	\$163,088

NON-PERSONNEL

Recurring	
300 sq. ft. per examiner at \$16 sq. ft.	\$24,000
Utilities – \$2 sq. ft. per examiner	\$3,000
Janitorial - \$2.55 sq. ft. per examiner	\$3,825
Total	\$30,825
Non-Recurring	
Phone \$200 per examiner	\$1,000
Vision Test - \$700 per examiner	\$3,500
Uniforms - \$800 per examiner	\$4,000
Workstation - \$2,700 per examiner	\$13,500
Chair - \$400 per examiner	\$2,000
PC - \$515 per examiner	\$2,575
Total	\$26,575
Total for Non- Personnel	\$57,400

The increased hours required for 75-and-over renewals roughly balance out with the reduced hours required for 54 to 65 renewals, resulting in no change in the requirement for examiners.

The State Automated Driver License System (SADLS) will require the following modifications to implement a change to the driver license renewal period issued to a person at least 65 years old but less than 75 years old:

1. Modify the certification system renewal notification process date, age, and cost calculations.
2. Modify the certification system age cutoff parameter for five-year license for drivers at least 65 years old but less than 75 years old to expire on the birthday of the licensee in the fifth year after issuance.
3. Modify the certification system age cutoff parameter for road tests to require any person who is 85 years old to take a road test.
4. Modify the School Bus & Traffic Safety system when the SB expiration date needs to be calculated.
5. Calculation will be the current year plus three years for drivers 75 and older, five years for drivers between 65 and 74, otherwise it will be the current year plus eight years. This will be accomplished by changing the School Bus certification program to call common module that will accept the customer ID and return the expiration date. This common module will also be used by Certification.

The State Automated Driver License System (SADLS) will require the following modifications to implement a change to increase the age for persons receiving an eight-year driver's license from fifty-four years of age to sixty-five years of age.

1. Modify the certification system renewal notification process date, age, and cost calculations
2. Modify the certification system age cutoff parameter from 54 to 65 in the issuance process.
3. Modify the School Bus & Traffic Safety system expiration date calculations.

Completion of these changes is estimated to require 158 hours, at \$85 an hour, for a total cost of \$13,430. The hours required for each phase of the project are listed below:

Project Initiation	0
Planning and Design	56
Execute and Build	92
Implementation	10
Total Hours	158

ITS charges add \$1,913, and a change budget of 20 percent adds \$2,686, plus an additional ITS cost of \$672, for a total project cost of \$18,701. Annual maintenance is estimated to require 40 hours, or \$3,400, plus ITS costs of \$850, for a total of \$4,250. At five percent of development costs, annual operations costs are estimated at \$935, for a total annual cost of \$5,185.

The following list of assumptions was used to develop the estimated cost. Any change to the assumptions could change the estimated cost.

1. The cost of all licenses remains the same.
2. All permits are excluded.
3. No additional driver tests will be administered to receive the privilege other than those that are currently applied.
4. The only age groups impacted by this bill are citizens with ages between 65 and 74, 75 and older, and 85 and older.
5. The change in expiration dates will affect activity bus drivers and will not affect school bus drivers.
6. No additional hardware is required.

SOURCES OF DATA: Division of Motor Vehicles, Department of Transportation Information Technology

TECHNICAL CONSIDERATIONS:

With current resource constraints, this effort could not start before October 1, of 2009 and could not be completed before January 1, 2010.

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Karlynn O'Shaughnessy

APPROVED BY: Marilyn Chism, Director
Fiscal Research Division



DATE: March 23, 2009

Signed Copy Located in the NCGA Principal Clerk's Offices

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

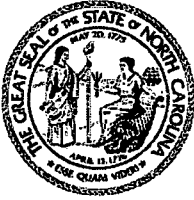
HB 418 A BILL TO BE ENTITLED AN ACT TO MAKE CHANGES TO DRIVERS
LICENSE RENEWAL PERIODS.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on
TRANSPORTATION.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on
_____.

_____ The bill/resolution is re-referred to the Committee on _____.



HOUSE BILL 147: DHHS Workgroup on Mixed Populations ACH

2009-2010 General Assembly

Committee:	House Aging, if favorable, Health	Date:	March 31, 2009
Introduced by:	Reps. Farmer-Butterfield, Bordsen, Pierce, Mobley	Prepared by:	Theresa Matula Committee Staff
Analysis of:	PCS to First Edition H147-CSSH-10 [v.4]		

SUMMARY: *The Proposed Committee Substitute for House Bill 147 directs the Division of Aging and Adult Services to assemble a workgroup with the DHHS Divisions of Health Service Regulation, Medical Assistance, and Mental Health, Developmental Disabilities, and Substance Abuse Services, to develop short-term and long-term strategies to address issues related to housing the frail elderly, the disabled, and the mentally ill together in adult care homes. The bill specifically requires the inclusion of adult care home specialists and long-term care ombudsmen in the workgroup.*

[As introduced, this bill was identical to S196, as introduced by Sen. Malone, which is currently in Senate Health Care.]

BILL ANALYSIS:

The Proposed Committee Substitute (PCS) for House Bill 147 requires the Division of Aging and Adult Services to coordinate with the Division of Health Service Regulation, the Division of Medical Assistance, and the Division Mental Health, Developmental Disabilities and Substance Abuse Services, to convene a workgroup to develop short-term and long-term strategies to address issues that arise within adult care homes that provide residence to persons who are frail and elderly, the disabled, and persons with mental illness. The workgroup must include adult care home specialists and long-term care ombudsmen.

The PCS designates the Division of Aging and Adult Services as the division to assemble the workgroup and includes the Division of Mental Health, Developmental Disabilities and Substance Abuse Services in the workgroup. The PCS also incorporates an amendment offered by Rep. Weiss and approved by the Committee on 3/25/09 which requires the workgroup to seek input from advocates representing senior adults, individuals with disabilities, and individuals with mental illness.

EFFECTIVE DATE:

House Bill 147 would become effective when it becomes law.

BACKGROUND:

This bill was introduced as a recommendation from the NC Study Commission on Aging. The Study Commission on Aging's report to the Governor and the 2009 General Assembly noted that several studies have been conducted on the issue of mentally ill residents in adult care homes, a number of avenues have been explored, and there are several efforts underway. However, addressing issues related to individuals with mental illness residing in adult care homes or the mixing of frail elderly individuals and young individuals with mental illness continues to be an issue of concern. This issue was the third most frequently mentioned item during the public hearings conducted by the Commission this fall. The Commission's report pointed out that adult care home specialists and long-term care ombudsmen are involved in the issues surrounding the care of various individuals in adult care homes. As such the report noted that these employees may be good resources for solutions because they are familiar with the issues and with the rules and regulations for adult care homes.

H147-SMSH-48(CSSH-10) v1

Minutes
PCS

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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**HOUSE BILL 147*
PROPOSED COMMITTEE SUBSTITUTE H147-PCS50382-SH-10**

Short Title: DHHS Workgroup on Mixed Populations ACH.

(Public)

Sponsors:

Referred to:

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF AGING AND ADULT SERVICES TO ASSEMBLE A WORKGROUP WITH REPRESENTATIVES FROM THE DIVISION OF HEALTH SERVICE REGULATION, DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO DEVELOP STRATEGIES TO ADDRESS ISSUES OF MIXED POPULATIONS IN ADULT CARE HOMES.

The General Assembly of North Carolina enacts:

SECTION 1. The Division of Aging and Adult Services shall convene a workgroup with the Division of Health Service Regulation, Division of Medical Assistance, and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, in the Department of Health and Human Services, to develop short-term and long-term strategies to address issues within adult care homes that provide residence to persons who are frail and elderly, persons with a disability, and to persons with a mental illness. The workgroup shall include adult care home specialists and long-term care ombudsmen. The workgroup shall seek input from advocates representing senior adults, individuals with disabilities, and individuals with mental illness. On or before August 1, 2010; the Division of Aging and Adult Services shall report on the workgroup's activities and recommendations for improvement to the North Carolina Study Commission on Aging and the Joint Legislative Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services.

SECTION 2. This act is effective when it becomes law.



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**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE BILL 147*

Short Title: DHHS Workgroup on Mixed Populations ACH. (Public)

Sponsors: Representatives Farmer-Butterfield, Bordsen, Pierce, Mobley (Primary Sponsors); Adams, M. Alexander, Allred, Bryant, Carney, England, Faison, E. Floyd, Glazier, Harrison, Insko, Lucas, Luebke, Parmon, Ross, Tolson, and Weiss.

Referred to: Aging, if favorable, Health.

February 12, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO ASSEMBLE A WORKGROUP TO DEVELOP STRATEGIES TO ADDRESS ISSUES OF MIXED POPULATIONS IN ADULT CARE HOMES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. The Division of Health Service Regulation, Division of Medical Assistance, and the Division of Aging and Adult Services in the Department of Health and Human Services shall convene a workgroup to develop short-term and long-term strategies to address issues within adult care homes that provide residence to persons who are frail and elderly and to persons suffering from mental illness. The workgroup shall include adult care home specialists and long-term care ombudsmen. The Department shall report on the activities of the workgroup along with any recommendations to the Study Commission on Aging and the Joint Legislative Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services on or before August 1, 2010.

SECTION 2. This act is effective when it becomes law.



* H 1 4 7 - V - 1 *

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 147 . A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO ASSEMBLE A WORKGROUP TO DEVELOP STRATEGIES TO ADDRESS ISSUES OF MIXED POPULATIONS IN ADULT CARE HOMES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

VISITOR REGISTRATION SHEET

Aging

Name of Committee

6/11/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Page Partin	NCDMV 1100 New Bern Ave Raleigh
Michael Jarman	NCDMV 1100 New Bern Ave Raleigh
Burham Ryan	DHHS DHSR
J. LeRoy King	Friends of Residential Care Team Co
Doug Barnick	DHHS
MTA	MTA-NC
Sharon M. Sturt	DMV - Medical
Phyllis Bridgeman	NC Div. of Aging + Adult Services
Dick Hahn	AARP
Mitch Leonard	SEANC
Jesse Goodman	DHHS/DHRS

VISITOR REGISTRATION SHEET

Aging
Name of Committee

11/06/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jeff Horton

DHHS- DHSR

Lou Kilian

NCALTCF

Dennis Streets

NC Div. of Aging & Adult Services

Carolyn Hawthorne

NCHRA; NCOTR

Shayna Alterant

AARP

Paula A. Wolf

Friends of Residents in Long Term Care

~~Deborah~~

Jerry Bentley

LBST

✓

House Pages

Name Of Committee: Aging Date: 4/1/09

1. Name: Justin Michael

County: Wake

Sponsor: Ross

2. Name: Colby Gabel

County: Alamance

Sponsor: Bordson

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: Martha Parrish

2. Name: Toussaint L. Avent

3. Name: Jerald Perry

4. Name: _____

Summary of Studies on Senior Drivers

Representative Ric Killian
1010 LB
16 W. Jones Street
Raleigh, N.C. 27601

1. **January 15, 2000, Insurance Institute for Highway Safety, Status Report:** "When asked about provisions affecting drivers 70 and older, 76% of those surveyed said they favored annual road tests."
2. **June 16, 2004, American Medical Association Report:** "In determining whether states drivers license renewal policies are associated with the fatality rate among elderly drivers, one conclusion is evident: In-person license renewals relate to a significantly lower fatality rate among the oldest drivers."
3. **2005 Older People Fatality Facts, Insurance Institute for Highway Safety:** "In 2005, there were 19 deaths per 100,000 people 70 years and older. Motor vehicle crash deaths per capita among males began to increase markedly starting with ages 75 – 79. Among females, the death rate began to increase beginning with ages 60 – 64 and increased gradually until ages 80 – 84."
4. **November 2006, Insurance Information Institute:** "Older drivers have higher rates of fatal crashes based on miles driven than any other group except young drivers."
5. **January 2007, Insurance Institute for Highway Safety, Q&A Regarding Older People:** "Per mile traveled crash rates start increasing for drivers 70 and older and increase markedly after age 80."
6. **April 17, 2007, USA Today:** "According to GAO, fatal crashes per vehicle mile traveled increased beginning at age 65. Drivers over 75 are more than three times more likely to be involved in a fatal accident than drivers age 25 – 64."
7. **Response to April 19, 2007 Article – WRAL.COM / License Renewal Bill Focuses on Older Drivers:**

"My mother admitted receiving a little help during her eye exam. This crippled my efforts to convince her to stop driving, after all the state thinks she fine."

"My brother was standing under a sheltered picnic area when an 82 year old man was backing his van near by. While the man thought he was pushing the breaks, he pushed the gas pedal. He ran over my brother, dragging him 30 – 40 feet before hitting a tree and forcing the van to stop. My 33 year old brother, father of two precious boys, was killed instantly. To this day, that 82 year old man still drives."

8. **UNC Highway Safety Research Center (2004 – 2007 Crash Statistics):** "Drivers 75 years old or older have a 24% higher crash rate than all drivers."
9. **March 2009, Insurance Institute for Highway Safety (US Driver Licensing Procedures for Older Drivers):** In Hawaii, Illinois, Iowa, Missouri, Rhode Island, Texas and Indiana, drivers as early as age 70 have license renewal periods of 3 years or less. In Illinois and New Hampshire, drivers over the age of 75 take mandatory road tests.

** See attached documents.

Driver License Renewal Periods

Current Law vs. Proposed Plan

Current

Less than 54 yrs of age
8 year renewal

54 – 65 yrs of age
5 year renewal

65 – 75 yrs of age
5 year renewal

Greater than 75 yrs of age
5 year renewal

Proposed

Less than 54 yrs of age
8 year renewal

54 – 65 yrs of age
8 year renewal

65 – 75 yrs of age
5 year renewal

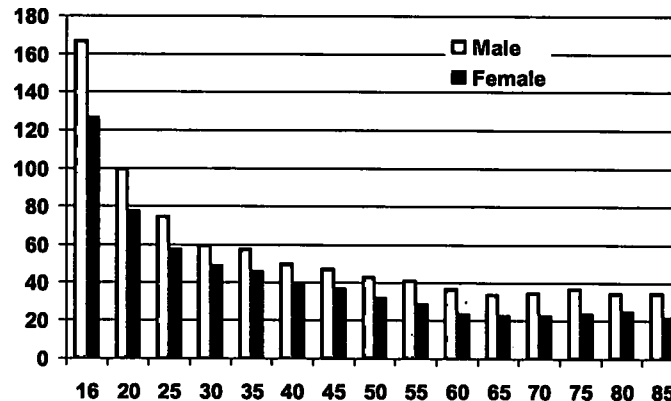
Greater than 75 yrs of age
3 year renewal



HB 418 – Drivers License Changes/Older Drivers

AARP opposes the bill in its current form. Older drivers have generally lower rates of crashes per 1,000 licensed drivers.

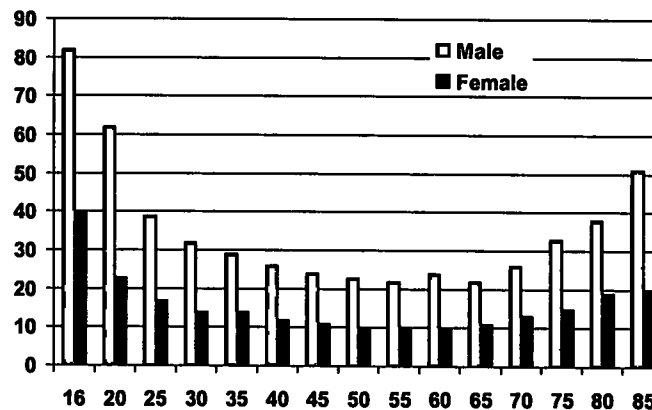
Crashes per 1,000 Licensed Drivers



Higher fatality rates for older drivers reflect the frailness of older drivers, not their driving ability.

Indeed the reason younger drivers have high fatality rates is related to the fact that high speed, substance abuse, and lack of driving experience are frequently factors in those crashes.

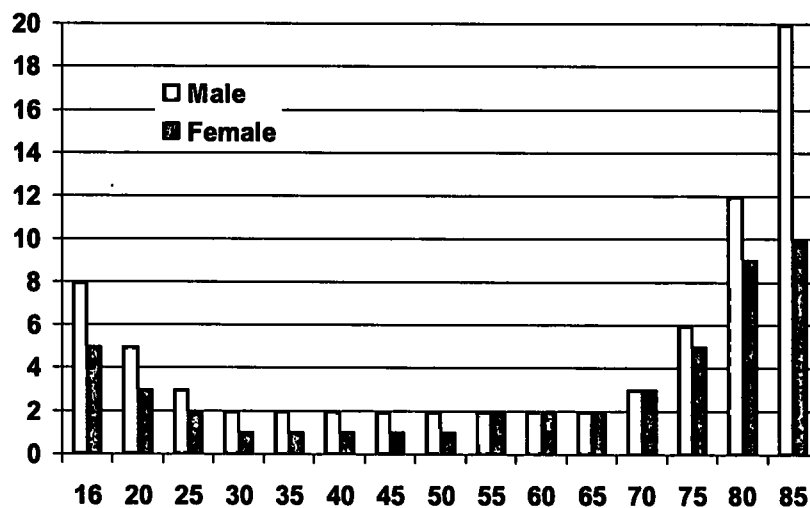
Fatal Crashes per 100,000 Licensed Drivers



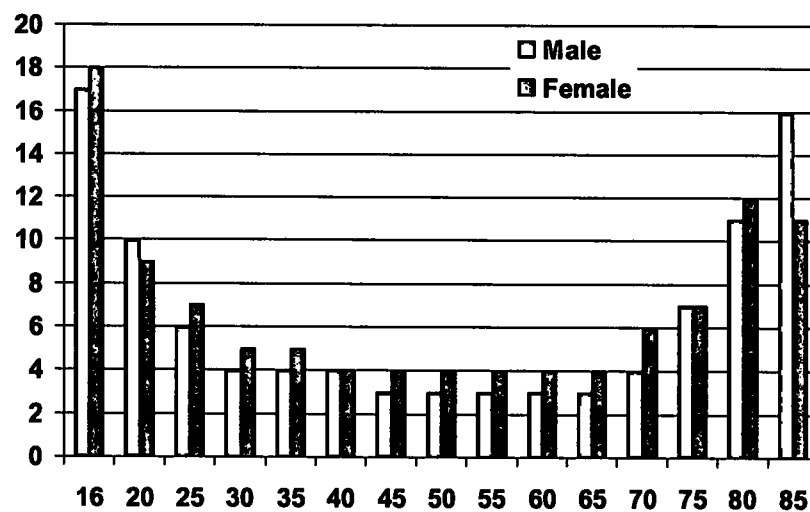
AARP does not support the changes to the renewal period for licenses. We do support more frequent license renewal, but uniformly for all ages.

AARP suggests: (1) additional training for DMV examiners in identifying functional impairments, (2) greater outreach by the State for the Medical Review Program, (3) failure to obtain a renewed license should trigger information on transportation options in the county if available, and (4) possible assistance in car modifications to assist the driver. Finally, to address problem drivers, DMV might conduct a road test for any driver with a minimum number of moving traffic convictions in the preceding three years.

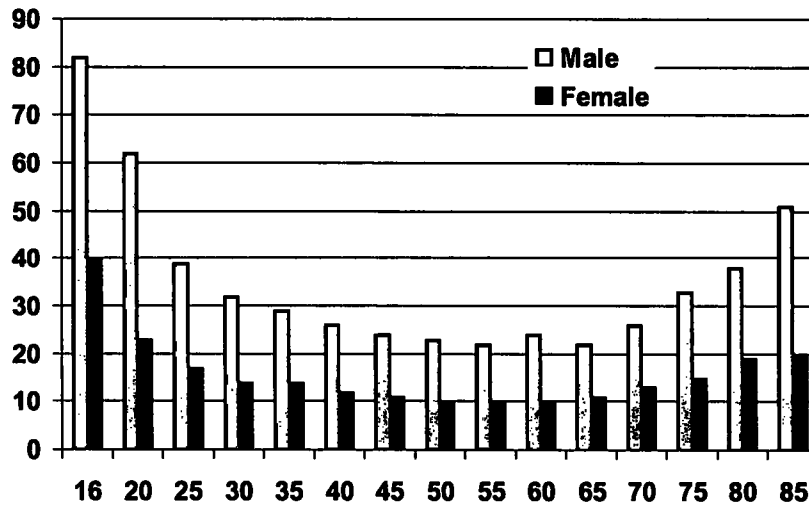
Fatal Crashes per 100 Million Miles Traveled



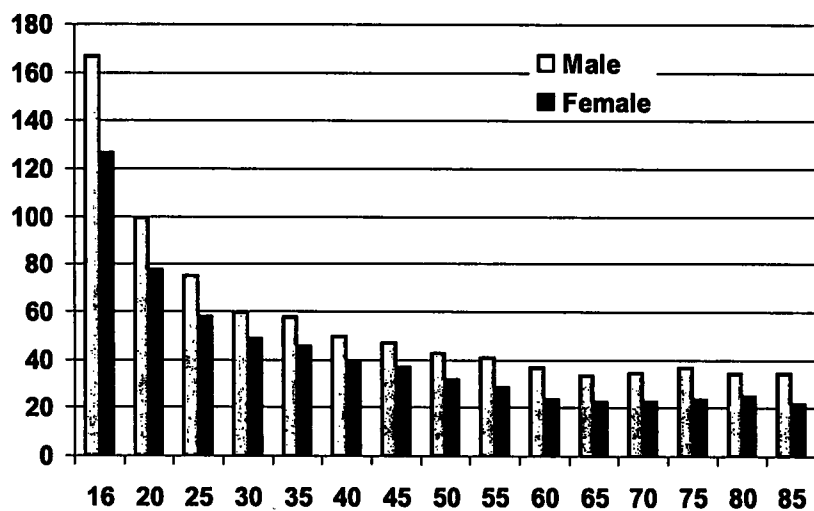
Crashes per Million Miles Traveled



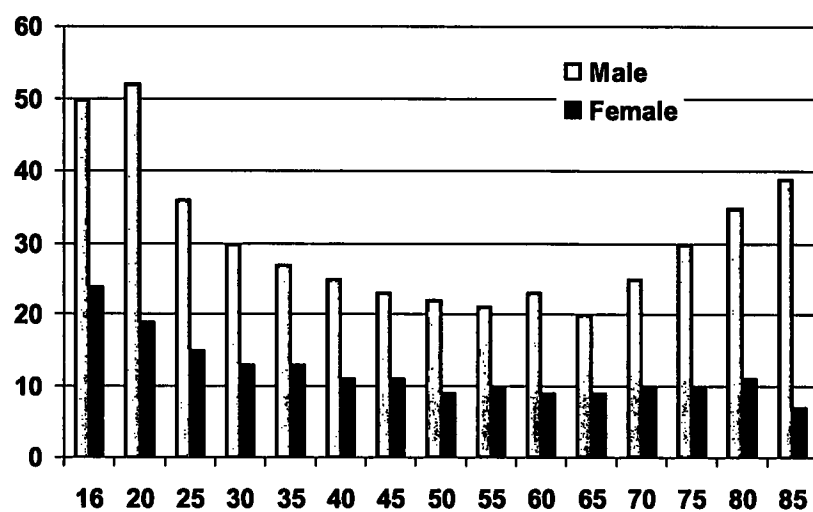
Fatal Crashes per 100,000 Licensed Drivers



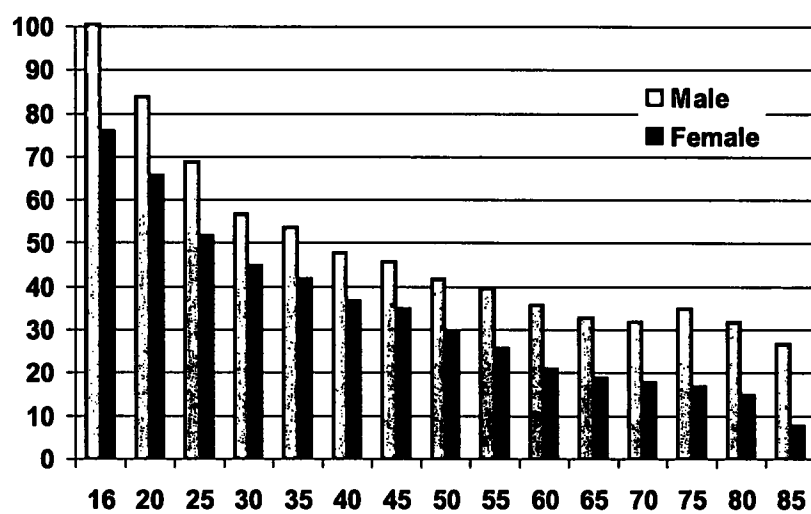
Crashes per 1,000 Licensed Drivers



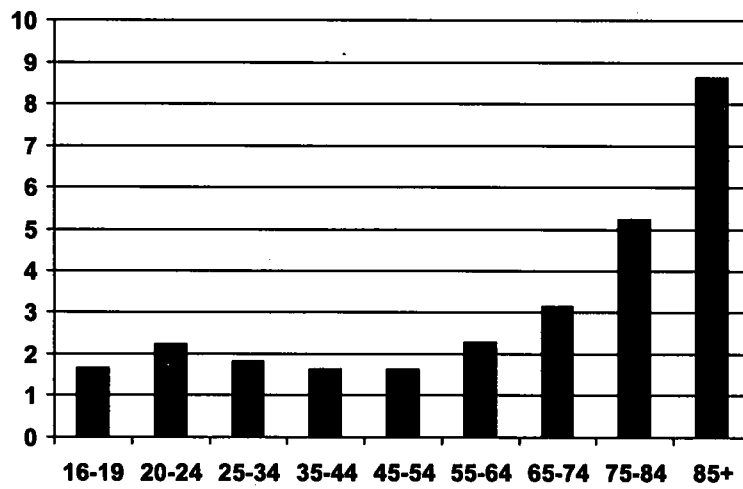
Fatal Crashes per 100,000 Population



Crashes per 1,000 Population



Fatalities per 1,000 Crashes



Presentation to NC House Committee on Aging
Re: HB 418 Drivers License Changes/Older Drivers
Jane Stutts, PhD
Retired, UNC Highway Safety Research Center
April 1, 2009

Good morning. Thank you for allowing me a few minutes to speak about changes being proposed with respect to licensing of older drivers in our state. I have two goals in speaking with you today.

1. To let you know about relevant research that has been carried out related to licensing of older drivers, and in particular whether or not certain policies or practices have been found to affect the safety of older drivers.
2. Also, I want to say a few words about some very good things going on in NC which I think bode well for the safety of not just older drivers but all drivers in our state.

First a bit of background on myself. I retired in June of 2007 following a 32-year career at the Highway Safety Research Center, located on the UNC campus in Chapel Hill. At the time I was Associate Director for Social and Behavioral Research. I did my undergraduate work at Wake Forest Univ. in Psychology, and received my PhD in epidemiology there at UNC. Although I've lead state and national research projects in a wide range of areas, I have always maintained a focus on older drivers. You might say it's been my passion there over the years. My doctoral research involved collecting data at DMV offices across the state to evaluate selected screening tests for identifying high risk older drivers. I've served on a number of national committees of the Transportation Research Board that have touched on various older driver issues, and led efforts here in NC to establish a Senior Driver Safety Coalition. The Coalition has brought together high level volunteers from the DHHS Division on Aging, DMV, AARP, law enforcement, NC Medical Society, and many others, all working towards the singular goal of increasing safe mobility for the state's growing elderly population.

Also more by way of background, I want to say just a few words about the handout you have there showing older driver crash rates. I'm sure you've all heard the saying that you can prove most anything with statistics – it all depends on how you jiggle the numbers. But it really is the case that, depending on what numbers you choose, older drivers can look either really bad or really good. If you want older drivers to look dangerous, you present crash rates based on miles driven, and you look at fatalities rather than overall crash involvements. That's the first graph there, with the very sharp U-shaped, or really J-shaped curve. But what this curve doesn't take into account is that older drivers as a group limit the number of miles they drive, and they also tend to accumulate more of these miles on lower speed roadways, which are not as safe as Interstates. They are also much more vulnerable to injury if in a crash – up to 6 or 7 times more likely to be killed than a 20-year old in the same crash. So if, instead, you look at crash rates based on number of licensed drivers, and look at overall crashes instead of just fatal crashes, you get a much different picture, and maybe your sense of alarm goes down some.

That's not to say that older drivers don't present some concerns. We know that as we age many of us can expect to experience some decline in functional abilities related to driving – our reaction time slows, our vision may deteriorate, we may not be able to switch our attention between tasks as quickly. We also are more likely to suffer chronic medical conditions and to take medications for their treatment. All of this can make us less safe drivers. The challenge is how best to deal with these inevitable changes. Our goal (and by "our" I'm referring to the SDSC membership) has always been to assist older adults in continuing to drive as long as they can do so safely, and to ensure that transportation alternatives are

available when driving is no longer an option. We have advocated a multi-pronged approach that involves, not just the DMV and its license examiners, but engineers who can help us build safer roadways; law enforcement officials who can be trained to identify and intervene with potential high risk drivers; physicians who know their patient's abilities better than any DMV counter person; as well as family members who, much as we hate to admit it, must shoulder some responsibility for making sure that grandma or grandpa don't continue driving long past the time when they should have stopped.

But this is digressing a bit. The question being discussed by this committee today is whether changes should be made to NC's licensing policies to, presumably, increase safety on our roadways. At least I am assuming that the larger goal here is safety. To this end, I want to share with you, very briefly, some results and recommendations from the larger highway safety research community that has been immersed in this topic over the past many years.

Two efforts in particular come to mind. One was a Transportation Research Board sponsored workshop convened in January 2007, entitled "Licensing Authorities' Options for Managing Older Driver Safety—Practical Advice from the Researchers." A summary of the recommendations of this workshop was published in a recent issue of Traffic Injury Prevention (Vol. 9, pp. 278-281). I'd like to read just briefly one of the conclusions from this distinguished panel of experts:

Assessment of all older drivers reaching a threshold age is not an efficient means to identify those who are unfit to drive. Off-road tests of functional performance are ineffective when applied to all older drivers on a simple pass/fail basis. The assessment strategy holding most promise for licensing authorities involves multitiered assessment, preferably only of those already giving indications of being at risk. The development of active DMV medical boards is likely to support this process, as well as encouragement of academic development of transport and driving assessment as a part of routine training of physicians dealing with older people.

Also in December 2007, the AAA Foundation for Traffic Safety hosted a North American License Policies workshop, focused on older and medically-at-risk drivers. Conclusions and recommendations from this workshop were published in June of this past year, and are available on the AAA Foundation's website: (<http://www.aaafoundation.org/pdf/LPWorkshopRecommendations.pdf>).

Among the recommendations most pertinent for us is the following:

The issue of age-based driver screening or testing is complex and controversial. While certain declines are generally associated with aging, consensus is lacking on whether or at what age individuals should be required to be screened or tested. Regardless, it is generally accepted that final licensing decisions should be based on functional performance, not age, as there is wide variation in how individuals age. Data are lacking on the effectiveness of many screening methods, assessment programs, and associated licensing policies and practices, as well as interventions for at-risk drivers, making it difficult to implement relevant policies and practices at this time.

Based on a project that I'm currently working on with the AAA Foundation for Traffic Safety, I can tell you that, despite these recommendations, a growing number of states have implemented some age-based policy changes for driver licensing. These include:

- 16 states that require more frequent license renewals;
- 10 that require in-person license renewals (i.e., more frequently than for drivers under a given age);
- 6 that require vision testing (again, when a younger driver might not otherwise be tested).

There are only 2 states, Illinois and New Hampshire, that require behind-the-wheel road testing for older drivers, both starting at age 75. 24 states have no age-based licensing requirements at all.

While there has not been a lot of research on the impact of these policies, two studies are especially relevant. One is a study published in JAMA in 2004, examining the impact of elderly licensure laws on motor vehicle fatalities (JAMA, Vol. 291, No. 23, pp. 2840-2846). The study looked at 10 years of fatal crash data across all 50 states, and concluded that "in-person license renewal was related to a significantly lower fatality rate among the oldest old drivers [85+]. More stringent state licensure policies such as vision tests, road tests, and more frequent license renewal cycles were not independently associated with additional benefits."

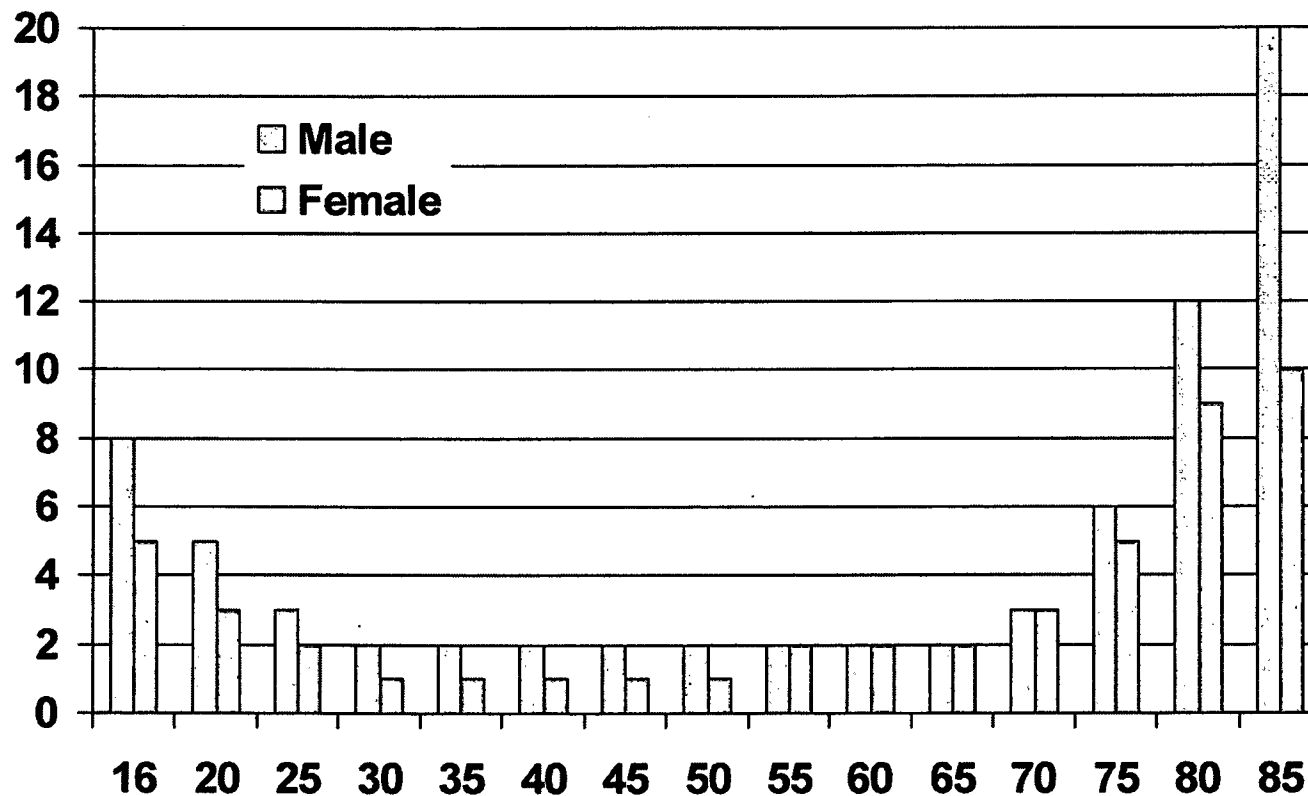
These results were confirmed in a recent Australian study published in another well-respected journal. The title of this study was, "Do age-based mandatory assessments reduce older drivers' risk to other road users" (Accident Analysis and Prevention, 2008, Vol. 40, 1913-1918). The study compared driver fatalities in Victoria, which has no age-based testing requirements, to those in New South Wales, which required drivers aged 80 and older to provide annual medical certificates and those 85 and older to pass a road test. The study found NO safety benefits associated with the stricter requirements in NSW.

Finally, just a few words about what we're already doing very well here in NC. First off, we already require ALL drivers to appear before a trained examiner, in person, EVERY TIME they renew their driver's license. And as I noted earlier, in-person renewal was the one policy found to positively affect driver safety. In addition, we require ALL drivers, not just those past a certain age, to pass a vision test. We also are one of only two states (Missouri is the other) to require ALL drivers to pass a traffic signs test. What you may not know is that, in addition to checking knowledge of traffic signs, this test has also been shown to serve as a gross indicator of cognitive impairment: simply put, persons with dementia and other cognitive disorders have a difficult time passing it. All of this we are already doing here in NC. Our DMV also trains its examiners to observe for potential physical and cognitive impairments whenever someone appears to renew their license, and examiners ALWAYS have the option of requiring that drivers take a road test if they are uncertain about their driving competence.

We also have, in NC, one of the most highly regarded driver medical review programs in the country. Every month, the DMV's Medical Review Branch receives 900-1200 referrals for medical follow-up. About half of these referrals come to them from driver license examiners; the rest from a combination of law enforcement officials, hospitals, physicians, family members, and even drivers themselves. The Medical Review Branch has specific protocols in place to follow up on these individuals, obtain information from their physician or other health specialist, require that they come in to take a more-comprehensive-than-normal road test, and otherwise ensure that licensing decisions are made based on a fair assessment of the individual's driving capabilities. This program is in place to serve drivers of all ages, but is especially critical given the aging of our driving population. The Medical Review Branch is headed by Susan Stewart, who just this past summer hired an assistant who is working half time as the state's first "Older Driver Program Coordinator." Having a DMV and, in particular, a Medical Review Branch that is keenly attuned to the needs of older drivers, is a huge plus for our state.

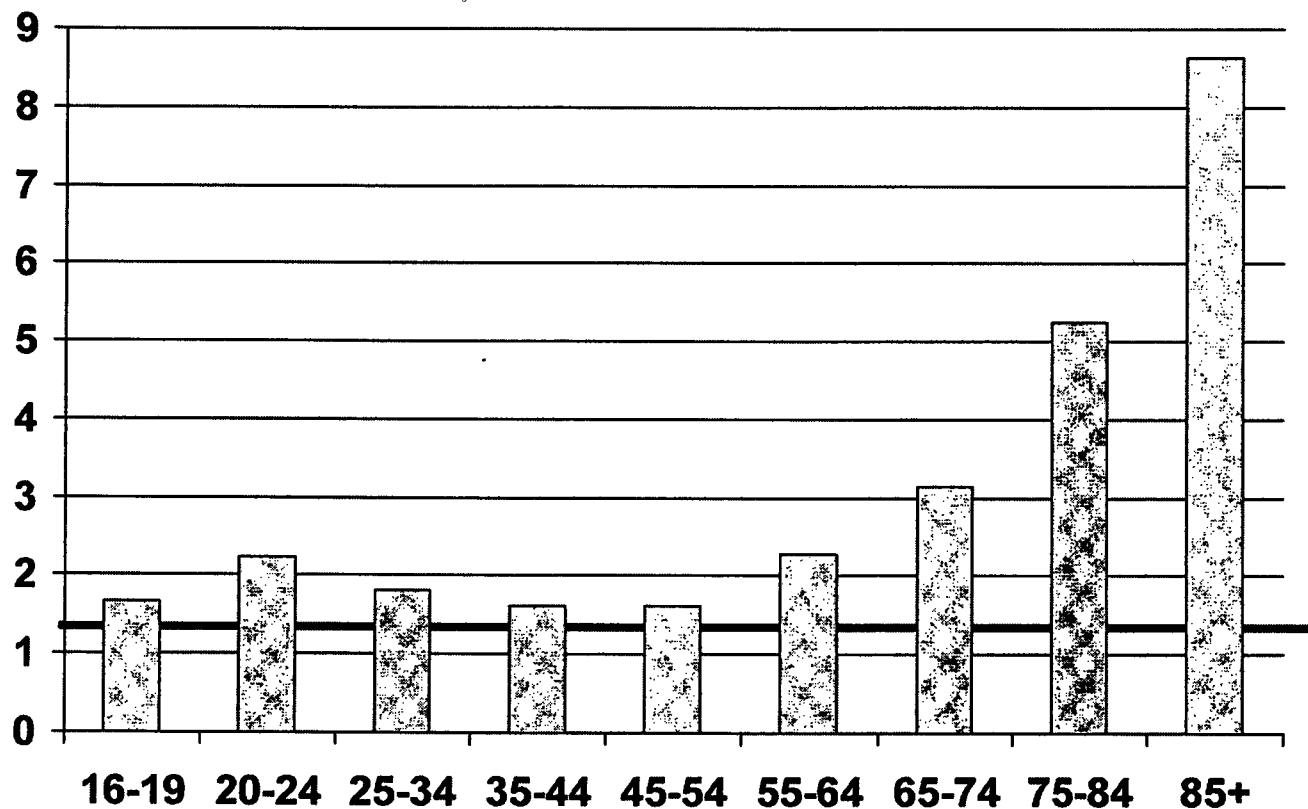
This concludes my prepared comments, but I'd be more than happy to answer any questions you may have.

Fatal Crashes per 100 Million Miles Traveled



Source: Williams, 2003

Fatalities per 1,000 Crashes



Source: Li, Braver and Chen, 2003

4/17/07

Today's debate: Highway safety

Scrutinize older drivers

Our view:

When states fail to curb dangerous seniors, results can be tragic.

Trying to persuade Grandpa that it's time to give up his driver's license is likely to be met with an irascible, if not downright hostile, response. Seniors know that physical and cognitive abilities decline with age, but they also fiercely prize their independence. Too many are in denial about their fading driving skills and won't voluntarily release their grip from the steering wheel.

The case for that difficult intervention — if not from families then from state governments — has never been more compelling. Elderly drivers are more likely to be involved in fatal crashes at traffic intersections than are younger drivers, according to a report issued last month by the Insurance Institute for Highway Safety.

By 2030, the number of licensed drivers ages 65 and older will nearly double to about 57 million — about one in five drivers. Yet efforts by states to evaluate the abilities of older motorists aren't nearly as stringent as new limits being placed on teens, who increasingly face restrictions on night driving, the number of passengers they can carry and other matters.

That's happening because motor vehicle crashes are the leading cause of death among 15- to 19-year-olds. But drivers older than 75 are even more at risk, as you can see from the chart nearby. They deserve equal scrutiny, and according to a new study by Con-

gress' Government Accountability Office, they aren't getting it:

- Only 16 states demand that seniors undergo more frequent license renewals than non-seniors.
- Only 10 states require older drivers to undergo extra vision assessments.
- Only five states require older drivers to renew their licenses in person.
- Only New Hampshire and Illinois require road tests for those 75 and older.

In addition, little is done to screen older drivers for dementia, a condition that's likely to affect nearly half of those 85 and older. The risk of a crash for drivers with dementia are two to eight times greater than those with no cognitive impairment.

When states fail to get dangerous senior citizens off the roads, the results can be tragic.

Almost four years ago, George Russell Weller, then 86, drove his car through a crowded farmers' market in Santa Monica, Calif., killing 10 people and injuring more than 70. He mistook the car's accelerator for the brake, his attorney said.

In Dallas, teen Katie Bolka was killed last year when a 90-year-old driver ran a red light and slammed into her car. A bill known as "Katie's Law" is being considered in the Texas Legislature to impose new restrictions, including required vision tests, for elderly drivers.

Tougher regulations would no doubt be inconvenient and perhaps insulting to older drivers. But for their own safety and the well-being of others, states and families need to act to avert preventable tragedies.

Young, old at risk

Fatal crashes per 100 million miles traveled by age group.

16-24	7.0
25-34	2.5
35-44	2.2
45-54	2.0
55-64	2.0
65-74	3.0
75+	7.7

Source: Government Accountability Office

By Robert W. Ahrens, USA TODAY

Special report

Stopping older, dangerous drivers a growing problem

As elderly population booms, states seek answers

■ Laws by state, 5A Aging's toll on driving, 7D

Illustration by Web Bryann, USA TODAY

By Robert Davis
and Anthony DeBarros
USA TODAY

DALLAS — As his 90-year-old neighbor struggled last May to set out on a morning drive to the store, David Prager began to worry.

Elizabeth Grimes, a widow who had lived on Meaders Lane for 50 years, had backed out of her driveway, across her lawn and off the curb. Her 1994 Mercury Grand Marquis then hit the curb across the street, Prager recalls, before Grimes mistook the gas pedal for the brake and "took off with a jackrabbit start."

Six blocks away, Grimes drove through a red light. The car slammed into Katie Bolka, a 17-year-old high school junior who was driving to school to take an algebra test. Five days later, Bolka died.

The crash was emblematic of what health and safety analysts say is likely to be an increasing



Family photo

Bolka: Teen was killed by 90-year-old driver.

Cover story

problem as the elderly population booms: aging drivers, clinging to the independence that cars give them but losing their ability to operate the vehicles, causing more accidents.

Fatality rates for drivers begin to climb after age 65, according to a recent study by Carnegie Mellon University in Pittsburgh and the AAA Foundation for Traffic Safety, based on data from 1999-2004. From ages 75 to 84, the rate of about three deaths per 100 million miles driven is equal to the death rate of teenage drivers. For drivers 85 and older, the fatality rate skyrockets to nearly four times higher than that for teens.

The numbers are particularly daunting at a time when the U.S. Census Bureau projects there will be 9.6 million people 85 and older by 2030, up 73% from today. Road safety analysts predict that by

▶ Please see COVER STORY page 5A

Highway Safety Association. "We need to keep moving on it and try to find solutions as quickly as possible."

Safety and health specialists are especially concerned about drivers 35 and older, who, federal crash statistics show, are involved in three fatal accidents a day.

"You always hear about teenage (driver) risks being so incredibly high, but to me the amazing thing is there are two clusters you really have to focus on": teens and elderly drivers," says Paul Fischbeck of the Center for the Study and Improvement of Regulation at Carnegie Mellon.

Normal aging causes medical problems that affect driving. Reflexes, flexibility, visual acuity, memory and the ability to focus all decline with age. Medicines that treat various ailments also make it more difficult to focus and make snap decisions.

Elderly drivers are less likely than other drivers to be in crashes involving high speeds or alcohol, but they are more likely to crash at intersections where they miss a stop sign or turn left in front of oncoming traffic.

"Where single-vehicle rollovers can be described as a young person's crash, side impact appears to be an old person's crash," National Highway Traffic Safety Administration researchers Rory Austin and Barbara Faigin wrote in a 2003 study of crash occupants published in the *Journal of Safety Research*.

Crashes shine a spotlight

Even so, a series of incidents involving elderly drivers in the past few years has fueled the debate over how to deal with the risks they can pose. Among them:

► George Russell Weller, then 86, killed 10 people and injured more than 70 when he drove his Buick Le Sabre into a crowded farmers market in Santa Monica, Calif., on July 16, 2003.

His attorneys explained that Weller had confused his car's accelerator for the brake. He was convicted of vehicular manslaughter with gross negligence.

A judge ruled that Weller was too ill to be imprisoned and sentenced him to probation and \$101,700 in penalties. The case fueled a nationwide debate over how elderly drivers should be screened.

► Brian Fay, 19, was making change for a customer at a Sears store in Orlando on Oct. 9 when he heard what he thought was a bomb. Fay looked toward the store entrance and saw a pane of glass shatter and fall to the floor. Then he looked down and saw (a) car barreling toward him.

Elizabeth Jane Baldick, 84, drove her car into the cash register counter Fay was using, knocking him over. Bleeding, he rushed to check on Baldick, whose car had come to rest against a concrete pillar. Her foot was still pressed firmly against the accelerator, the tires screeching against the tiles on the floor.

Florida revoked Baldick's driving privileges in December, citing medical reasons, says Kim Miller of the Florida Highway Patrol.

The Grimes accident in Dallas is typical of many crashes involving elderly drivers, health and safety specialists say: It involved someone who was reluctant to give up her car keys, and who drove mostly on familiar roads near her home.

Elinor Ginzler, AARP's director of livable communities, says the elderly can "suffer because they are stuck at home" after giving up their keys. So they drive for as long as they can by going only where they must as their skills diminish.

"Many elderly drivers do what we call 'self-regulate,'" says Ginzler, whose association for seniors encourages its members to assess when they should give up driving. "They only drive the places that they know, on familiar roads, at certain times of the day."

As long as a driver can navigate such trips safely, "those are very, very good decisions to be making," she says. "Making a decision (not to) drive at night anymore is terrific. It means you recognize this isn't safe anymore."

AARP offers a Driver Safety Program at sites around the country and online.

The program is an eight-hour class for drivers 50 and older that deals with the effects of aging on driving. The organization's website, aarp.org, also offers advice for seniors and their adult children on how to stay safe.

Most elderly drivers decide to stop driving themselves. More than 600,000 drivers age 70 and older decide to give up driving each year, according to a 2002 study published in the *American Journal of Public Health*.

That's partly why insurance rates usually are only slightly higher for drivers 75 or older — and far lower than such rates for teenage drivers. Insurance analysts say the car insurance industry does not see a big liability threat from the rising number of elderly drivers because such drivers hurt themselves more than others and tend to stop driving on their own.

"When they realize they are driving in dangerous conditions they generally stop doing it," says Carolyn Gorman, vice president of the Insurance Information Institute, based in New York City.

"The industry views them as pretty much a self-policing group. Many elderly drivers do not drive at night. Many will make three right-hand turns instead of one left-hand turn."

what Dallas County medical examiner Richard Baer says were complications from a stroke and old age, had cooked her own meals, cleaned her house and mowed her lawn — which she called her therapy.

Through their attorney, her family members declined to discuss her driving. But Grimes said after the crash that she frequently had made short trips around her neighborhood.

"I'm not going at any high rate of speed because I'm here, there and yonder along the way," she said about three months after the crash in a videotaped deposition for a lawsuit filed by Bolka's family. "This is my area."

Grimes' family members say

"It's a huge problem, and we really don't have any solutions to it yet. We need to keep moving on it and try to find solutions as quickly as possible."

—Barbara Harsha,
Governors Highway
Safety Association

they suspect she had a mild stroke the night before the crash that fatally injured Bolka, and the stroke caused a sudden decline in Grimes' ability to drive safely.

The lawsuit filed by the Bolkas was settled on Sept. 14 for an undisclosed amount.

Harsha says no state has a good "early warning system" when it comes to identifying elderly drivers in declining health.

The burden rests on spouses, family members, doctors and police to request that a license be revoked. Appealing for a state to revoke someone's driver's license on medical grounds is a cumbersome process, and such requests are rare.

What states are doing

Twenty-three states require licensed drivers of a certain age to appear periodically at a department of motor vehicles office to renew their license. In 16 states, older drivers must prove that they can see well enough to drive. Some states have tried other ways to identify drivers who, because of age-related health problems, put themselves or others at risk.

But the IIHS says such efforts have failed to accurately predict the risk an elderly driver may pose.

Without precise measures, analysts estimate that 500 good drivers would have to be taken off the road to prevent a single crash. Among states' efforts to restrict elderly drivers:

► California tested a three-tiered pilot plan for assessing drivers of all

ages that included a driving knowledge test, cognitive screening and vision tests. People who failed the first tiers had to pass a road test. The 2003 study of 152 drivers did not predict who would go on to have a crash.

► Maryland conducted a study that found drivers who performed poorly on certain cognitive tests — such as following basic commands and repeating simple movements — were about 25% more likely than others to go on to cause a crash. Results of the study of 1,910 drivers ages 55 to 96 were published in January 2006 in the *Journal of the American Geriatrics Society*.

Maryland now uses such screening on a regular basis with drivers whose actions raise concerns about their cognitive abilities.

► Florida's requirement that drivers 80 and older pass a vision test resulted in the loss of a license for about 7% of elderly drivers seeking renewal, according to a study by the IIHS.

But nearly 20% of those 80 and older who needed to renew their license told researchers they decided to give up driving because they did not think they could pass the vision test.

"We don't know for sure if any of these (efforts) will prevent fatal crashes," says Russ Rader of the IIHS.

"But having drivers go in person for renewal allows the examiner to see the person and spot impairments. That can be effective."

'I did it. I'm terribly sorry'

David Prager, Grimes' former neighbor in Dallas, says there was little he could do to keep her off the road. "There was no way Mrs. Grimes was going to stop driving," Prager says.

Grimes said in her deposition — taken in the nursing home where she went after suffering two broken ankles in the accident that killed Bolka — that she "never had a reason until now" to discuss giving up her car.

Just before the fatal crash, Grimes' car had suffered front-end damage after an accident in a parking lot at the same intersection where Grimes struck Bolka.

"I had it repaired," she said in her deposition. "Everything was happy."

Bolka's family members say they pushed the Texas Legislature to pass the bill toughening the state's laws on bad elderly drivers because they believe states should be more aggressive in keeping such drivers off the road.

Right now, "the first level of defense is the driver," says Rick Bolka, Katie's father. "The second level of defense is the (driver's) family. The third level of defense is the (driver's) physician. We would like to see the state become the first level

of defense. The government has a responsibility to protect its citizens.

Sen. John Cornyn, R-Dallas, the Bolka's senator, said during his deposition that his mother-in-law, who just renewed her license, was scheduled to be

in court. Gov. Rick Perry said he would require drivers 79 and older to have a person for reference and subject them to mandatory vision tests behind-the-wheel exams if officials have any question about their driving ability. Drivers 85 and older would be required to renew every two years.

During his deposition of Grimes,

the Bolka family's attorney, Peter Malouf, asked Grimes whether she understood that she had crashed into a young girl's car and killed her.

"I'm aware of a very sad story, yes," Grimes said. "I did it. I'm terribly sorry."

Malouf asked Grimes if there was anything she would like to say to the family.

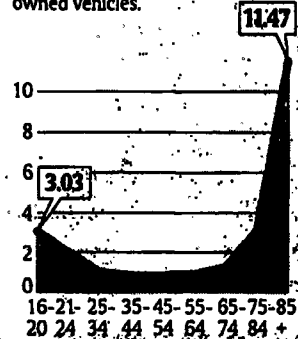
"What is there to say to people who have been hurt?" Grimes said. "That's best left alone," she said.

Davis reported from Dallas and McLean, Va.; DeBarros reported from McLean.

Contributing: Katie Holeman and Susan O'Brian.

Deaths behind the wheel

Driver fatalities by age per 100 million miles driven, 1999-2004. Data is for drivers in personally owned vehicles.



Source: National Highway Traffic Safety Administration

Aging population

Americans 85 and older today

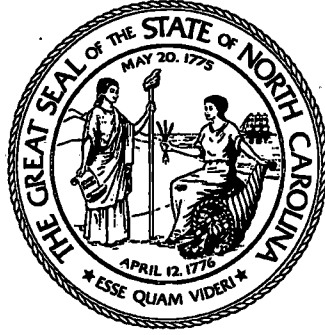
5.6 million

Americans 85 and older in 2030

9.6 million

Source: U.S. Census Bureau

By Adrienne Lewis, USA TODAY



HOUSE COMMITTEE ON AGING
Wednesday, April 15, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 456 Tech. & Org. Changes/Certain DHHS Facilities
Representatives Insko, England, Farmer-Butterfield, Earle
(If favorable, Judiciary II)

HB 1129 Clarify Silver Alert – All Ages
Representatives Mobley, Parmon, Womble, and Burris-Floyd
(If favorable, State Government/State Personnel)

ADJOURNMENT

HOUSE COMMITTEE ON AGING

Room 415 LOB

April 15, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, April 15, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Darren Jackson; Rep. Darrell G. McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. The Chair recognized the Sergeants-At-Arms and Pages. A copy of the Visitors Sheet is attached and included with these minutes.

The Chair recognized Representative Verla Insko to present a proposed committee substitute for **HB 456, Tech. & Org. Changes/Certain DHHS Facilities**, and moved for purposes of discussion only, that the PCS receive a favorable report. Representative Insko referred HB 456 to staff for explanation of the changes.

Theresa Matula of the Research staff stated that the bill makes technical and organizational changes to the law regarding licensure and inspection of facilities for aged and disabled individuals. There is a proposed committee substitute to the bill which makes technical, conforming and organizational changes within the existing bill (statute 131(d) (2)), and includes S.L. 2008-166, which was omitted from the original bill. As introduced the bill is identical to SB 1042, as introduced by Senator Martin Nesbitt. Section 3 of the PCS would become effective January 10, 2010, the remainder of this bill would become effective October 1, 2009. A copy of the bill, bill summary and PCS are attached and included with these minutes.

Following the presentation of the PCS, the Chair opened the floor to questions. Representative Ruth Samuelson then moved that HB 456 receive a favorable report as to the committee substitute bill, unfavorable as to the original bill, and that it be re-referred to the Committee on Judiciary II. The motion passed.

The Chair recognized Representative Annie Mobley to present **HB 1129, Clarify Silver Alert-All Ages**. This bill amends the legislation that established the North Carolina Silver Alert System to clarify that a Silver Alert may be issued for a person of any age who is believed to be suffering from dementia or other cognitive impairment and is reported missing. In one subsection of the bill, the word "adult" is changed to the word "person" and thereby makes the language consistent throughout the statute. The act is

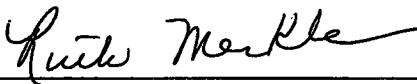
effective when it becomes law. Representative Mobley added that the word "adults" was changed to cover persons with autism. A copy of the bill and bill summary are attached.

There being no objections to the bill, Representative Burris-Floyd moved that HB 1129 receive a favorable report and be re-referred to the Committee on State Government/State Personnel. The motion passed.

The meeting was adjourned at 11:15 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair



Ruth Merkle
Committee Clerk

8/24/09

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Bill Wilson

Bill Wilson

~~Action Adults, LLC~~

AARP

Don Barnes

DHSR

James Cooper

NCAL A

Barbara Ry

DHSR

My Sister

AARP NC

Jeff Horton

DHHS - DHSR

Sig. Hutchinson

Citizen, 2704 Spony meadow Rd. Bal. NC

John Little

AARC

77614

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Bill Wilson	AAAP
Mike ~~Wilson~~	NCRPA
Kate Dixon	Friends of the Mountains & Sea Trail
Michelle Wider-Baker	DAAS
Suzanne Merrill	DHHS-DAAS
Roslyn Pettyford	DHHS-DAAS
Janet Jones	NCHA

House Pages

Name Of Committee: Aging Date: 4-15-09

1. Name: Jordan Williamson

County: Watauga

Sponsor: Cullie Tarleton

2. Name: Leighann Scheetz

County: Brunswick

Sponsor: Stiller

3. Name: Conner Rosenov

County: Alamance

Sponsor: Alice Bardsen

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

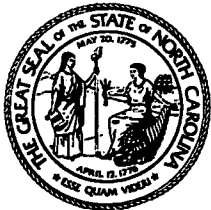
Sgt.-At-Arms

1. Name: Torissant Arent

2. Name: David Perry

3. Name: Martha Parush

4. Name: _____



HOUSE BILL 456: Tech. & Org. Changes/Certain DHHS Facilities

2009-2010 General Assembly

Committee:	House Aging, if favorable, Judiciary II	Date:	April 15, 2009
Introduced by:	Reps. Insko, England, Farmer-Butterfield, Earle	Prepared by:	Theresa Matula Committee Staff
Analysis of:	PCS to First Edition H456-CSSHf-25		

SUMMARY: *House Bill 456 makes technical and organizational changes to the laws regarding licensure and inspection of facilities for aged and disabled individuals.*

The Proposed Committee Substitute makes technical, conforming, and organizational changes within the existing bill and includes S.L. 2008-166 which was omitted from the original bill.

[As introduced, this bill was identical to S1042, as introduced by Sen. Nesbitt, which is currently in Senate Ref to Health Care. If fav, re-ref to Finance.]

BILL ANALYSIS:

Section 1(a) and (b) of PCS for House Bill 456 pertain to statutory revisions for Maternity Homes.

- Section 1(a) of the bill adds the title of a new Article, Article 1B. Licensing of Maternity Homes, to Chapter 131D of the General Statutes.
- Section 1(b) recodifies G.S. 131D-1 as G.S. 131D-10.10 to place the contents which pertain to the licensing of maternity homes under the new Article 1B.

Section 1(c) changes the title of Article 1 of Chapter 131D from "Licensing of Facilities" to "Adult Care Homes".

The statutory revisions contained in Sections 1(d) and (e) and Section 2 of the bill are depicted in the chart below.

Statute Section Title Used in Section 1(e) of HB 456	Statutory Section Added by Section 1(e) of HB 456	Cross Reference to Current Law and Repeal of Current Law	Additional Information on Change
Definitions	GS 131D-2.1 <i>proposed</i>	GS 131D-2 <i>Repealed by Sec. 1(d) of the bill.</i>	Renumbers the definitions, replaces reference to domiciliary home with adult care home
Persons not to be cared for in adult care homes & multiunit assisted housing with services; hospice care; obtaining services	GS 131D-2.2 <i>proposed</i>	GS 131D-2(a1), GS 131D-2(a2), GS 131D-2(a3), GS 131D-2(c1) <i>Repealed by Sec. 1(d) of the bill.</i>	Reorganizes; Section (d) in proposed GS 131D-2.2 - Obtaining services rewritten from original language in GS 131D-2(c1)
Exemptions from licensure	GS 131D-2.3 <i>proposed</i>	GS 131D-2(c) <i>Repealed by Sec. 1(d) of the bill.</i>	

House Bill 456

Page 2

Licensure of adult care homes for aged & disabled individuals; impact of prior violations on licensure; compliance history review; license renewal.	GS 131D-2.4 <i>proposed</i>	GS 131D-2(b)(1), GS 131D-2(b)(6), GS 131D-2(b1) GS 131D-2(b)(1b) <i>Repealed by Sec. 1(d) of the bill.</i>	
License fees	GS 131D-2.5 <i>proposed</i>	GS 131D-2(b)(1) <i>Repealed by Sec. 1(d) of the bill.</i>	Also see Section 3 which will rename this section to include registration fees enacted by S.L. 2008-166
Legal action by department	GS 131D-2.6 <i>proposed</i>	GS 131D-2(b)(2) GS 131D-2(i) <i>Repealed by Sec. 1(d) of the bill.</i>	
Provisional license; license revocation; summary suspension; suspension of admission	GS 131D-2.7 <i>proposed</i>	GS 131D-2(b)(1) GS 131D-2(b)(3) GS 131D-2(h) <i>Repealed by Sec. 1(d) of the bill.</i>	
Inspections, monitoring, and review by State agency and county departments of social services	GS 131D-2.11 <i>proposed</i>	GS 131D-2(b)(1a) <i>Repealed by Sec. 1(d) of the bill.</i>	
Training requirements; county departments of social services	GS 131D-2.12 <i>proposed</i>	GS 131D-2(b)(1a)(d) <i>Repealed by Sec. 1(d) of the bill.</i>	Proposed GS 131D-2.12(b) new language that references joint training requirements by the Department in GS 143B-139.5B
Departmental duties	GS 131D-2.13(a), GS 131D-2.13(b), GS 131D-2.13(c), GS 131D-2.13(d), GS 131D-2.13(e) <i>All proposed</i>	GS 131D-2(b)(1a)(e), GS 131D-2(b)(1a)(f), GS 131D-2(j) <i>Repealed by Sec. 1(d) of the bill.</i> GS 131D-41, GS 131D-42 <i>Repealed by Sec. 2 of the bill.</i>	
Confidentiality	GS 131D-2.14 <i>proposed</i>	GS 131D-2(b)(4) GS 131D-2(b)(5) <i>Repealed by Sec. 1(d) of the bill.</i>	Replaced reference to domiciliary care to adult care home
Resident assessments	GS 131D-2.15 <i>proposed</i>	GS 131D-2(e) <i>Repealed by Sec. 1(d) of the bill.</i>	
Rules	GS 131D-2.16 <i>proposed</i>	GS 131D-2(c2) <i>Repealed by Sec. 1(d) of the bill.</i>	
Impact on other laws; severability	GS 131D-2.17 <i>proposed</i>	GS 131D-2(c3), GS 131D-2(f) <i>Repealed by Sec. 1(d) of the bill.</i>	
Application of other laws	GS 131D-2.18 <i>proposed</i>	N/A	

Section 2 of the PCS repeals G.S. 131D-41 and G.S. 131D-42 which are covered by the new G.S. 131D-2.13(d) and (c).

House Bill 456

Page 3

Section 3 of the PCS incorporates the changes enacted by 2008-166 regarding Multiunit assisted housing with services (MAHS) fees which were omitted from the original bill. This Section has an effective date of January 1, 2010 which conforms to S.L. 2008-166. Section 3 (c) repeals S.L. 2008-166 because it was drafted using the current statutory structure and will not fit if this bill is enacted.

EFFECTIVE DATE:

Section 3 of this PCS would become effective January 1, 2010, the remainder of this bill would become effective October 1, 2009. Licenses issued pursuant to G.S. 131D-2 remain effective until the date of annual renewal at which time Part 1 of Article 1 of Chapter 131D of the General Statutes apply. In all other respects, beginning October 1, 2009, Part 1 of Article 1 of Chapter 131D applies to the operation of facilities currently licensed under G.S. 131D-2.

** Susan Barham substantially contributed to this summary.
H456-SMSH-63(CSSHf-25) v1*

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

D

HOUSE BILL 456
PROPOSED COMMITTEE SUBSTITUTE H456-CSSHf-25 [v.4]

4/15/2009 10:22:36 AM

Short Title: Tech. & Org. Changes/Certain DHHS Facilities.

(Public)

Sponsors:

Referred to:

March 9, 2009

A BILL TO BE ENTITLED
AN ACT TO MAKE TECHNICAL AND ORGANIZATIONAL CHANGES TO THE LAW
REGARDING THE LICENSURE AND INSPECTION OF FACILITIES FOR AGED
AND DISABLED INDIVIDUALS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Chapter 131D of the General Statutes is amended by adding the
following new Article to read:

"Article 1B.

"Licensing of Maternity Homes."

SECTION 1.(b) G.S. 131D-1 is recodified as G.S. 131D-10.10 under Article 1B
of Chapter 131D of the General Statutes.

SECTION 1.(c) The title of Article 1 of Chapter 131D reads as rewritten:

"Article 1.

~~Licensing of Facilities.~~

Adult Care Homes."

SECTION 1.(d) G.S. 131D-2 is repealed.

SECTION 1.(e) Article 1 of Chapter 131D of the General Statutes, as amended by
Section 1(c) of this act, is amended by adding the following new Parts to read:

"Part 1. Licensing.

"§ 131D-2.1. Definitions.

As used in this Article:

- (1) "Abuse." – The willful or grossly negligent infliction of physical pain,
injury, or mental anguish, unreasonable confinement, or the willful or
grossly negligent deprivation by the administrator or staff of an adult care
home of services which are necessary to maintain mental and physical
health.
- (2) "Administrator." – A person approved by the Department of Health and
Human Services who has the responsibility for the total operation of a
licensed adult care home.
- (3) "Adult care home." – An assisted living residence in which the housing
management provides 24-hour scheduled and unscheduled personal care
services to two or more residents, either directly or for scheduled needs,
through formal written agreement with licensed home care or hospice
agencies. Some licensed adult care homes provide supervision to persons



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with cognitive impairments whose decisions, if made independently, may jeopardize the safety or well-being of themselves or others and therefore require supervision. Medication in an adult care home may be administered by designated trained staff. Adult care homes that provide care to two to six unrelated residents are commonly called family care homes.

(4) "Amenities." – Services such as meals, housekeeping, transportation, and grocery shopping that do not involve hands-on personal care.

(5) "Assisted living residence." – Any group housing and services program for two or more unrelated adults, by whatever name it is called, that makes available, at a minimum, one meal a day and housekeeping services and provides personal care services directly or through a formal written agreement with one or more licensed home care or hospice agencies. The Department may allow nursing service exceptions on a case-by-case basis. Settings in which services are delivered may include self-contained apartment units or single or shared room units with private or area baths. Assisted living residences are to be distinguished from nursing homes subject to provisions of G.S. 131E-102. There are three types of assisted living residences: adult care homes, adult care homes that serve only elderly persons, and multiunit assisted housing with services. As used in this section, "elderly person" means:

a. Any person who has attained the age of 55 years or older and requires assistance with activities of daily living, housing, and services, or

b. Any adult who has a primary diagnosis of Alzheimer's disease or other form of dementia who requires assistance with activities of daily living, housing, and services provided by a licensed Alzheimer's and dementia care unit.

(6) "Compensatory agent." – A spouse, relative, or other caretaker who lives with a resident and provides care to a resident.

(7) "Department." – The Department of Health and Human Services unless some other meaning is clearly indicated from the context.

(8) "Exploitation." – The illegal or improper use of an aged or disabled resident or the aged or disabled resident's resources for another's profit or advantage.

(9) "Family care home." – An adult care home having two to six residents. The structure of a family care home may be no more than two stories high, and none of the aged or physically disabled persons being served there may be housed in the upper story without provision for two direct exterior ground-level accesses to the upper story.

(10) "Multiunit assisted housing with services." – An assisted living residence in which hands-on personal care services and nursing services which are arranged by housing management are provided by a licensed home care or hospice agency through an individualized written care plan. The housing management has a financial interest or financial affiliation or formal written agreement which makes personal care services accessible and available through at least one licensed home care or hospice agency. The resident has a choice of any provider, and the housing management may not combine charges for housing and personal care services. All residents, or their compensatory agents, must be capable, through informed consent, of entering into a contract and must not be in need of 24-hour supervision. Assistance with self-administration of medications may be provided by appropriately trained staff when delegated by a licensed nurse according to

the home care agency's established plan of care. Multiunit assisted housing with services programs are required to register with the Division of Health Service Regulation and to provide a disclosure statement. The disclosure statement is required to be a part of the annual rental contract that includes a description of the following requirements:

- a. Emergency response system;
- b. Charges for services offered;
- c. Limitations of tenancy;
- d. Limitations of services;
- e. Resident responsibilities;
- f. Financial/legal relationship between housing management and home care or hospice agencies;
- g. A listing of all home care or hospice agencies and other community services in the area;
- h. An appeals process; and
- i. Procedures for required initial and annual resident screening and referrals for services.

Continuing care retirement communities, subject to regulation by the Department of Insurance under Chapter 58 of the General Statutes, are exempt from the regulatory requirements for multiunit assisted housing with services programs.

- (11) "Neglect." – The failure to provide the services necessary to maintain a resident's physical or mental health.
- (12) "Personal care services." – Any hands-on services allowed to be performed by In-Home Aides II or III as outlined in Department rules.
- (13) "Registration." – The submission by a multiunit assisted housing with services provider of a disclosure statement containing all the information as outlined in subdivision (10) of this section.
- (14) "Resident." – A person living in an assisted living residence for the purpose of obtaining access to housing and services provided or made available by housing management.
- (15) "Secretary." – The Secretary of Health and Human Services unless some other meaning is clearly indicated from the context.

"§ 131D-2.2. Persons not to be cared for in adult care homes and multiunit assisted housing with services; hospice care; obtaining services.

(a) Adult Care Homes. – Except when a physician certifies that appropriate care can be provided on a temporary basis to meet the resident's needs and prevent unnecessary relocation, adult care homes shall not care for individuals with any of the following conditions or care needs:

- (1) Ventilator dependency;
- (2) Individuals requiring continuous licensed nursing care;
- (3) Individuals whose physician certifies that placement is no longer appropriate;
- (4) Individuals whose health needs cannot be met in the specific adult care home as determined by the residence; and
- (5) Such other medical and functional care needs as the Medical Care Commission determines cannot be properly met in an adult care home.

(b) Multiunit Assisted Housing With Services. – Except when a physician certifies that appropriate care can be provided on a temporary basis to meet the resident's needs and prevent unnecessary relocation, multiunit assisted housing with services shall not care for individuals with any of the following conditions or care needs:

- (1) Ventilator dependency;
- (2) Dermal ulcers III and IV, except those stage III ulcers which are determined by an independent physician to be healing;
- (3) Intravenous therapy or injections directly into the vein, except for intermittent intravenous therapy managed by a home care or hospice agency licensed in this State;
- (4) Airborne infectious disease in a communicable state that requires isolation of the individual or requires special precautions by the caretaker to prevent transmission of the disease, including diseases such as tuberculosis and excluding infections such as the common cold;
- (5) Psychotropic medications without appropriate diagnosis and treatment plans;
- (6) Nasogastric tubes;
- (7) Gastric tubes except when the individual is capable of independently feeding himself or herself and caring for the tube, or as managed by a home care or hospice agency licensed in this State;
- (8) Individuals requiring continuous licensed nursing care;
- (9) Individuals whose physician certifies that placement is no longer appropriate;
- (10) Unless the individual's independent physician determines otherwise, individuals who require maximum physical assistance as documented by a uniform assessment instrument and who meet Medicaid nursing facility level-of-care criteria as defined in the State Plan for Medical Assistance. Maximum physical assistance means that an individual has a rating of total dependence in four or more of the seven activities of daily living as documented on a uniform assessment instrument;
- (11) Individuals whose health needs cannot be met in the specific multiunit assisted housing with services as determined by the residence; and
- (12) Such other medical and functional care needs as the Medical Care Commission determines cannot be properly met in multiunit assisted housing with services.

(c) Hospice Care. – At the request of the resident, hospice care may be provided in an assisted living residence under the same requirements for hospice programs as described in Article 10 of Chapter 131E of the General Statutes.

(d) Obtaining Services. – The resident of an assisted living facility has the right to obtain services at the resident's own expense from providers other than the housing management. This subsection shall not be construed to relieve the resident of the resident's contractual obligation to pay the housing management for any services covered by the contract between the resident and housing management.

"§ 131D-2.3. Exemptions from licensure.

(a) The following are excluded from this Article and are not required to be registered or obtain licensure under this Article:

- (1) Facilities licensed under Chapter 122C or Chapter 131E of the General Statutes;
- (2) Persons subject to rules of the Division of Vocational Rehabilitation Services;
- (3) Facilities that care for no more than four persons, all of whom are under the supervision of the United States Veterans Administration;
- (4) Facilities that make no charges for housing, amenities, or personal care service, either directly or indirectly; and

- (5) Institutions that are maintained or operated by a unit of government and that were established, maintained, or operated by a unit of government and exempt from licensure by the Department on September 30, 1995.

"§ 131D-2.4. Licensure of adult care homes for aged and disabled individuals; impact of prior violations on licensure; compliance history review; license renewal.

(a) Licensure. – Except for those facilities exempt under G.S. 131D-2.3, the Department of Health and Human Services shall inspect and license all adult care homes. The Department shall issue a license for a facility not currently licensed as an adult care home for a period of six months. If the licensee demonstrates substantial compliance with Articles 1 and 3 of this Chapter and rules adopted thereunder, the Department shall issue a license for the balance of the calendar year.

(b) Compliance History Review. – Prior to issuing a new license or renewing an existing license, the Department shall conduct a compliance history review of the facility and its principals and affiliates. The Department may refuse to license a facility when the compliance history review shows a pattern of noncompliance with State law by the facility or its principals or affiliates, or otherwise demonstrates disregard for the health, safety, and welfare of residents in current or past facilities. The Department shall require compliance history information and make its determination according to rules adopted by the Medical Care Commission.

(c) Prior Violations. – No new license shall be issued for any adult care home to an applicant for licensure who:

- (1) Was the owner, principal, or affiliate of a licensable facility under Chapter 122C, Chapter 131D, or Article 7 of Chapter 110 of the General Statutes that had its license revoked until one full year after the date of revocation;
- (2) Is the owner, principal, or affiliate of an adult care home that was assessed a penalty for a Type A or Type B violation until the earlier of one year from the date the penalty was assessed or until the home has substantially complied with the correction plan established pursuant to G.S. 131D-34 and substantial compliance has been certified by the Department;
- (3) Is the owner, principal, or affiliate of an adult care home that had its license summarily suspended or downgraded to provisional status as a result of Type A or Type B violations until six months from the date of reinstatement of the license, restoration from provisional to full licensure, or termination of the provisional license, as applicable; or
- (4) Is the owner, principal, or affiliate of a licensable facility that had its license summarily suspended or downgraded to provisional status as a result of violations under Chapter 122C or Article 1 of Chapter 131D of the General Statutes or had its license summarily suspended or denied under Article 7 of Chapter 110 of the General Statutes until six months from the date of the reinstatement of the license, restoration from provisional to full licensure, or termination of the provisional license, as applicable.

An applicant for new licensure may appeal a denial of certification of substantial compliance under subdivision (2) of this subsection by filing with the Department a request for review by the Secretary within 10 days of the date of denial of the certification. Within 10 days of receipt of the request for review, the Secretary shall issue to the applicant a written determination that either denies certification of substantial compliance or certifies substantial compliance. The decision of the Secretary is final.

(d) License Renewals. – License renewals shall be valid for one year from the date of renewal unless revoked earlier by the Secretary for failure to comply with any part of this section or any rules adopted hereunder. Licenses shall be renewed annually upon filing and the Department's approval of the renewal application. The Department shall not renew a license if

1 outstanding fees, fines, and penalties imposed by the State against the home have not been paid.
2 Fines and penalties for which an appeal is pending are exempt from consideration. The renewal
3 application shall contain all necessary and reasonable information that the Department may
4 require.

5 (e) In order for an adult care home to maintain its license, it shall not hinder or interfere
6 with the proper performance of duty of a lawfully appointed community advisory committee, as
7 defined by G.S. 131D-31 and G.S. 131D-32.

8 (f) The Department shall not issue a new license for a change of ownership of an adult
9 care home if outstanding fees, fines, and penalties imposed by the State against the home have
10 not been paid. Fines and penalties for which an appeal is pending are exempt from
11 consideration.

12 **"§ 131D-2.5. License fees.**

13 The Department shall charge each adult care home with six or fewer beds a nonrefundable
14 annual license fee in the amount of two hundred fifty dollars (\$250.00). The Department shall
15 charge each adult care home with more than six beds a nonrefundable annual license fee in the
16 amount of three hundred fifty dollars (\$350.00) plus a nonrefundable annual per-bed fee of
17 twelve dollars and fifty cents (\$12.50).

18 **"§ 131D-2.6. Legal action by Department.**

19 (a) Notwithstanding the existence or pursuit of any other remedy, the Department may,
20 in the manner provided by law, maintain an action in the name of the State for injunction or
21 other process against any person to restrain or prevent the establishment, conduct, management,
22 or operation of an adult care home without a license. Such action shall be instituted in the
23 superior court of the county in which any unlicensed activity has occurred or is occurring.

24 (b) Any individual or corporation that establishes, conducts, manages, or operates a
25 facility subject to licensure under this section without a license is guilty of a Class 3
26 misdemeanor and, upon conviction, shall be punishable only by a fine of not more than fifty
27 dollars (\$50.00) for the first offense and not more than five hundred dollars (\$500.00) for each
28 subsequent offense. Each day of a continuing violation after conviction shall be considered a
29 separate offense.

30 (c) If any person shall hinder the proper performance of duty of the Secretary or his
31 representative in carrying out this section, the Secretary may institute an action in the superior
32 court of the county in which the hindrance has occurred for injunctive relief against the
33 continued hindrance, irrespective of all other remedies at law.

34 (d) Actions under this section shall be in accordance with Article 37 of Chapter 1 of the
35 General Statutes and Rule 65 of the Rules of Civil Procedure.

36 **"§ 131D-2.7. Provisional license; license revocation; summary suspension of license;**
37 **suspension of admission.**

38 (a) Provisional License. – Except as otherwise provided in this section, the Department
39 may amend a license by reducing it from a full license to a provisional license for a period of
40 not more than 90 days whenever the Department finds that:

41 (1) The licensee has substantially failed to comply with the provisions of
42 Articles 1 and 3 of Chapter 131D of the General Statutes and the rules
43 adopted pursuant to these Articles;

44 (2) There is a reasonable probability that the licensee can remedy the licensure
45 deficiencies within a reasonable length of time; and

46 (3) There is a reasonable probability that the licensee will be able thereafter to
47 remain in compliance with the licensure rules for the foreseeable future.

48 The Department may extend a provisional license for not more than one additional 90-day
49 period upon finding that the licensee has made substantial progress toward remedying the
50 licensure deficiencies that caused the license to be reduced to provisional status.

The Department may also issue a provisional license to a facility, pursuant to rules adopted by the Medical Care Commission, for substantial failure to comply with the provisions of this section or rules adopted pursuant to this section. Any facility wishing to contest the issuance of a provisional license shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case shall be filed within 30 days after the Department mails written notice of the issuance of the provisional license.

(b) License Revocation. – The Department may revoke a license whenever:

(1) The Department finds that:

- a. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles; and
- b. It is not reasonably probable that the licensee can remedy the licensure deficiencies within a reasonable length of time; or

(2) The Department finds that:

- a. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles; and
- b. Although the licensee may be able to remedy the deficiencies within a reasonable time, it is not reasonably probable that the licensee will be able to remain in compliance with licensure rules for the foreseeable future; or
- c. The licensee has failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles, and the failure to comply endangered the health, safety, or welfare of the patients in the facility.

(c) Summary Suspension. – The Department may summarily suspend a license pursuant to G.S. 150B-3(c) whenever it finds substantial evidence of abuse, neglect, exploitation, or any condition which presents an imminent danger to the health and safety of any resident of the home. Any facility wishing to contest summary suspension of a license shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case shall be filed within 20 days after the Department mails a notice of summary suspension to the licensee.

(d) Suspension of Admissions.

(1) In addition to the administrative penalties described in G.S. 131D-2.8, the Secretary may suspend the admission of any new residents to an adult care home where the conditions of the adult care home are detrimental to the health or safety of the residents. This suspension shall be for the period determined by the Secretary and shall remain in effect until the Secretary is satisfied that conditions or circumstances merit removing the suspension.

(2) In imposing a suspension under this section, the Secretary shall consider the following factors:

- (a) The degree of sanctions necessary to ensure compliance with this section and rules adopted hereunder; and
- (b) The character and degree of impact of the conditions at the home on the health or safety of its residents.

(3) The Secretary of Health and Human Services shall adopt rules to implement this section.

(4) Any facility wishing to contest a suspension of admissions shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case

shall be filed within 20 days after the Department mails a notice of suspension of admissions to the licensee.

"§§ 131D-2.8 and 2.10: Reserved for future codification purposes.

**"Part 2. Other Laws Pertaining to the Inspection
and Operation of Adult Care Homes.**

**"§ 131D-2.11. Inspections, monitoring, and review by State agency and county
departments of social services.**

(a) State Inspection and Monitoring. – The Department shall ensure that adult care homes required to be licensed by this Article are monitored for licensure compliance on a regular basis. All facilities licensed under this Article and adult care units in nursing homes are subject to inspections at all times by the Secretary. The Division of Health Service Regulations shall inspect all adult care homes and adult care units in nursing homes on an annual basis. In addition, the Department shall ensure that adult care homes are inspected every two years to determine compliance with physical plant and life-safety requirements.

(b) Monitoring by County. – The Department shall work with county departments of social services to do the routine monitoring in adult care homes to ensure compliance with State and federal laws, rules, and regulations in accordance with policy and procedures established by the Division of Health Service Regulation and to have the Division of Health Service Regulation oversee this monitoring and perform any required follow-up inspection. The county departments of social services shall document in a written report all on-site visits, including monitoring visits, revisits, and complaint investigations. The county departments of social services shall submit to the Division of Health Service Regulation written reports of each facility visit within 20 working days of the visit.

(c) State Review of County Compliance. – The Division of Health Service Regulation shall conduct and document annual reviews of the county departments of social services' performance. When monitoring is not done timely or there is failure to identify or document noncompliance, the Department may intervene in the particular service in question. Department intervention shall include one or more of the following activities:

- (1) Sending staff of the Department to the county departments of social services to provide technical assistance and to monitor the services being provided by the facility.
- (2) Advising county personnel as to appropriate policies and procedures.
- (3) Establishing a plan of action to correct county performance.

The Secretary may determine that the Department shall assume the county's regulatory responsibility for the county's adult care homes.

"§ 131D-2.12. Training requirements; county departments of social services.

(a) The county departments of social services' adult home specialists and their supervisors shall complete:

- (1) Eight hours of prebasic training within 60 days of employment;
- (2) Thirty-two hours of basic training within six months of employment;
- (3) Twenty-four hours of postbasic training within six months of the basic training program;
- (4) A minimum of eight hours of complaint investigation training within six months of employment; and
- (5) A minimum of 16 hours of statewide training annually by the Division of Health Service Regulation.

(b) The joint training requirements by the Department shall be as provided in G.S. 143B-139.5B.

"§ 131D-2.13. Departmental duties.

(a) Enforcement of Room Ventilation and Temperature. – The Department shall monitor regularly the enforcement of rules pertaining to air circulation, ventilation, and room

temperature in resident living quarters. These rules shall include the requirement that air conditioning or at least one fan per resident bedroom and living and dining areas be provided when the temperature in the main center corridor exceeds 80 degrees Fahrenheit.

(b) Administrator Directory. – The Department shall keep an up-to-date directory of all persons who are administrators as defined in G.S. 131D-2.1.

(c) Departmental Complaint Hotline. – Adult care homes shall post the Division of Health Service Regulation's complaint hotline number conspicuously in a public place in the facility.

(d) Provider File. – The Department of Health and Human Services shall establish and maintain a provider file to record and monitor compliance histories of facilities, owners, operators, and affiliates of nursing homes and adult care homes.

(e) Report on Use of Restraint. – The Department shall report annually on October 1 to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services the following for the immediately preceding fiscal year:

(1) The level of compliance of each adult care home with applicable State law and rules governing the use of physical restraint and physical hold of residents. The information shall indicate areas of highest and lowest levels of compliance.

(2) The total number of adult care homes that reported deaths under G.S. 131D-34.1, the number of deaths reported by each facility, the number of deaths investigated pursuant to G.S. 131D-34.1, and the number found by the investigation to be related to the adult care home's use of physical restraint or physical hold.

"§ 131D-2.14. Confidentiality.

Notwithstanding G.S. 8-53 or any other law relating to confidentiality of communications between physician and patient, in the course of an inspection conducted under G.S. 131D-2.11:

(1) Department representatives may review any writing or other record concerning the admission, discharge, medication, care, medical condition, or history of any person who is or has been a resident of the facility being inspected, and

(2) Any person involved in giving care or treatment at or through the facility may disclose information to Department representatives unless the resident objects in writing to review of his records or disclosure of such information.

(3) The facility, its employees, and any other person interviewed in the course of an inspection shall be immune from liability for damages resulting from disclosure of any information to the Department. The Department shall not disclose:

a. Any confidential or privileged information obtained under this section unless the resident or his legal representative authorizes disclosure in writing or unless a court of competent jurisdiction orders disclosure, or

b. The name of anyone who has furnished information concerning a facility without that person's consent.

The Department shall institute appropriate policies and procedures to ensure that unauthorized disclosure does not occur. All confidential or privileged information obtained under this section and the names of persons providing such information shall be exempt from Chapter 132 of the General Statutes.

(4) Notwithstanding any law to the contrary, Chapter 132 of the General Statutes, the Public Records Law, applies to all records of the State Division of Social Services of the Department of Health and Human Services and of

any county department of social services regarding inspections of adult care facilities except for information in the records that is confidential or privileged, including medical records, or that contains the names of residents or complainants.

"§ 131D-2.15. Resident assessments.

(a) The Department shall ensure that facilities conduct and complete an assessment of each resident within 72 hours of admitting the resident and annually thereafter. In conducting the assessment, the facility shall use an assessment instrument approved by the Secretary upon the advice of the Director of the Division of Aging and Adult Services. The Department shall provide ongoing training for facility personnel in the use of the approved assessment instrument.

The facility shall use the assessment to develop appropriate and comprehensive service plans and care plans and to determine the level and type of facility staff that is needed to meet the needs of residents. The assessment shall determine a resident's level of functioning and shall include, but not be limited to, cognitive status and physical functioning in activities of daily living. Activities of daily living are personal functions essential for the health and well-being of the resident. The assessment shall not serve as the basis for medical care. The assessment shall indicate if the resident requires referral to the resident's physician or other appropriate licensed health care professional or community resource.

(b) The Department, as part of its inspection and licensing of adult care homes, shall review assessments and related service plans and care plans for a selected number of residents. In conducting this review, the Department shall determine:

- (1) Whether the appropriate assessment instrument was administered and interpreted correctly;
- (2) Whether the facility is capable of providing the necessary services;
- (3) Whether the service plan or care plan conforms to the results of an appropriately administered and interpreted assessment; and
- (4) Whether the service plans or care plans are being implemented fully and in accordance with an appropriately administered and interpreted assessment.

(c) If the Department finds that the facility is not carrying out its assessment responsibilities in accordance with this section, the Department shall notify the facility and require the facility to implement a corrective action plan. The Department shall also notify the resident of the results of its review of the assessment, service plans, and care plans developed for the resident. In addition to administrative penalties, the Secretary may suspend the admission of any new residents to the facility. The suspension shall be for the period determined by the Secretary and shall remain in effect until the Secretary is satisfied that conditions or circumstances merit removing the suspension.

"§ 131D-2.16. Rules.

Except as otherwise provided in this Article, the Medical Care Commission shall adopt rules necessary to carry out this Article. The Commission has the authority, in adopting rules, to specify the limitation of nursing services provided by assisted living residences. In developing rules, the Commission shall consider the need to ensure comparable quality of services provided to residents, whether these services are provided directly by a licensed assisted living provider, licensed home care agency, or hospice. In adult care homes, living arrangements where residents require supervision due to cognitive impairments, rules shall be adopted to ensure that supervision is appropriate and adequate to meet the special needs of these residents. Rule-making authority under this section is in addition to that conferred under G.S. 131D-4.3 and G.S. 131D-4.5.

"§ 131D-2.17. Impact on other laws; severability.

(a) Nothing in this section shall be construed to supersede any federal or State antitrust, antikickback, or safe harbor laws or regulations.

(b) If any provisions of this section or the application of it to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the section which can be given effect without the invalid provision or application, and to this end the provisions of this section are severable.

"§ 131D-2.18. Application of other laws.

(a) Certification of assisted living administrators shall be as provided under Article 20A of Chapter 90 of the General Statutes.

(b) Compliance with the Health Care Personnel Registry shall be as provided under G.S. 131E-256.

(c) Rules for the operation of the adult care portion of a combination home, as defined in G.S. 131E-101, shall be as provided in G.S. 131E-104."

SECTION 2. G.S. 131D-41 and G.S. 131D-42 are repealed.

SECTION 3.(a). G.S. 131D-2.1(10), as enacted by Section 1 of this act, reads as rewritten:

"(10) "Multiunit assisted housing with services." – An assisted living residence in which hands-on personal care services and nursing services which are arranged by housing management are provided by a licensed home care or hospice agency through an individualized written care plan. The housing management has a financial interest or financial affiliation or formal written agreement which makes personal care services accessible and available through at least one licensed home care or hospice agency. The resident has a choice of any provider, and the housing management may not combine charges for housing and personal care services. All residents, or their compensatory agents, must be capable, through informed consent, of entering into a contract and must not be in need of 24-hour supervision. Assistance with self-administration of medications may be provided by appropriately trained staff when delegated by a licensed nurse according to the home care agency's established plan of care. Multiunit assisted housing with services programs are required to register annually with the Division of Health Service Regulation. ~~Regulation and to provide a disclosure statement.~~ Multiunit assisted housing with services programs are required to provide a disclosure statement to the Division of Health Service Regulation. The disclosure statement is required to be a part of the annual rental contract that includes a description of the following requirements:

- a. Emergency response system;
- b. Charges for services offered;
- c. Limitations of tenancy;
- d. Limitations of services;
- e. Resident responsibilities;
- f. Financial/legal relationship between housing management and home care or hospice agencies;
- g. A listing of all home care or hospice agencies and other community services in the area;
- h. An appeals process; and
- i. Procedures for required initial and annual resident screening and referrals for services.

Continuing care retirement communities, subject to regulation by the Department of Insurance under Chapter 58 of the General Statutes, are exempt from the regulatory requirements for multiunit assisted housing with services programs."

1 **SECTION 3.(b).** G.S. 131D-2.5, as enacted by Section 1 of this act, reads as
2 rewritten:

3 **"§ 131D-2.5. License and registration fees.**

4 (a) The Department shall charge each adult care home with six or fewer beds a
5 nonrefundable annual license fee in the amount of two hundred fifty dollars (\$250.00). The
6 Department shall charge each adult care home with more than six beds a nonrefundable annual
7 license fee in the amount of three hundred fifty dollars (\$350.00) plus a nonrefundable annual
8 per-bed fee of twelve dollars and fifty cents (\$12.50).

9 (b) The Department shall charge each registered multiunit assisted housing with
10 services program a nonrefundable annual registration fee of three hundred and fifty dollars
11 (\$350.00). Any individual or corporation that establishes, conducts, manages, or operates a
12 multiunit housing with services program, subject to registration under this section, that fails to
13 register is guilty of a Class 3 misdemeanor, and upon conviction shall be punishable only by a
14 fine of not more than fifty dollars (\$50.00) for the first offense and not more than five hundred
15 dollars (\$500.00) for each subsequent offense. Each day of a continuing violation after
16 conviction shall be considered a separate offense."

17 **SECTION 3.(c).** S.L. 2008-166 is repealed.

18 **SECTION 4.** Section 3 of this act becomes effective January 1, 2010, the
19 remainder of this act becomes effective October 1, 2009. Licenses issued pursuant to
20 G.S. 131D-2 remain effective until the date of annual renewal at which time Part 1 of Article 1
21 of Chapter 131D of the General Statutes shall apply. In all other respects, beginning October 1,
22 2009, Part 1 of Article 1 of Chapter 131D shall apply to the operation of facilities currently
23 licensed under G.S. 131D-2.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 456

Short Title: Tech. & Org. Changes/Certain DHHS Facilities. (Public)

Sponsors: Representatives Insko, England, Farmer-Butterfield, Earle (Primary Sponsors);
M. Alexander, Harrison, Hughes, Jones, Lucas, Parmon, and Pierce.

Referred to: Aging, if favorable, Judiciary II.

March 9, 2009

A BILL TO BE ENTITLED

AN ACT TO MAKE TECHNICAL AND ORGANIZATIONAL CHANGES TO THE LAW
REGARDING THE LICENSURE AND INSPECTION OF FACILITIES FOR AGED
AND DISABLED INDIVIDUALS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Chapter 131D of the General Statutes is amended by adding the
following new Article to read:

"Article 1B.

"Licensing of Maternity Homes."

SECTION 1.(b) G.S. 131D-1 is recodified as G.S. 131D-10.10 under Article 1B
of Chapter 131D of the General Statutes.

SECTION 1.(c) The title of Article 1 of Chapter 131D reads as rewritten:

"Article 1:

Licensing of Facilities.

Adult Care Homes."

SECTION 1.(d) G.S. 131D-2 is repealed.

SECTION 1.(e) Article 1 of Chapter 131D of the General Statutes, as amended by
Section 1(c) of this act, is amended by adding the following new Parts to read:

"Part 1. Licensing.

"§ 131D-2.1. Definitions.

As used in this Article:

- (1) "Abuse." – The willful or grossly negligent infliction of physical pain, injury, or mental anguish, unreasonable confinement, or the willful or grossly negligent deprivation by the administrator or staff of an adult care home of services which are necessary to maintain mental and physical health.
- (2) "Administrator." – A person approved by the Department of Health and Human Services who has the responsibility for the total operation of a licensed domiciliary home.
- (3) "Adult care home." – An assisted living residence in which the housing management provides 24-hour scheduled and unscheduled personal care services to two or more residents, either directly or for scheduled needs, through formal written agreement with licensed home care or hospice agencies. Some licensed adult care homes provide supervision to persons with cognitive impairments whose decisions, if made independently, may jeopardize the safety or well-being of themselves or others and therefore



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require supervision. Medication in an adult care home may be administered by designated trained staff. Adult care homes that provide care to two to six unrelated residents are commonly called family care homes.

(4) "Amenities." – Services such as meals, housekeeping, transportation, and grocery shopping that do not involve hands-on personal care.

(5) "Assisted living residence." – Any group housing and services program for two or more unrelated adults, by whatever name it is called, that makes available, at a minimum, one meal a day and housekeeping services and provides personal care services directly or through a formal written agreement with one or more licensed home care or hospice agencies. The Department may allow nursing service exceptions on a case-by-case basis. Settings in which services are delivered may include self-contained apartment units or single or shared room units with private or area baths. Assisted living residences are to be distinguished from nursing homes subject to provisions of G.S. 131E-102. Housing programs for two or more unrelated adults that target their services to elderly or disabled persons in which the only services provided by the housing management, either directly or through an agreement or other arrangements, are amenities that include, at a minimum, one meal a day and housekeeping services, are exempt from licensure, but are required to be listed with the Division of Aging and Adult Services, providing information on their location and number of units operated. This type of housing is not considered assisted living. There are three types of assisted living residences: adult care homes, adult care homes that serve only elderly persons, and multiunit assisted housing with services.

As used in this section, "elderly person" means:

a. Any person who has attained the age of 55 years or older and requires assistance with activities of daily living, housing, and services, or

b. Any adult who has a primary diagnosis of Alzheimer's disease or other form of dementia who requires assistance with activities of daily living, housing, and services provided by a licensed Alzheimer's and dementia care unit.

(6) "Compensatory agent." – A spouse, relative, or other caretaker who lives with a resident and provides care to a resident.

(7) "Department." – The Department of Health and Human Services unless some other meaning is clearly indicated from the context.

(8) "Exploitation." – The illegal or improper use of an aged or disabled resident or the aged or disabled resident's resources for another's profit or advantage.

(9) "Family care home." – An adult care home having two to six residents. The structure of a family care home may be no more than two stories high, and none of the aged or physically disabled persons being served there may be housed in the upper story without provision for two direct exterior ground-level accesses to the upper story.

(10) "Multiunit assisted housing with services." – An assisted living residence in which hands-on personal care services and nursing services which are arranged by housing management are provided by a licensed home care or hospice agency through an individualized written care plan. The housing management has a financial interest or financial affiliation or formal written agreement which makes personal care services accessible and available through at least one licensed home care or hospice agency. The resident has a choice of any provider, and the housing management may not combine

charges for housing and personal care services. All residents, or their compensatory agents, must be capable, through informed consent, of entering into a contract and must not be in need of 24-hour supervision. Assistance with self-administration of medications may be provided by appropriately trained staff when delegated by a licensed nurse according to the home care agency's established plan of care. Multiunit assisted housing with services programs are required to register with the Division of Health Service Regulation and to provide a disclosure statement. The disclosure statement is required to be a part of the annual rental contract that includes a description of the following requirements:

- a. Emergency response system;
- b. Charges for services offered;
- c. Limitations of tenancy;
- d. Limitations of services;
- e. Resident responsibilities;
- f. Financial/legal relationship between housing management and home care or hospice agencies;
- g. A listing of all home care or hospice agencies and other community services in the area;
- h. An appeals process; and
- i. Procedures for required initial and annual resident screening and referrals for services.

Continuing care retirement communities, subject to regulation by the Department of Insurance under Chapter 58 of the General Statutes, are exempt from the regulatory requirements for multiunit assisted housing with services programs.

- (11) "Neglect." – The failure to provide the services necessary to maintain a resident's physical or mental health.
- (12) "Personal care services." – Any hands-on services allowed to be performed by In-Home Aides II or III as outlined in Department rules.
- (13) "Registration." – The submission by a multiunit assisted housing with services provider of a disclosure statement containing all the information as outlined in subdivision (10) of this section.
- (14) "Resident." – A person living in an assisted living residence for the purpose of obtaining access to housing and services provided or made available by housing management.
- (15) "Secretary." – The Secretary of Health and Human Services unless some other meaning is clearly indicated from the context.

"§ 131D-2.2. Persons not to be cared for in adult care homes and multiunit assisted housing with services; hospice care.

(a) Adult Care Homes. – Except when a physician certifies that appropriate care can be provided on a temporary basis to meet the resident's needs and prevent unnecessary relocation, adult care homes shall not care for individuals with any of the following conditions or care needs:

- (1) Ventilator dependency;
- (2) Individuals requiring continuous licensed nursing care;
- (3) Individuals whose physician certifies that placement is no longer appropriate;
- (4) Individuals whose health needs cannot be met in the specific adult care home as determined by the residence; and

(5) Such other medical and functional care needs as the Medical Care Commission determines cannot be properly met in an adult care home.

(b) Multiunit Assisted Housing With Services. – Except when a physician certifies that appropriate care can be provided on a temporary basis to meet the resident's needs and prevent unnecessary relocation, multiunit assisted housing with services shall not care for individuals with any of the following conditions or care needs:

(1) Ventilator dependency;

(2) Dermal ulcers III and IV, except those stage III ulcers which are determined by an independent physician to be healing;

(3) Intravenous therapy or injections directly into the vein, except for intermittent intravenous therapy managed by a home care or hospice agency licensed in this State;

(4) Airborne infectious disease in a communicable state that requires isolation of the individual or requires special precautions by the caretaker to prevent transmission of the disease, including diseases such as tuberculosis and excluding infections such as the common cold;

(5) Psychotropic medications without appropriate diagnosis and treatment plans;

(6) Nasogastric tubes;

(7) Gastric tubes except when the individual is capable of independently feeding himself or herself and caring for the tube, or as managed by a home care or hospice agency licensed in this State;

(8) Individuals requiring continuous licensed nursing care;

(9) Individuals whose physician certifies that placement is no longer appropriate;

(10) Unless the individual's independent physician determines otherwise, individuals who require maximum physical assistance as documented by a uniform assessment instrument and who meet Medicaid nursing facility level-of-care criteria as defined in the State Plan for Medical Assistance. Maximum physical assistance means that an individual has a rating of total dependence in four or more of the seven activities of daily living as documented on a uniform assessment instrument;

(11) Individuals whose health needs cannot be met in the specific multiunit assisted housing with services as determined by the residence; and

(12) Such other medical and functional care needs as the Medical Care Commission determines cannot be properly met in multiunit assisted housing with services.

(c) Hospice Care. – At the request of the resident, hospice care may be provided in an assisted living residence under the same requirements for hospice programs as described in Article 10 of Chapter 131E of the General Statutes.

(d) Obtaining Services. – The resident of an assisted living facility has the right to obtain services at the resident's own expense from providers other than the housing management. This subsection shall not be construed to relieve the resident of the resident's contractual obligation to pay the housing management for any services covered by the contract between the resident and housing management.

"§ 131D-2.3. Exemptions from licensure.

(a) The following are excluded from this Article and are not required to be registered or obtain licensure under this Article:

(1) Facilities licensed under Chapter 122C or Chapter 131E of the General Statutes;

(2) Persons subject to rules of the Division of Vocational Rehabilitation Services;

- (3) Facilities that care for no more than four persons, all of whom are under the supervision of the United States Veterans Administration;
- (4) Facilities that make no charges for housing, amenities, or personal care service, either directly or indirectly; and
- (5) Institutions that are maintained or operated by a unit of government and that were established, maintained, or operated by a unit of government and exempt from licensure by the Department on September 30, 1995.

"§ 131D-2.4. Licensure of adult care homes for aged and disabled individuals; impact of prior violations on licensure; compliance history review; license renewal.

(a) Licensure. – Except for those facilities exempt under G.S. 131D-2.3, the Department of Health and Human Services shall inspect and license all adult care homes. The Department shall issue a license for a facility not currently licensed as an adult care home for a period of six months. If the licensee demonstrates substantial compliance with Articles 1 and 3 of this Chapter and rules adopted thereunder, the Department shall issue a license for the balance of the calendar year.

(b) Compliance History Review. – Prior to issuing a new license or renewing an existing license, the Department shall conduct a compliance history review of the facility and its principals and affiliates. The Department may refuse to license a facility when the compliance history review shows a pattern of noncompliance with State law by the facility or its principals or affiliates, or otherwise demonstrates disregard for the health, safety, and welfare of residents in current or past facilities. The Department shall require compliance history information and make its determination according to rules adopted by the Medical Care Commission.

(c) Prior Violations. – No new license shall be issued for any adult care home to an applicant for licensure who:

- (1) Was the owner, principal, or affiliate of a licensable facility under Chapter 122C, Chapter 131D, or Article 7 of Chapter 110 of the General Statutes that had its license revoked until one full year after the date of revocation;
- (2) Is the owner, principal, or affiliate of an adult care home that was assessed a penalty for a Type A or Type B violation until the earlier of one year from the date the penalty was assessed or until the home has substantially complied with the correction plan established pursuant to G.S. 131D-34 and substantial compliance has been certified by the Department;
- (3) Is the owner, principal, or affiliate of an adult care home that had its license summarily suspended or downgraded to provisional status as a result of Type A or Type B violations until six months from the date of reinstatement of the license, restoration from provisional to full licensure, or termination of the provisional license, as applicable; or
- (4) Is the owner, principal, or affiliate of a licensable facility that had its license summarily suspended or downgraded to provisional status as a result of violations under Chapter 122C or Article 1 of Chapter 131D of the General Statutes or had its license summarily suspended or denied under Article 7 of Chapter 110 of the General Statutes until six months from the date of the reinstatement of the license, restoration from provisional to full licensure, or termination of the provisional license, as applicable.

An applicant for new licensure may appeal a denial of certification of substantial compliance under subdivision (2) of this subsection by filing with the Department a request for review by the Secretary within 10 days of the date of denial of the certification. Within 10 days of receipt of the request for review, the Secretary shall issue to the applicant a written determination that either denies certification of substantial compliance or certifies substantial compliance. The decision of the Secretary is final.

(d) License Renewals. – License renewals shall be valid for one year from the date of renewal unless revoked earlier by the Secretary for failure to comply with any part of this section or any rules adopted hereunder. Licenses shall be renewed annually upon filing and the Department's approval of the renewal application. The Department shall not renew a license if outstanding fees, fines, and penalties imposed by the State against the home have not been paid. Fines and penalties for which an appeal is pending are exempt from consideration. The renewal application shall contain all necessary and reasonable information that the Department may require.

(e) In order for an adult care home to maintain its license, it shall not hinder or interfere with the proper performance of duty of a lawfully appointed community advisory committee, as defined by G.S. 131D-31 and G.S. 131D-32.

"§ 131D-2.5. License fees.

The Department shall charge each adult care home with six or fewer beds a nonrefundable annual license fee in the amount of two hundred fifty dollars (\$250.00). The Department shall charge each adult care home with more than six beds a nonrefundable annual license fee in the amount of three hundred fifty dollars (\$350.00) plus a nonrefundable annual per-bed fee of twelve dollars and fifty cents (\$12.50).

"§ 131D-2.6. Legal action by Department.

(a) Notwithstanding the existence or pursuit of any other remedy, the Department may, in the manner provided by law, maintain an action in the name of the State for injunction or other process against any person to restrain or prevent the establishment, conduct, management, or operation of an adult care home without a license. Such action shall be instituted in the superior court of the county in which any unlicensed activity has occurred or is occurring.

(b) If any person shall hinder the proper performance of duty of the Secretary or his representative in carrying out this section, the Secretary may institute an action in the superior court of the county in which the hindrance has occurred for injunctive relief against the continued hindrance, irrespective of all other remedies at law.

(c) Actions under this section shall be in accordance with Article 37 of Chapter 1 of the General Statutes and Rule 65 of the Rules of Civil Procedure.

"§ 131D-2.7. Provisional license; license revocation.

(a) Provisional License. – Except as otherwise provided in this section, the Department may amend a license by reducing it from a full license to a provisional license for a period of not more than 90 days whenever the Department finds that:

(1) The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles;

(2) There is a reasonable probability that the licensee can remedy the licensure deficiencies within a reasonable length of time; and

(3) There is a reasonable probability that the licensee will be able thereafter to remain in compliance with the licensure rules for the foreseeable future.

The Department may extend a provisional license for not more than one additional 90-day period upon finding that the licensee has made substantial progress toward remedying the licensure deficiencies that caused the license to be reduced to provisional status.

The Department may also issue a provisional license to a facility, pursuant to rules adopted by the Medical Care Commission, for substantial failure to comply with the provisions of this section or rules adopted pursuant to this section. Any facility wishing to contest the issuance of a provisional license shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case shall be filed within 30 days after the Department mails written notice of the issuance of the provisional license.

(b) License Revocation. – The Department may revoke a license whenever:

(1) The Department finds that:

- a. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles; and
- b. It is not reasonably probable that the licensee can remedy the licensure deficiencies within a reasonable length of time; or

(2) The Department finds that:

- a. The licensee has substantially failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles; and
- b. Although the licensee may be able to remedy the deficiencies within a reasonable time, it is not reasonably probable that the licensee will be able to remain in compliance with licensure rules for the foreseeable future; or
- c. The licensee has failed to comply with the provisions of Articles 1 and 3 of Chapter 131D of the General Statutes and the rules adopted pursuant to these Articles, and the failure to comply endangered the health, safety, or welfare of the patients in the facility.

"§ 131D-2.8. Penalties.

(a) Any individual or corporation that establishes, conducts, manages, or operates a facility subject to licensure under this section without a license is guilty of a Class 3 misdemeanor and, upon conviction, shall be punishable only by a fine of not more than fifty dollars (\$50.00) for the first offense and not more than five hundred dollars (\$500.00) for each subsequent offense. Each day of a continuing violation after conviction shall be considered a separate offense.

(b) In addition, the Department may summarily suspend a license pursuant to G.S. 150B-3(c) whenever it finds substantial evidence of abuse, neglect, exploitation, or any condition which presents an imminent danger to the health and safety of any resident of the home. Any facility wishing to contest summary suspension of a license shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case shall be filed within 20 days after the Department mails a notice of summary suspension to the licensee.

"§§ 131D-2.9 and 2.10: Reserved for future codification purposes.

**"Part 2. Other Laws Pertaining to the Inspection
and Operation of Adult Care Homes.**

"§ 131D-2.11. Inspections, monitoring, and review by State agency and county departments of social services.

(a) State Inspection and Monitoring. – The Department shall ensure that adult care homes required to be licensed by this Article are monitored for licensure compliance on a regular basis. All facilities licensed under this Article and adult care units in nursing homes are subject to inspections at all times by the Secretary. The Division of Health Service Regulations shall inspect all adult care homes and adult care units in nursing homes on an annual basis. In addition, the Department shall ensure that adult care homes are inspected every two years to determine compliance with physical plant and life-safety requirements.

(b) Monitoring by County. – The Department shall work with county departments of social services to do the routine monitoring in adult care homes to ensure compliance with State and federal laws, rules, and regulations in accordance with policy and procedures established by the Division of Health Service Regulation and to have the Division of Health Service Regulation oversee this monitoring and perform any required follow-up inspection. The county departments of social services shall document in a written report all on-site visits, including monitoring visits, revisits, and complaint investigations. The county departments of

1 social services shall submit to the Division of Health Service Regulation written reports of each
2 facility visit within 20 working days of the visit.

3 (c) State Review of County Compliance. – The Division of Health Service Regulation
4 shall conduct and document annual reviews of the county departments of social services'
5 performance. When monitoring is not done timely or there is failure to identify or document
6 noncompliance, the Department may intervene in the particular service in question. Department
7 intervention shall include one or more of the following activities:

8 (1) Sending staff of the Department to the county departments of social services
9 to provide technical assistance and to monitor the services being provided by
10 the facility.

11 (2) Advising county personnel as to appropriate policies and procedures.

12 (3) Establishing a plan of action to correct county performance.

13 The Secretary may determine that the Department shall assume the county's regulatory
14 responsibility for the county's adult care homes.

15 **"§ 131D-2.12. Training requirements; county departments of social services.**

16 (a) The county departments of social services' adult home specialists and their
17 supervisors shall complete:

18 (1) Eight hours of prebasic training within 60 days of employment;

19 (2) Thirty-two hours of basic training within six months of employment;

20 (3) Twenty-four hours of postbasic training within six months of the basic
21 training program;

22 (4) A minimum of eight hours of complaint investigation training within six
23 months of employment; and

24 (5) A minimum of 16 hours of statewide training annually by the Division of
25 Health Service Regulation.

26 (b) The joint training requirements by the Department shall be as provided in
27 G.S. 143B-139.5B.

28 **"§ 131D-2.13. Departmental duties.**

29 (a) Enforcement of Room Ventilation and Temperature. – The Department shall
30 monitor regularly the enforcement of rules pertaining to air circulation, ventilation, and room
31 temperature in resident living quarters. These rules shall include the requirement that air
32 conditioning or at least one fan per resident bedroom and living and dining areas be provided
33 when the temperature in the main center corridor exceeds 80 degrees Fahrenheit.

34 (b) Administrator Directory. – The Department shall keep an up-to-date directory of all
35 persons who are administrators as defined in G.S. 131D-2.1.

36 (c) Departmental Complaint Hotline. – Adult care homes shall post the Division of
37 Health Service Regulation's complaint hotline number conspicuously in a public place in the
38 facility.

39 (d) Provider File. – The Department of Health and Human Services shall establish and
40 maintain a provider file to record and monitor compliance histories of facilities, owners,
41 operators, and affiliates of nursing homes and adult care homes.

42 (e) Report on Use of Restraint. – The Department shall report annually on October 1 to
43 the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and
44 Substance Abuse Services the following for the immediately preceding fiscal year:

45 (1) The level of compliance of each adult care home with applicable State law
46 and rules governing the use of physical restraint and physical hold of
47 residents. The information shall indicate areas of highest and lowest levels of
48 compliance.

49 (2) The total number of adult care homes that reported deaths under
50 G.S. 131D-34.1, the number of deaths reported by each facility, the number
51 of deaths investigated pursuant to G.S. 131D-34.1, and the number found by

the investigation to be related to the adult care home's use of physical restraint or physical hold.

"§ 131D-2.14. Confidentiality.

Notwithstanding G.S. 8-53 or any other law relating to confidentiality of communications between physician and patient, in the course of an inspection conducted under G.S. 131D-2.11:

- (1) Department representatives may review any writing or other record concerning the admission, discharge, medication, care, medical condition, or history of any person who is or has been a resident of the facility being inspected, and
- (2) Any person involved in giving care or treatment at or through the facility may disclose information to Department representatives unless the resident objects in writing to review of his records or disclosure of such information.
- (3) The facility, its employees, and any other person interviewed in the course of an inspection shall be immune from liability for damages resulting from disclosure of any information to the Department. The Department shall not disclose:
 - a. Any confidential or privileged information obtained under this section unless the resident or his legal representative authorizes disclosure in writing or unless a court of competent jurisdiction orders disclosure, or
 - b. The name of anyone who has furnished information concerning a facility without that person's consent.

The Department shall institute appropriate policies and procedures to ensure that unauthorized disclosure does not occur. All confidential or privileged information obtained under this section and the names of persons providing such information shall be exempt from Chapter 132 of the General Statutes.

- (4) Notwithstanding any law to the contrary, Chapter 132 of the General Statutes, the Public Records Law, applies to all records of the State Division of Social Services of the Department of Health and Human Services and of any county department of social services regarding inspections of domiciliary care facilities except for information in the records that is confidential or privileged, including medical records, or that contains the names of residents or complainants.

"§ 131D-2.15. Resident assessments.

(a) The Department shall ensure that facilities conduct and complete an assessment of each resident within 72 hours of admitting the resident and annually thereafter. In conducting the assessment, the facility shall use an assessment instrument approved by the Secretary upon the advice of the Director of the Division of Aging and Adult Services. The Department shall provide ongoing training for facility personnel in the use of the approved assessment instrument.

The facility shall use the assessment to develop appropriate and comprehensive service plans and care plans and to determine the level and type of facility staff that is needed to meet the needs of residents. The assessment shall determine a resident's level of functioning and shall include, but not be limited to, cognitive status and physical functioning in activities of daily living. Activities of daily living are personal functions essential for the health and well-being of the resident. The assessment shall not serve as the basis for medical care. The assessment shall indicate if the resident requires referral to the resident's physician or other appropriate licensed health care professional or community resource.

(b) The Department, as part of its inspection and licensing of adult care homes, shall review assessments and related service plans and care plans for a selected number of residents. In conducting this review, the Department shall determine:

- (1) Whether the appropriate assessment instrument was administered and interpreted correctly;
- (2) Whether the facility is capable of providing the necessary services;
- (3) Whether the service plan or care plan conforms to the results of an appropriately administered and interpreted assessment; and
- (4) Whether the service plans or care plans are being implemented fully and in accordance with an appropriately administered and interpreted assessment.

(c) If the Department finds that the facility is not carrying out its assessment responsibilities in accordance with this section, the Department shall notify the facility and require the facility to implement a corrective action plan. The Department shall also notify the resident of the results of its review of the assessment, service plans, and care plans developed for the resident. In addition to administrative penalties, the Secretary may suspend the admission of any new residents to the facility. The suspension shall be for the period determined by the Secretary and shall remain in effect until the Secretary is satisfied that conditions or circumstances merit removing the suspension.

"§ 131D-2.16. Suspension of admissions.

(a) In addition to the administrative penalties described in G.S. 131D-2.8, the Secretary may suspend the admission of any new residents to an adult care home where the conditions of the adult care home are detrimental to the health or safety of the residents. This suspension shall be for the period determined by the Secretary and shall remain in effect until the Secretary is satisfied that conditions or circumstances merit removing the suspension.

(b) In imposing a suspension under this section, the Secretary shall consider the following factors:

- (1) The degree of sanctions necessary to ensure compliance with this section and rules adopted hereunder; and
- (2) The character and degree of impact of the conditions at the home on the health or safety of its residents.

(c) The Secretary of Health and Human Services shall adopt rules to implement this section.

(d) Any facility wishing to contest a suspension of admissions shall be entitled to an administrative hearing as provided in the Administrative Procedure Act, Chapter 150B of the General Statutes. A petition for a contested case shall be filed within 20 days after the Department mails a notice of suspension of admissions to the licensee.

"§ 131D-2.17. Rules.

Except as otherwise provided in this Article, the Medical Care Commission shall adopt rules necessary to carry out this Article. The Commission has the authority, in adopting rules, to specify the limitation of nursing services provided by assisted living residences. In developing rules, the Commission shall consider the need to ensure comparable quality of services provided to residents, whether these services are provided directly by a licensed assisted living provider, licensed home care agency, or hospice. In adult care homes, living arrangements where residents require supervision due to cognitive impairments, rules shall be adopted to ensure that supervision is appropriate and adequate to meet the special needs of these residents. Rule-making authority under this section is in addition to that conferred under G.S. 131D-4.3 and G.S. 131D-4.5.

"§ 131D-2.18. Impact on other laws; severability.

(a) Nothing in this section shall be construed to supersede any federal or State antitrust, antikickback, or safe harbor laws or regulations.

1 (b) If any provisions of this section or the application of it to any person or
2 circumstance is held invalid, the invalidity does not affect other provisions or applications of
3 the section which can be given effect without the invalid provision or application, and to this
4 end the provisions of this section are severable.

5 **"§ 131D-2.19. Application of other laws.**

6 (a) Certification of assisted living administrators shall be as provided under Article 20A
7 of Chapter 90 of the General Statutes.

8 (b) Compliance with the Health Care Personnel Registry shall be as provided under
9 G.S. 131E-256.

10 (c) Rules for the operation of the adult care portion of a combination home, as defined
11 in G.S. 131E-101, shall be as provided in G.S. 131E-104."

12 **SECTION 2:** G.S. 131D-41 and G.S. 131D-42 are repealed.

13 **SECTION 3.** This act becomes effective October 1, 2009. Licenses issued
14 pursuant to G.S. 131D-2 remain effective until the date of annual renewal at which time Part 1
15 of Article 1 of Chapter 131D of the General Statutes shall apply. In all other respects,
16 beginning October 1, 2009, Part 1 of Article 1 of Chapter 131D shall apply to the operation of
17 facilities currently licensed under G.S. 131D-2.

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 456 A BILL TO BE ENTITLED AN ACT TO MAKE TECHNICAL AND ORGANIZATIONAL CHANGES TO THE LAW REGARDING THE LICENSURE AND INSPECTION OF FACILITIES FOR AGED AND DISABLED INDIVIDUALS.

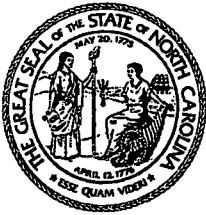
☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on JUDICIARY II.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.



HOUSE BILL 1129: Clarify Silver Alert-All Ages

2009-2010 General Assembly

Committee:	House Aging, if favorable, State Government/State Personnel	Date:	April 12, 2009
Introduced by:	Reps. Mobley, Parmon, Womble, Burris-Floyd	Prepared by:	Sara Kamprath Legislative Analyst
Analysis of:	First Edition		

BILL ANALYSIS: House Bill 1129 amends the legislation that established the North Carolina Silver Alert System to clarify that a Silver Alert may be issued for a person of any age who is believed to be suffering from dementia or other cognitive impairment and is reported missing. In one subsection of the bill, the word "adult" is changed to the word "person" and thereby makes the language consistent throughout the statute.

CURRENT LAW:

Part 5A of G.S. 143B establishes the North Carolina Center for Missing Persons ("the Center"). The purpose of this organization is to serve as a central repository for information regarding missing persons in North Carolina, with an emphasis on missing children.

In 2007, the General Assembly enacted G.S. 143B-499.8 which established the "Silver Alert System" within the Center to provide a statewide alert system for rapid dissemination of information regarding missing individuals 18 years of age and older believed to be suffering from dementia or other cognitive impairment. The North Carolina Center for Missing Persons is the only agency that can activate a Silver Alert and does so only at the request of an investigating law enforcement agency. The investigating local law enforcement agency and the Center work jointly to notify the surrounding community and radio and television broadcasters about the missing endangered person. If appropriate, the North Carolina Department of Transportation will activate electronic highway signs to inform the public about the missing endangered adult.

At the recommendation of the Joint Study Committee on Autism Spectrum Disorder and Public Safety, the 2008 General Assembly removed the requirement that the missing person had to be 18 years or older before a Silver Alert was issued.

EFFECTIVE DATE: The act is effective when it becomes law.

BACKGROUND: In the first quarter (January – March) of 2009, 67 Silver Alerts were issued and 65 missing persons have been recovered unharmed.

Colorado, Georgia, Missouri, Oklahoma, Texas, and Virginia also have Silver Alert Programs in place.

H1129-SMRJ-29(e1) v2

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 1129

Short Title: Clarify Silver Alert-All Ages.

(Public)

Sponsors: Representatives Mobley, Parmon, Womble, Burris-Floyd (Primary Sponsors); Adams, K. Alexander, M. Alexander, Allen, Bryant, Farmer-Butterfield, Fisher, Glazier, Hall, Harrison, Holliman, Hurley, Insko, Jones, Lucas, Luebke, Martin, Pierce, Rapp, Ross, Samuelson, Stevens, Tarleton, Weiss, and Wray.

Referred to: Aging, if favorable, State Government/State Personnel.

April 7, 2009

A BILL TO BE ENTITLED
AN ACT TO CLARIFY A SILVER ALERT MAY BE ISSUED FOR A PERSON OF ANY
AGE WHO IS BELIEVED TO BE SUFFERING FROM DEMENTIA OR OTHER
COGNITIVE IMPAIRMENT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 143B-499.8 reads as rewritten:

"§ 143B-499.8. North Carolina Silver Alert System established.

(a) There is established within the North Carolina Center for Missing Persons the Silver Alert System. The purpose of the Silver Alert System is to provide a statewide system for the rapid dissemination of information regarding a missing person who is believed to be suffering from dementia or other cognitive impairment.

(b) If the Center receives a report that involves a missing person who is believed to be suffering from dementia or other cognitive impairment, for the protection of the missing person from potential abuse or other physical harm, neglect, or exploitation, the Center shall issue an alert providing for rapid dissemination of information statewide regarding the missing person. The Center shall make every effort to disseminate the information as quickly as possible when the person's status as missing has been reported to a law enforcement agency.

(c) The Center shall adopt guidelines and develop procedures for issuing an alert for missing persons believed to be suffering from dementia or other cognitive impairment and shall provide education and training to encourage radio and television broadcasters to participate in the alert. The guidelines and procedures shall ensure that specific health information about the missing person is not made public through the alert or otherwise.

(d) The Center shall consult with the Department of Transportation and develop a procedure for the use of overhead permanent changeable message signs to provide information on the missing ~~adult~~ person meeting the criteria of this section when information is available that would enable motorists to assist in the recovery of the missing person. The Center and the Department of Transportation shall develop guidelines for the content, length, and frequency of any message to be placed on an overhead permanent changeable message sign."

SECTION 2. This act is effective when it becomes law.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

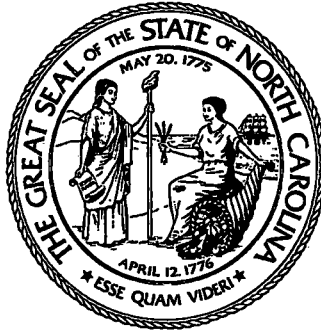
HB 1129 A BILL TO BE ENTITLED AN ACT TO CLARIFY A SILVER
ALERT MAY BE ISSUED FOR A PERSON OF ANY AGE WHO IS BELIEVED TO BE
SUFFERING FROM DEMENTIA OR OTHER COGNITIVE IMPAIRMENT.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on
STATE GOVERNMENT/STATE PERSONNEL.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.



HOUSE COMMITTEE ON AGING
Wednesday, April 22, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

SPEAKER:

Mr. Kenneth R. Strawberry
Retired, United States Department of State

BILLS:

HB 1130, Senior Prop 13 Tax Relief
Representatives Mobley and Womble
(If favorable, Judiciary I, if favorable Finance)

HB 1186, DHHS/Update Inspections Practices – AB
Representatives Earle, M. Alexander, Lucas and England
(If favorable, Health)

HB 1310, Insurance Premium Discount/Prevention Course
Representative Underhill
(If favorable, Insurance)

ADJOURNMENT

HOUSE COMMITTEE ON AGING
Room 415 LOB
April 22, 2009
11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, April 22, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Garland Pierce, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. Alma Adams; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Beverly Earle; Rep. Darren Jackson; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle.

Representative Garland Pierce presided over the meeting in the absence of Representative Jean Farmer-Butterfield. He recognized the Sergeants-At-Arms and Pages. A copy of the Visitors Sheet is attached and included with the minutes.

Representative Beverly Earle was recognized to present **HB 1186, DHHS/Update Current Inspection Practices.-AB**. There was a motion to adopt a Proposed Committee Substitute (PCS) for discussion only. The motion passed.

HB 1186 authorizes county departments of social services to conduct follow-up monitoring of adult care homes to ensure compliance with state and federal law, and removes the requirement that the Department of Health Services Regulation perform follow-up inspections. The PCS adds Section 1(b) and Section 2 to contemplate the enactment of HB 456 which rewrites current G.S. 131D-2. The PCS for HB 456 received a favorable report from the House Aging Committee on April 15, 2009. HB 1186 would become effective when it becomes law. A copy of the bill, the PCS, and the bill summary are attached.

Representative Pierce recognized Theresa Matula from the Research staff to explain the technical changes of the bill to the committee. Representative Earle added that the state would still perform annual inspections and DHHS would do a follow-up. Representative Alma Adams moved that the committee substitute for HB 1186 receive a favorable report, unfavorable as to the original bill, and be re-referred to the Committee on Health. The motion passed.

Representative Alice Underwood was recognized to **present HB 1310, Premium Discount/Prevention Course**. This bill authorizes a motor vehicle insurance premium

rate reduction of at least 10% for liability and physical damage coverage for insured individuals age 55 or older who successfully complete motor vehicle accident prevention courses approved by the Commissioner of Motor Vehicles. Section 1 of the bill would become effective January 1, 2010. Sections 2 and 3 would become effective when they become law. The bill specifies that the act applies only to nonfleet private passenger motor vehicle insurance policies that are issued or renewed on or after January 1, 2010. A copy of the bill and bill summary are attached.

Representative Underwood stated that she would ask the Fiscal Research staff to prepare a fiscal note for this bill. The Chair recognized Representatives Boles, McCormick, Mobley, and Weiss, who each spoke on the bill. He also recognized Ms. Jennifer M. Cohen, Executive Director of the Insurance Federation of North Carolina, for comments. Representative Underwood offered to displace the bill until she received additional data from staff to present to the committee. Representative McCormick moved that the bill be displaced. The motion passed.

Representative Annie Mobley was recognized to present **HB 1130, Senior Property Tax Relief**. This bill would amend the North Carolina Constitution to permit certain exceptions to the uniformity requirement of Section 2 (State and local taxation) of Article V (Finance) and would freeze the appraised value of the permit residence of certain seniors who qualify for the new senior homestead tax relief. Sections 4 through 8 of this act become effective only if the constitutional amendment proposed by Section 1 is approved. If the constitutional amendment is approved, Sections 4 through 8 of this act become effective for taxes imposed for taxable years beginning on or after July 1, 2010. The remainder of the bill becomes effective when it becomes law. A copy of the bill and bill summary are attached.

Mr. Kenneth Strawberry, a retired federal employee and member of the National Association of Retired Federal Employees (NARFE), was recognized by Representative Mobley to comment on the bill. A copy of his statement is attached.

Representative Jennifer Weiss asked staff for an interpretation of the bill's intent. Martha Walston, an attorney with Fiscal Research, commented that in order to qualify for the tax relief, an individual must be at least 70 years of age and be the primary resident of the home for at least five years. The value of the house will not increase during a general reappraisal but they will still pay the same tax rate. She added that this bill would require an amendment to the state Constitution because of the tax rate "fairness" clause in the constitution.

Representative Pierce recognized Representatives McCormick and Boles for comments and then recognized Representative Larry Womble, one of the bill sponsors, who spoke in favor of the bill. House bill 1130 was then displaced at the request of the sponsor.

There being no further business, the meeting was adjourned at 11:50 am.

Respectfully submitted,

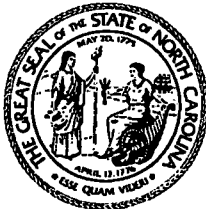
A handwritten signature in black ink, appearing to read "Garland Pierce", written over a horizontal line.

Representative Garland Pierce
Presiding Chair

A handwritten signature in black ink, appearing to read "Ruth Merkle", written over a horizontal line.

Ruth Merkle
Committee Clerk

8/26/09



Displaced

HOUSE BILL 1130: Senior Prop 13 Property Tax Relief

2009-2010 General Assembly

Committee:	House Aging, if favorable, Judiciary I, if favorable, Finance	Date:	April 22, 2009
Introduced by:	Reps. Mobley, Womble	Prepared by:	Sara Kamprath
Analysis of:	First Edition		Committee Staff

SUMMARY: *House Bill 1130 would amend the North Carolina Constitution to permit certain exceptions to the uniformity requirement of Section 2 (State and local taxation.) of Article V (Finance) and would freeze the appraised value of the permanent residence of certain seniors who qualify for the new senior homestead tax relief.*

This bill has a serial referral to Judiciary I and, if favorable, to the Finance.

CURRENT LAW:

The homestead property tax exclusion is a partial exclusion from property taxes for a permanent residence.¹ The exclusion amount is the greater of \$25,000 or 50% of the tax value of the home. A qualifying individual is a person who:

- (1) is either age 65 or older or totally and permanently disabled² and
- (2) until July 1, 2003, has an income of not more than \$18,000. For every year thereafter, the income eligibility amount is indexed by a percentage equal to the cost-of-living adjustment (COLA) percentage used to increase social security benefits for the preceding calendar year. The COLAs are based on increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers from the third quarter of the prior year to the corresponding quarter for the current year in which the COLA is effective. The COLA for 2009 is 2.3%, and the income eligibility limit is \$25,600.

BILL ANALYSIS: House Bill 1130 proposes a property tax benefit (the senior homestead tax relief) for North Carolina residents who are qualifying owners and meet all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

- the owner is at least 70 years of age
- the owner has occupied the property as a permanent residence for at least 5 years

Limitation

Upon qualifying, the appraised value of the owner's permanent residence is frozen at the value set during the last general reappraisal and does not increase at the time of subsequent general reappraisals after July 1, 2010 unless:

- There is a physical change in the land or to improvements on the land other than those listed in G.S. 105-287(b)³ or
- The qualifying owner no longer occupies the residence as a permanent residence

¹ Permanent residence is a person's legal residence. It includes the dwelling, the dwelling site, not to exceed one acre, and related improvements. The dwelling may be a single family residence, a unit in a multi-family residential complex, or a manufactured home.

² Totally and permanently disabled refers to a person who has a physical or mental impairment that substantially precludes him or her from obtaining gainful employment and appears reasonably certain to continue without substantial improvement throughout his or her life.

House Bill 1130

Page 2

A temporary absence from the residence for reasons of health or confinement to a rest home or nursing home do not result in a loss of the tax benefit so long as the residence remains unoccupied or occupied by the owner's spouse or other dependent.

Application

An applicant for property tax relief should be filed during the regular listing period, but may be filed and must be accepted through June 1 preceding the tax year for which the relief is claimed.

Need for Constitutional Amendment

In order to effectuate these changes, a Constitutional amendment is required. Under subsections (2) and (5) of Section 2 of Article 5 of the North Carolina Constitution, the "power to classify property for taxation...shall be exercised only on a State-wide basis..... No class of property shall be taxed except by uniform rule, and every classification shall be made by general law uniformly applicable in every county, city and town, and other unit of local government." In addition, "[t]he General Assembly shall not authorize [a] levy of taxes on property, except for purposes authorized by general law uniformly applicable throughout the State...." Read together, our Courts have stated that taxing is required to be by uniform rule, that is, by one and the same unvarying standard used throughout the extent of the territory to which the tax is applicable. In order to invoke a different standard for determining the appraisal value of qualifying owners (i.e. determining the appraisal value by using the previous appraisal value as opposed to using the true value for non-qualifying owners), an amendment is needed.

Sections 1 and 2 of the bill provide the language for the Constitutional amendment and the language for the question that shall be submitted to the voters in a general election to be held November 2, 2010. If a majority of votes are cast in favor of the amendment, the State Board of Elections shall certify that amendment to the Secretary of State. The amendment becomes effective upon the certification.

EFFECTIVE DATE: Sections 4 through 8 of this act become effective only if the constitutional amendment proposed by Section 1 is approved. If the constitutional amendment is approved, Sections 4 through 8 of this act become effective for taxes imposed for taxable years beginning on or after July 1, 2010. The remainder of the bill becomes effective when it becomes law.

³G.S. 105-287(b) lists the following changes: normal, physical depreciation of improvements; inflation, deflation, or other economic changes affecting the county in general; betterments to the property made by repainting, terracing, landscape gardening, fire protection for forests, impounding water for conservation purposes.

Dan Ettefagh, Staff Attorney, Bill Drafting, contributed significantly to this summary.

H1130-SMRJ-38(e1) v1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1130

Short Title: Senior Prop 13 Property Tax Relief. (Public)

Sponsors: Representatives Mobley, Womble (Primary Sponsors); Adams, Blue, Bryant, Earle, Farmer-Butterfield, Fisher, Hall, Holliman, Jones, Parmon, Pierce, Rapp, Starnes, and Wray.

Referred to: Aging, if favorable, Judiciary I, if favorable, Finance.

April 7, 2009

A BILL TO BE ENTITLED

AN ACT TO FREEZE THE APPRAISED VALUE OF THE PERMANENT RESIDENCE OF CERTAIN SENIORS AND TO AMEND THE CONSTITUTION TO PERMIT A LIMITATION ON THE INCREASE IN THE APPRAISED VALUE OF CERTAIN RESIDENCES.

The General Assembly of North Carolina enacts:

SECTION 1. Section 2 of Article V of the North Carolina Constitution is amended by adding a new subsection to read:

"(8) Notwithstanding subsections (2) and (5) of this section, the General Assembly may both enact general laws uniformly applicable throughout the State requiring that during a general reappraisal a county may not increase the growth in the assessed value of a permanent residence by more than an amount specified in the law and enact general laws uniformly applicable throughout the State requiring that during a general reappraisal a county may vary the increase of the growth in the assessed value of a permanent residence on the basis of whether the owner has occupied the property as a permanent residence for at least five years."

SECTION 2. The amendment set out in Section 1 of this act shall be submitted to the qualified voters of the State at a general election to be held on November 2, 2010. The qualified election shall be conducted under the laws then governing elections in the State. Ballots, voting systems, or both may be used in accordance with Chapter 163 of the General Statutes. The question to be used in the voting systems and ballots shall be:

"[] FOR [] AGAINST

Constitutional amendment authorizing the General Assembly to limit the growth in the assessed value of a permanent residence owned and occupied by a qualifying owner."

SECTION 3. If the majority of the votes cast on the question are in favor of the amendment set out in Section 1 of this act, the State Board of Elections shall certify that amendment to the Secretary of State. The amendment becomes effective upon this certification. The Secretary of State shall enroll the amendment so certified among the permanent records of that office.

SECTION 4. G.S. 105-277.1(b)(3a) reads as rewritten:

"(b) Definitions. – The following definitions apply in this section:

...

(3a) Property tax relief. – The property tax homestead exclusion provided in this section, the property tax homestead circuit breaker provided in G.S. 105-277.1B, or the disabled veteran property tax homestead exclusion



provided in ~~G.S. 105-277.1C~~ G.S. 105-277.1C, or the senior homestead tax relief provided in G.S. 105-277.1D.

...."

SECTION 5. G.S. 105-283 reads as rewritten:

"§ 105-283. Uniform appraisal standards.

~~All~~ Except as provided in G.S. 105-277.1D, all property, real and personal, shall as far as practicable be appraised or valued at its true value in money. When used in this Subchapter, the words "true value" shall be interpreted as meaning market value, that is, the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used. For the purposes of this section, the acquisition of an interest in land by an entity having the power of eminent domain with respect to the interest acquired shall not be considered competent evidence of the true value in money of comparable land."

SECTION 6. Article 12 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-277.1D. Senior homestead tax relief.

(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and is taxable in accordance with this section.

(b) Definitions. – The definitions provided in G.S. 105-277.1 apply to this section.

(c) Qualifying Owner. – For the purpose of qualifying for the senior homestead tax relief under this section, a qualifying owner is an owner who meets all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

(1) The owner is at least 70 years of age.

(2) The owner has occupied the property as a permanent residence for at least five years.

(3) The owner is a North Carolina resident.

(d) Limitation. – Except as provided in subsection (e) of this section, the appraised value of the permanent residence of a qualifying owner shall not increase at the time of subsequent general reappraisals conducted pursuant to G.S. 105-286 after July 1, 2010.

(e) Exceptions. – The county shall reappraise the permanent residence of a qualifying owner at its true value in a year in which any of the following conditions are met:

(1) There is a physical change in the land or to improvements on the land other than a change listed in G.S. 105-287(b). A residence reappraised at its true value under this subdivision shall be subject to subsection (d) of this section at the time of subsequent reappraisals conducted pursuant to G.S. 105-286.

(2) Except as provided in subsection (f) of this section, the qualifying owner no longer occupies the residence as a permanent residence.

(f) Temporary Absence. – An otherwise qualifying owner does not lose the benefit of this tax relief because of a temporary absence from his or her permanent residence for reasons of health, or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by the owner's spouse or other dependent.

(g) Application. – An application for property tax relief provided by this section should be filed during the regular listing period, but may be filed and must be accepted at any time up to and through June 1 preceding the tax year for which the relief is claimed. Persons may apply for this property tax relief by entering the appropriate information on a form made available by the assessor under G.S. 105-282.1.

(h) Multiple Ownership. – When a permanent residence is owned and occupied by two or more persons other than husband and wife, no property tax relief is allowed under this section unless all of the owners qualify."

1 **SECTION 7.** G.S. 105-282.1(a)(2) reads as rewritten:

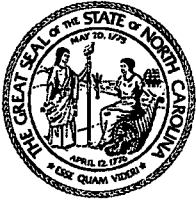
2 "(2) Single application required. – An owner of one or more of the following
3 properties eligible for a property tax benefit must file an application for the
4 benefit to receive it. Once the application has been approved, the owner does
5 not need to file an application in subsequent years unless new or additional
6 property is acquired or improvements are added or removed, necessitating a
7 change in the valuation of the property, or there is a change in the use of the
8 property or the qualifications or eligibility of the taxpayer necessitating a
9 review of the benefit.

- 10 a. Property exempted from taxation under G.S. 105-278.3, 105-278.4,
11 105-278.5, 105-278.6, 105-278.7, or 105-278.8..
12 b. Special classes of property excluded from taxation under
13 G.S. 105-275(3), (7), (8), (12), (17), (18), (19), (20), (21), (31e), (35),
14 (36), (38), (39), or (41) or under G.S. 131A-21.
15 c. Special classes of property classified for taxation at a reduced
16 valuation under G.S. 105-277(h), 105-277.1, 105-277.1C,
17 105-277.10, 105-277.13, 105-278, or 105-277.15.
18 d. Property owned by a nonprofit homeowners' association but where
19 the value of the property is included in the appraisals of property
20 owned by members of the association under G.S. 105-277.8.
21 e. Repealed by Session Laws 2008-35, s. 1.2, effective for taxes
22 imposed for taxable years beginning on or after July 1, 2008.
23 f. Special classes of property eligible for tax relief under
24 G.S. 105-277.1D."

25 **SECTION 8.** G.S. 105-309(f) reads as rewritten:

26 "(f) The assessor must print a homestead tax relief notice on each abstract or on an
27 information sheet distributed with the abstract. The abstract or sheet must include the address
28 and telephone number of the assessor below the notice required by this section. The notice must
29 be in the form required by the Department of Revenue designed to notify the taxpayer of his or
30 her rights and responsibilities under the homestead property tax exclusion provided in
31 ~~G.S. 105-277.1~~ and G.S. 105-277.1, the property tax homestead circuit breaker provided in
32 ~~G.S. 105-277.1B~~, G.S. 105-277.1B, and the senior homestead tax relief provided in
33 G.S. 105-277.1D."

34 **SECTION 9.** Sections 4 through 8 of this act become effective only if the
35 constitutional amendment proposed by Section 1 of this act is approved as provided in Sections
36 2 and 3 of this act. If the constitutional amendment is approved, Sections 4 through 8 of this
37 act become effective for taxes imposed for taxable years beginning on or after July 1, 2010.
38 The remainder of this act is effective when it becomes law.



HOUSE BILL 1186: DHHS/Update Current Inspection Practices.-AB

2009-2010 General Assembly

Committee:	House Aging, if favorable, Health	Date:	April 21, 2009
Introduced by:	Reps. Earle, M. Alexander, Lucas, England	Prepared by:	Theresa Matula
Analysis of:	PCS to First Edition		Committee Staff
	H1186-CSSH-29		

SUMMARY: *HB 1186 removes the requirement that the Department of Health Service Regulation perform follow-up inspections.*

The Proposed Committee Substitute adds Section 1(b) and Section 2 to contemplate the enactment of HB 456 which rewrites current G.S. 131D-2. The PCS for HB 456 received a favorable report from the H. Aging Committee on 4/15/09.

CURRENT LAW:

G.S. 131D-2(b)(1a)b. requires the Department of Health and Human Services to work with county departments of social services to perform routine monitoring in adult care homes. The purpose of the monitoring is to ensure compliance with State and federal laws, rules, and regulations in accordance with policy and procedures established by the Division of Health Service Regulation. The Division of Health Service Regulation is responsible for oversight of the monitoring and for performing any required follow-up inspections.

BILL ANALYSIS:

Section 1(a) of the PCS for House Bill 1186 amends G.S. 131D-2(b)(1a)b. to delete the requirement of Division of Health Service Regulation from performing required follow up inspections.

Section 1(b) repeals section 1(a) if House Bill 456, 2009 Regular Session, becomes law.

If House Bill 456 is enacted, Section 2 amends G.S. 131D-2.11(b) to conform with the amendments in section 1(a) of House Bill 1186.

EFFECTIVE DATE:

House Bill 1186 would become effective when it becomes law.

H1186-SMSH-73(CSSH-29) v1

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 1186

Short Title:	DHHS/Update Current Inspection Practices.-AB	(Public)
Sponsors:	Representatives Earle, M. Alexander, Lucas, England (Primary Sponsors); Brisson, Faison, Glazier, Harrison, Insko, and Wainwright.	
Referred to:	Aging, if favorable, Health.	

April 8, 2009

A BILL TO BE ENTITLED
AN ACT TO AUTHORIZE COUNTY DEPARTMENTS OF SOCIAL SERVICES TO
CONDUCT FOLLOW-UP MONITORING OF ADULT CARE HOMES TO ENSURE
COMPLIANCE WITH STATE AND FEDERAL LAW.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 131D-2(b)(1a)b. reads as rewritten:

"...

(b) Licensure; inspections. --

...

(1a) In addition to the licensing and inspection requirements mandated by subdivision (1) of this subsection:

a. The Department shall ensure that adult care homes required to be licensed by this Article are monitored for licensure compliance on a regular basis. All facilities licensed under this Article and adult care units in nursing homes are subject to inspections at all times by the Secretary. The Division of Health Service Regulation shall inspect all adult care homes and adult care units in nursing homes on an annual basis, effective July 1, 2007, and thereafter. In addition, the Department shall ensure that adult care homes are inspected every two years to determine compliance with physical plant and life-safety requirements.

b. The Department shall work with county departments of social services to do the routine monitoring in adult care homes to ensure compliance with State and federal laws, rules, and regulations in accordance with policy and procedures established by the Division of Health Service Regulation and to have the Division of Health Service Regulation oversee this ~~monitoring and perform any required follow-up inspection monitoring~~. The county departments of social services shall document in a written report all on-site visits, including monitoring visits, revisits, and complaint investigations. The county departments of social services shall submit to the Division of Health Service Regulation written reports of each facility visit within 20 working days of the visit.

..., "

SECTION 2. This act is effective when it becomes law.



**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

D

**HOUSE BILL 1186
PROPOSED COMMITTEE SUBSTITUTE H1186-CSSH-29 [v.4]**

4/21/2009 4:23:53 PM

Short Title: DHHS/Update Current Inspection Practices.-AB

(Public)

Sponsors:

Referred to:

April 8, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE COUNTY DEPARTMENTS OF SOCIAL SERVICES TO
3 CONDUCT FOLLOW-UP MONITORING OF ADULT CARE HOMES TO ENSURE
4 COMPLIANCE WITH STATE AND FEDERAL LAW.
5 The General Assembly of North Carolina enacts:
6 SECTION 1(a). G.S. 131D-2(b)(1a)b. reads as rewritten:
7 "...
8 (b) Licensure; inspections. –
9 ...
10 (1a) In addition to the licensing and inspection requirements mandated by
11 subdivision (1) of this subsection:
12 a. The Department shall ensure that adult care homes required to be
13 licensed by this Article are monitored for licensure compliance on a
14 regular basis. All facilities licensed under this Article and adult care
15 units in nursing homes are subject to inspections at all times by the
16 Secretary. The Division of Health Service Regulation shall inspect all
17 adult care homes and adult care units in nursing homes on an annual
18 basis, effective July 1, 2007, and thereafter. In addition, the
19 Department shall ensure that adult care homes are inspected every
20 two years to determine compliance with physical plant and life-safety
21 requirements.
22 b. The Department shall work with county departments of social
23 services to do the routine monitoring in adult care homes to ensure
24 compliance with State and federal laws, rules, and regulations in
25 accordance with policy and procedures established by the Division of
26 Health Service Regulation and to have the Division of Health Service
27 Regulation oversee this ~~monitoring and perform any required~~
28 ~~follow-up inspection monitoring.~~ The county departments of social
29 services shall document in a written report all on-site visits, including
30 monitoring visits, revisits, and complaint investigations. The county
31 departments of social services shall submit to the Division of Health
32 Service Regulation written reports of each facility visit within 20
33 working days of the visit.
34"

1 **SECTION 1(b).** If House Bill 456, 2009 Regular Session, becomes law, this
2 Section is repealed.

3 **SECTION 2.** If House Bill 456, 2009 Regular Session, becomes law, G.S. 131D-
4 2.11(b) reads as rewritten:

5 "**§ 131D-2.11. Inspections, monitoring, and review by State agency and county**
6 **departments of social services.**

7 ...
8 (b) Monitoring by County. – The Department shall work with county departments of
9 social services to do the routine monitoring in adult care homes to ensure compliance with
10 State and federal laws, rules, and regulations in accordance with policy and procedures
11 established by the Division of Health Service Regulation and to have the Division of Health
12 Service Regulation oversee this monitoring. ~~monitoring and perform any required follow up~~
13 ~~inspection.~~ The county departments of social services shall document in a written report all on
14 site visits, including monitoring visits, revisits, and complaint investigations. The county
15 departments of social services shall submit to the Division of Health Service Regulation written
16 reports of each facility visit within 20 working days of the visit."

17 **SECTION 3.** This act is effective when it becomes law.

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1186

A BILL TO BE ENTITLED AN ACT TO AUTHORIZE COUNTY DEPARTMENTS OF SOCIAL SERVICES TO CONDUCT FOLLOW-UP MONITORING OF ADULT CARE HOMES TO ENSURE COMPLIANCE WITH STATE AND FEDERAL LAW.

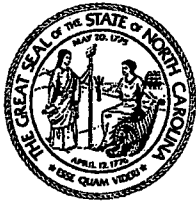
☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.



HOUSE BILL 1310: Insurance Premium Discount/Prevention Course

2009-2010 General Assembly

Committee: House Aging, if favorable, Insurance
Introduced by: Rep. Underhill
Analysis of: First Edition

Date: April 21, 2009
Prepared by: Theresa Matula
Committee Staff

SUMMARY: *House Bill 1310 authorizes a motor vehicle insurance premium rate reduction of at least 10% for liability and physical damage coverage for insured individuals age 55 or older who successfully complete motor vehicle accident prevention courses approved by the Commissioner of Motor Vehicles.*

CURRENT LAW:

Article 36 of Chapter 58 creates the North Carolina Rate Bureau, establishes jurisdiction, outlines the method of rate making, specifies notification of coverage or rate change, requires a Safe Driver Incentive Plan, and provides for the termination of policies, among other items.

G.S. 58-36-65 pertains to the Safe Driver Incentive Plan for nonfleet private passenger motor vehicle insurance.

BILL ANALYSIS:

Section 1 of House Bill 1310 amends Article 36 of Chapter 58 to add G.S. 58-36-66 regarding a motor vehicle premium rate reduction for completion of accident prevention course. The bill allows for a premium rate reduction of at least 10% for liability and physical damage coverage for those insured individuals age 55 and older that successfully complete motor vehicle accident prevention courses approved by the Commissioner of Motor Vehicles.

Upon completion of an approved course, the sponsor of the course will issue a certificate on a form approved by the Commissioner of Motor Vehicles. This certificate will serve as evidence of qualification for the rate reduction. The rate reduction would be in effect for three years following a policy issuance or renewal. The course must be completed every three years to remain eligible for the reduction. The bill also provides that rate reductions are not allowed for the following:

- Self-instructed courses;
- Courses not providing actual classroom instruction for the minimum number of hours specified by the Commissioner of Motor Vehicles.
- Courses that are required by a court order, a Division of Motor Vehicles order or regulation, or a statutory mandate.

Insured individuals with more than two assessed Safe Driver Incentive Plan points are not eligible for the accident prevention course premium rate reduction. The insured individual would become eligible for the rate reduction once they no longer have two or more Safe Driver Incentive Plan points and have successfully completed an approved course.

The bill allows insurers that write nonfleet private passenger motor vehicle insurance to deviate from the reduction plan promulgated by the Bureau, and approved by the Commissioner, and provide a greater discount as approved by the Commissioner.

House Bill 1310

Page 2

Additionally, the bill specifies that the accident prevention course premium rate reduction does not apply to rates on motor vehicle insurance policies reinsured by the NC Motor Vehicle Reinsurance Facility.

Section 2 of the bill requires the NC Rate Bureau to promulgate a revision to the classification plan to implement the act and to file the revision with the Commissioner of Insurance no later than September 1, 2009. The revision would become effective January 1, 2010.

EFFECTIVE DATE:

Section 1 of the bill would become effective January 1, 2010. Sections 2 and 3 of the bill would become effective when they become law. The bill specifies that the act applies only to nonfleet private passenger motor vehicle insurance policies that are issued or renewed on or after January 1, 2010.

H1310-SMSH-68(e1) v3

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1310

Short Title: Insurance Premium Discount/Prevention Course. (Public)
Sponsors: Representative Underhill.
Referred to: Aging, if favorable, Insurance.

April 9, 2009

A BILL TO BE ENTITLED
AN ACT TO PROVIDE FOR AUTOMOBILE INSURANCE PREMIUM DISCOUNTS OF
AT LEAST TEN PERCENT FOR CERTAIN PERSONS WHO COMPLETE ACCIDENT
PREVENTION COURSES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 36 of Chapter 58 of the General Statutes is amended by
adding a new section to read:

"§ 58-36-66. Private passenger motor vehicle insurance premium rate reduction for
completion of accident prevention course.

(a) The classification plan promulgated pursuant to G.S. 58-36-65 shall provide for a
reduction in premium rates of at least ten percent (10%) for liability and physical damage
coverages to those insureds 55 years of age or older who successfully complete motor vehicle
accident prevention courses approved by the Commissioner of Motor Vehicles. Those insureds
shall qualify for the reduction for a three-year period after the policy issuance or renewal that
follows the completion of the course. Each insured shall successfully complete an approved
course every three years to be eligible for the reduction.

(b) Upon successfully completing an approved course, each insured shall be issued a
completion certificate by the course's sponsor, on a form approved by the Commissioner of
Motor Vehicles, which shall be the only acceptable evidence of qualification for the reduction
in rates.

No reduction in rates shall be allowed for any of the following:

(1) Self-instructed courses.

(2) Courses that do not provide actual classroom instruction for the minimum
number of hours prescribed by the Commissioner of Motor Vehicles.

(3) Any course required to be taken by:

a. A court order;

b. A Division of Motor Vehicles order or regulation; or

c. A statutory mandate.

(c) An insured who has more than two Safe Driver Incentive Plan points assessed
against the insured is not eligible for the reduction in premium rates provided for in this
section. The insured's ineligibility shall continue until the insured no longer has more than two
Safe Driver Incentive Plan points and the insured successfully completes an approved course.

(d) Insurers that write nonfleet private passenger motor vehicle insurance may deviate
from the reduction promulgated by the Bureau and approved by the Commissioner to provide a
greater discount as approved by the Commissioner.



1 (e) The provisions of this section shall not apply to rates used on motor vehicle
2 insurance policies reinsured by the North Carolina Motor Vehicle Reinsurance Facility under
3 Article 37 of this Chapter."

4 **SECTION 2.** The North Carolina Rate Bureau shall promulgate a revision to the
5 classification plan to implement this act. The Bureau shall file the revision with the
6 Commissioner of Insurance no later than September 1, 2009, and the revision shall become
7 effective January 1, 2010.

8 **SECTION 3.** Sections 2 and 3 of this act are effective when they becomes law.
9 The remainder of this act becomes effective January 1, 2010, and applies only to nonfleet
10 private passenger motor vehicle insurance policies that are issued or renewed on and after
11 January 1, 2010.

VISITOR REGISTRATION SHEET

aging

Name of Committee

4/22/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Alice [Signature]	MWC
Shem [Signature]	IOG
Sheyna Alterant	AARP
K.R. Strawberry	NARFE
Wilma Strawberry	"
Jesse Goodman	DHHS
Babara Ry	"
David [Signature]	"
DAVID RICE	MANNING FULTON
Jennifer Cohen	IFNC
Patrice Reeder	NCACC

VISITOR REGISTRATION SHEET

aging

Name of Committee

4/22/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kristi Huff	NCHCFA
Brenda Freeman	DMV
Anthony Aaron	NOACC
Emelyn Hawthorne	NCAHA, NCDHA
Bill Wilkes	NC DOR
Mary Butler	AARP-NC
Dave Pichl	TLA
Paul Meyer	NCLM
Jack Cogart	WCR
Fennis Streets	NC-DAAS
Daniel Baum	K+L GATES

VISITOR REGISTRATION SHEET

aging

Name of Committee

4/22/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

David Stoller

SPARZ Farm

Leslie Arnold

SOG-Daily Bulletin

Bill Wilson

AARP

House Pages

Name of Committee: AGING Date: 22 APRIL - 2009

1. Name: Bayle Fair
County: Lee County
Sponsor: Tarheel Challenge Academy
2. Name: Timothy Paynter
County: Buncombe County
Sponsor: Tarheel Challenge Academy
3. Name: _____
County: _____
Sponsor: _____
4. Name: _____
County: _____
Sponsor: _____
5. Name: _____
County: _____
Sponsor: _____

Sgt.-At-Arms

- Name: TOUSSAINT AVENT
1. Name: MIKE MARTIN
 3. Name: GERALD PERRY
 4. Name: _____

A PROPOSED NORTH CAROLINA SENIORS HOMESTEAD ACT

That the North Carolina Legislature enact a NC Seniors Homestead Act whereby permanent resident seniors, without regard to income, who have reached the age of 70 and have lived in their home for five years, paying Federal and State taxes from that address and meet other eligibility standards, if any, would hold in place the property tax assessment on their residence as it is at the time they qualify, for as long as they live in their residence. Eligible participants would be required to pay the prevailing tax rate.

The North Carolina Federation of Chapters of the National Active and Retired Federal Employees (NARFE) and the North Carolina Senior Democrats has adopted this resolution. Other senior organizations have adopted a similar resolution or have a similar resolution under consideration. Permanent resident seniors have become a major industry in North Carolina and have a decisive role in determining who will hold public office. Eighty percent of seniors own their homes and helping seniors to remain in their homes for as long as they want and can care for themselves is socially and economically desirable.

Permanent resident seniors pay more tax into the system than they use of the infrastructure. The longer seniors stay in their own home the less chance there is of them needing public assisted housing. Seniors do not stress the environment. Seniors are generous with volunteering their time to church, social programs, health facilities and schools, all of which have value. More recently, young seniors have become an important part time work force in every community. Even their golfing helps provide more green space.

It is important that organizations representing NC seniors remind incumbent public office holders or those who seek public office, that permanent resident seniors over age 65 is the fastest growing segment of the North Carolina population and vote in greater numbers than any other age group. While the state spends millions of dollars courting firms to relocate to North Carolina, retirees relocate without subsidy.

Permanent resident seniors living on a fixed income are faced with property tax appraisals that are out of control. This is due in part by developers not paying the real cost of the impact of development on the infrastructure. This deficit is being passed on to the residential property tax payer. Senior organizations must unify in an effort to secure a fair and equitable treatment of our permanent resident seniors and should continue to work for the passage of a North Carolina Seniors Homestead Act.

Please see other side.

IN THE EVENT SOMEONE ASKS:

Why a North Carolina Senior Homestead Act? (NC-SHA)

Retirees most often have a fixed income; however, the annual cost of living outpaces the adjustment, if any, of the retirees' income. Health care and real estate taxes are generally the culprit that strains the seniors' ability to meet their financial obligations.

Why is NARFE concerned?

NARFE cares about issues affecting all seniors. Issues that are of concern to Federal and Postal retirees are generally the same as those of all retirees. The NC Federation of NARFE chapters are unique in that they are active in communities throughout the state. They are well known and respected by elected officials at all levels of the State and Federal Government.

Why target appraisal of seniors' real property?

Except for alcohol and tobacco, taxing real property is the easiest to accomplish, though it is the most unfair of all sources of public funds. At best, tax appraisals on real property are subjective. A home is necessary shelter as well as a measure of acquired assets. Consider personal property tax diminishes as those items age while real property tax continues for as long as you own your home and nearly always increases over a period of time.

What are the important points in this proposal for a NC-SHA?

First of all, a participant must be seventy years of age and must have resided in their home for at least five years. They must have filed their Federal and NC tax from that NC addresses. The benefit of the NC-SHA applies to only the tax appraisal on their residence. Eligible participants will continue to pay the annual tax rate. The benefit of the NC-SHA remains in effect only so long as the participants use the property as their primary residence. The NC-SHA will not be indexed to the income of the qualified participant. Age, time in the home, and primary residence are the main issues.

What can each chapter of the NC Federation of NARFE Chapters do to influence the Legislature to enact this proposed Seniors Homestead Act?

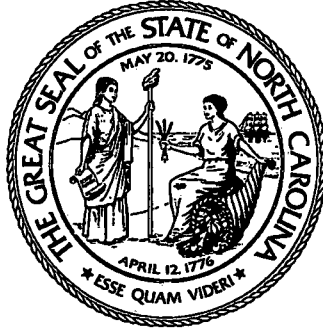
Each chapter should appoint a committee to contact NC Legislators and brief them on the need for a seniors homestead act that encompasses the provisions of the proposed NC Seniors Homestead Act. When a NC Seniors Homestead Act bill is introduced for consideration, individual members should urge Legislators personally known to them to co-sponsor the bill WITHOUT AMENDMENTS. It is important that Chapter members impress local County Commissioners the need for their support of this legislation. NARFE Chapters should contact and join with other senior organizations in their community who are also supporting this proposed NC Seniors Homestead Act.

Who should be contacted for further information on this proposed legislation?

James Sears, State Legislative Officer, Phone (252) 357-1599

Kenneth Strawberry, Past Ch. 337 President & Area V VP, Phone (910) 763-6735

NARFE - National Assoc. of Retired Federal Employees



HOUSE COMMITTEE ON AGING
Wednesday, May 6, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

SPEAKER:

Ms. Concepcion Bretos, CEO
MIA Consulting Group, Inc.

BILLS:

HB 994 – Public Housing/Adult Care Home Demo. Project
Representatives Farmer-Butterfield and Tolson
(If favorable, Justice I)

HB 996 – Repeal ACH/Public Housing Study
Representatives Farmer-Butterfield and Tolson

ADJOURNMENT

HOUSE COMMITTEE ON AGING

Room 415 LOB

May 6, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, May 6, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. Alma Adams; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Beverly Earle; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. A copy of the Visitors Sheet is attached and included with the minutes.

The Chair recognized Vice-Chair Jennifer Weiss, who would be presiding over the meeting. Representative Weiss introduced the Page and the Sergeants-At-Arms, and then recognized Representative Farmer-Butterfield to present, **HB 996, Repeal ACH/Public Housing Study.**

Before presenting her bill, Representative Farmer-Butterfield stated that Ms. Concepcion Bretos, CEO of MIA Consulting Group, Inc., planned to address the committee regarding the two bills on the agenda, but her flight to Raleigh was delayed. A copy of her statement is attached and included as part of these minutes.

House bill 996 would repeal Part XIII, S.L. 2008-181, which requires the Department of Health and Human Services to study the feasibility of operating a licensed adult care home in a public housing facility and report on or before August 1, 2009. The bill becomes effective when it becomes law. A copy of the bill and bill summary are attached.

Representative Boles asked if it was common to repeal a study. The question was referred to the Research staff. Theresa Matula commented that the constituent requested that an independent body do the study rather than that the Department of Health and Human Services (DHHS), so this is the reason for the repeal.

Representative McCormick asked which outside source was going to do the study. Representative Farmer-Butterfield responded that they have contacted the Poverty Center and the Urban and Regional Planning Center, both located at the University of North Carolina at Chapel Hill, to see if one of them is available.

Representative Boles asked who requested the study. Representative Farmer-Butterfield said she requested it on behalf of a constituent, but the constituent did not want the study done by DHHS.

There being no further discussion, Representative Annie Mobley moved that HB 996 receive a favorable report. The motion passed.

Representative Weiss commented that there were several proposed committee substitutes (PCS) for HB 994, and asked that the rules be suspended to discuss them all. Rep. Mobley moved that PCS #1 be approved for discussion only. That motion passed.

Representative Farmer-Butterfield presented **HB 994, Wilson Housing Authority – Aging In Place**. This bill directs the Department of Health and Human Services to provide information to the Housing Authority on the City of Wilson on: (i) requirements for registration as a multiunit assisted housing with services program (MAHS), and (ii) requirements for licensure as a home-care agency. The bill becomes effective when it becomes law. A copy of the bill and bill summary are attached.

Representative Farmer-Butterfield explained that this PCS is the one preferred by her constituent. However, several groups had a problem with granting exemptions for a Certificate of Need (CON), and the legislators in her district have public safety concerns because of the width of the facility's corridors.

Representative Beverly Earle asked for clarification regarding a certificate of need for adult care homes. Mr. Jeff Horton of DHHS replied that adult care homes were put under CONs in 2000. Theresa Matula of the Research staff was recognized to speak on the PCS. She reported that the reason for this committee substitute is to exempt the rules for corridor sizes (the current requirement is 72 inches) and a certificate of need. She explained that there is currently a vacancy of 167 adult care home beds in Wilson and giving an exemption where there is no need would set a precedent.

Following Ms. Matula's report, Representative Weiss stated that the bill sponsor requested that PCS #1 be withdrawn. Representative Ruth Samuelson moved to withdraw the PCS. The motion was adopted. Representative Farmer-Butterfield then presented Proposed Committee Substitute #2.

Representative Earle asked the sponsor what the dimensions of the corridors were in the public housing facility requesting the exemption. Jeff Horton was recognized to speak on the issue since he has visited the facility. He stated there are serious concerns for public safety because of the width of the corridors (about 4 feet). If there was a fire and they had to get residents out in a hurry the corridors cannot accommodate more than one wheelchair at a time. He added that DHHS does not support granting the facility an exemption because the corridors present a major building code violation.

Representative Weiss then moved that PCS #2 be withdrawn at the sponsor's request and that version 39 (PCS #3) be approved for discussion only. The motion passed.

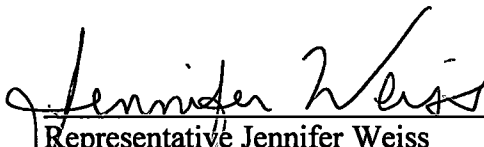
This proposed committee substitute (attached) will direct the Department of Health and Human Services to advise the housing authority of the city of Wilson on the requirements for registration as a multiunit assisted housing with service (MAHS) program, and on the requirements for licensure as a home care agency in order to assist the housing authority with their efforts to help individuals age in place.

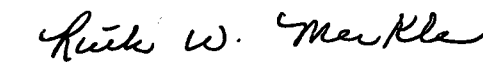
Representative McCormick asked if this bill will create competition among other private facilities when there are vacancies in adult care homes in Wilson. Representative Farmer-Butterfield responded that this bill will allow residents who already live in the facility to age in place. Theresa Matula added that the MAHS program allows housing administrators to provide personal care and nursing services to the residents. Representative Farmer-Butterfield added that when this issue was first brought to her by her constituent there was a licensing moratorium, but this is no longer the case.

Representative Weiss recognized Representatives Boles, Burris-Floyd and McCormick for additional comments, and then asked for a motion on the PCS. Representative Earle moved for a favorable report as to the committee substitute bill #3, which changes the title, unfavorable to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on Judiciary I. The motion passed.

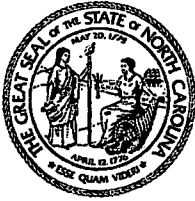
There being no further business, the meeting was adjourned at 11:50 am.

Respectfully submitted,


 Representative Jennifer Weiss
 Presiding Chair


 Ruth Merkle
 Committee Clerk

8/27/09



HOUSE BILL 996: Repeal ACH/Public Housing Study

2009-2010 General Assembly

Committee:	House Aging	Date:	April 14, 2009
Introduced by:	Reps. Farmer-Butterfield, Tolson	Prepared by:	Theresa Matula
Analysis of:	First Edition		Committee Staff

SUMMARY: *House Bill 996 repeals Part XIII, S.L. 2008-181, which required the Department of Health and Human Services to study the feasibility of operating a licensed adult care home in a public housing facility and report on or before August 1, 2009.*

CURRENT LAW:

S.L. 2008-181 is also known as The Studies Act of 2008.

Part XIII of S.L. 2008-181 is provided below:

PART XIII. DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY THE FEASIBILITY OF OPERATING A LICENSED ADULT CARE HOME IN A PUBLIC HOUSING FACILITY (S.B. 2011 – Swindell; H.B. 2704 – Farmer-Butterfield, Tolson, Bordsen, Boylan)

SECTION 13.1. The Department of Health and Human Services, Division of Aging and Adult Services and Division of Medical Assistance, shall study the feasibility and possible savings to the State of operating a licensed adult care home in a public housing facility. The study shall determine:

- (1) Whether this model is needed to complement the care options currently available to older adults in North Carolina.
- (2) Whether this model is allowable under current State and federal laws and rules, and if not, what changes are needed.
- (3) How State-County Special Assistance and federal public housing subsidies would work together and whether this could result in a reduced State-County Special Assistance rate for these types of entities and possible savings for the State.

SECTION 13.2. The Department shall report its findings and recommendations to the House of Representatives Appropriations Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and to the Study Commission on Aging, on or before August 1, 2009.

BILL ANALYSIS:

House Bill 996 repeals Part XIII of S.L. 2008-181

EFFECTIVE DATE:

House Bill 996 would become effective when it becomes law.

H996-SMSH-62(e1) v1

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 996 A BILL TO BE ENTITLED AN ACT TO REPEAL A REQUIREMENT THAT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES STUDY THE FEASIBILITY OF OPERATING A LICENSED ADULT CARE HOME IN A PUBLIC HOUSING FACILITY.

☒ With a favorable report.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of _____.



HOUSE BILL 994: Wilson Housing Authority-Aging In Place

2009-2010 General Assembly

Committee:	House Aging	Date:	May 12, 2009
Introduced by:	Reps. Farmer-Butterfield, Tolson	Prepared by:	Theresa Matula
Analysis of:	Second Edition		Committee Staff

SUMMARY: *House Bill 994 directs the Department of Health and Human Services to provide information to the Housing Authority on the City of Wilson on: (i) requirements for registration as a multiunit assisted housing with services program (MAHS), and (ii) requirements for licensure as a home care agency.*

CURRENT LAW:

Multiunit Assisted Housing with Services (MAHS)

G.S. 131D-2(7a) defines multiunit assisted housing with services as an assisted living residence in which hands-on personal care services and nursing services, which are arranged by housing management, are provided by a licensed home care or hospice agency, through an individualized written care plan. The housing management has a financial interest or financial affiliation or formal written agreement which makes personal care services accessible and available through at least one licensed home care or hospice agency. The resident has a choice of any provider, and the housing management may not combine charges for housing and personal care services. Multiunit assisted housing with services programs are required to register with the Division of Health Service Regulation.

Home Care

G.S. 131E-136(2) defines a home care agency as a private or public organization that provides home care services.

G.S. 131E-136(3) defines home care services as any of the following services and directly related medical supplies and appliances, which are provided to an individual in a place of temporary or permanent residence used as an individual's home:

- a. Nursing care provided by or under the supervision of a registered nurse;
- b. Physical, occupational, or speech therapy, when provided to an individual who also is receiving nursing services, or any other of these therapy services, in a place of temporary or permanent residence used as the individual's home;
- c. Medical social services;
- d. In-home aide services that involve hands-on care to an individual;
- e. Infusion nursing services; and
- f. Assistance with pulmonary care, pulmonary rehabilitation or ventilation.

BILL ANALYSIS: House Bill 994 directs the Department of Health and Human Services to provide information to the Housing Authority of the City of Wilson on:

- (i) requirements for registration as a multiunit assisted housing with services program (MAHS), and
- (ii) requirements for licensure as a home care agency.

EFFECTIVE DATE: House Bill 994 would become effective when it becomes law.

H994-SMSH-118(e2) v1

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 994

Short Title: Public Housing/Adult Care Home Demo Project. (Public)

Sponsors: Representatives Farmer-Butterfield and Tolson (Primary Sponsors).

Referred to: Aging, if favorable, Judiciary I.

April 2, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO DEVELOP A PUBLIC HOUSING ADULT CARE HOME DEMONSTRATION PROJECT ALLOWING AN ADULT CARE HOME TO OPERATE IN ASSOCIATION WITH A PUBLIC HOUSING AUTHORITY AND TO EXEMPT AN ADULT CARE HOME OPERATING UNDER THE PROJECT FROM THE CERTIFICATE OF NEED REQUIREMENT.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Department of Health and Human Services (Department) shall develop and implement the North Carolina Public Housing Adult Care Home Demonstration Project (Project). The purpose of the Project is to provide an adult care home, as defined in G.S. 131D-2, for aged and disabled adults requiring 24-hour supervision and assistance with personal care needs and who are currently residing in, or eligible for, public housing. An entity qualified by the Department to operate an adult care home under the Project must be owned by, under contract with, or administered by a North Carolina Housing Authority as defined in G.S. 157-3. Notwithstanding G.S. 157-9 or any other provision of law to the contrary, a public housing authority may operate an adult care home in accordance with this act.

SECTION 1.(b) The Department of Health and Human Services shall monitor and evaluate the qualitative benefits and cost-effectiveness of the Project authorized under Section 1 of this act. The Department shall submit progress reports annually to the House of Representatives Appropriations Subcommittee on Health and Human Services, and the Senate Appropriations Committee on Health and Human Services upon their convening, and shall also submit a copy of the report to the Fiscal Research Division of the Legislative Services Office. The report shall indicate at a minimum the number of individuals served under the Project and the resulting cost savings to the State.

SECTION 1.(c) Notwithstanding any other provision of law to the contrary, an adult care home being developed under the Project authorized in Section 1 of this act is exempt from the Certificate of Need requirements for adult care homes contained in Article 9 of Chapter 131E of the General Statutes. All other requirements for licensure as an adult care home apply to an entity operating under the Project authorized in Section 1 of this act.

SECTION 2. Section 1 of this act becomes effective July 1, 2009, and expires July 1, 2014. The remainder of the act is effective when it becomes law.



**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

D

**HOUSE BILL 994
PROPOSED COMMITTEE SUBSTITUTE H994-PCS10936-SH-39**

Short Title: Wilson Housing Authority-Aging In Place.

(Public)

Sponsors:

Referred to:

April 2, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ADVISE THE HOUSING AUTHORITY OF THE CITY OF WILSON ON THE REQUIREMENTS FOR REGISTRATION AS A MULTIUNIT ASSISTED HOUSING WITH SERVICES PROGRAM AND ON THE REQUIREMENTS FOR LICENSURE AS A HOME CARE AGENCY IN ORDER TO ASSIST THE HOUSING AUTHORITY WITH THEIR EFFORTS TO HELP INDIVIDUALS AGE IN PLACE.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Department of Health and Human Services shall advise the Housing Authority of the City of Wilson on the requirements for registration as a multiunit assisted housing with services program, pursuant to G.S. 131D-2(7a).

SECTION 1.(b) The Department of Health and Human Services shall advise the Housing Authority of the City of Wilson on the requirements for licensure as a home care agency, pursuant to Part 3, Article 6, Chapter 131E of the General Statutes.

SECTION 2. This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

PCS #3
PASSED

H

D

HOUSE BILL 994
PROPOSED COMMITTEE SUBSTITUTE H994-CSSH-39 [v.2]

5/1/2009 5:03:56 PM

Short Title: Wilson Housing Authority-Aging In Place.

(Public)

Sponsors:

Referred to:

April 2, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ADVISE THE HOUSING AUTHORITY OF THE CITY OF WILSON ON THE REQUIREMENTS FOR REGISTRATION AS A MULTIUNIT ASSISTED HOUSING WITH SERVICES PROGRAM AND ON THE REQUIREMENTS FOR LICENSURE AS A HOME CARE AGENCY IN ORDER TO ASSIST THE HOUSING AUTHORITY WITH THEIR EFFORTS TO HELP INDIVIDUALS AGE IN PLACE.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Department of Health and Human Services shall advise the Housing Authority of the City of Wilson on the requirements for registration as a multiunit assisted housing with services program, pursuant to G.S. 131D-2(7a).

SECTION 1.(b) The Department of Health and Human Services shall advise the Housing Authority of the City of Wilson on the requirements for licensure as a home care agency, pursuant to Part 3, Article 6, Chapter 131E of the General Statutes.

SECTION 2. This act is effective when it becomes law.



**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 994 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO DEVELOP A PUBLIC HOUSING ADULT CARE HOME DEMONSTRATION PROJECT ALLOWING AN ADULT CARE HOME TO OPERATE IN ASSOCIATION WITH A PUBLIC HOUSING AUTHORITY AND TO EXEMPT AN ADULT CARE HOME OPERATING UNDER THE PROJECT FROM THE CERTIFICATE OF NEED REQUIREMENT.

☒ With a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on JUDICIARY I.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

VISITOR REGISTRATION SHEET

House Aging

5/7/09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<i>Erilyn Hawthorne</i>	<i>NCAA; NCAP; NCOTA</i>
<i>Jon Wilco</i>	<i>NCALTCF</i>
<i>Paul R. Bone</i>	<i>Bone and Associates, LLC</i>
<i>Dee Hammond</i>	<i>City of Lenoir</i>
<i>Mitch Leonard</i>	<i>SEARC</i>
<i>Jesse Goodman</i>	<i>DHHS</i>
<i>Dennis Streets</i>	<i>DHHS - DAAS</i>
<i>Alicia ~~W~~</i>	<i>MNC</i>
<i>Mary Beth</i>	<i>AARP. NC</i>
<i>Wayne Williams</i>	<i>State Budget Office</i>
<i>Harold A. McConnell</i>	<i>Carolina's Health Care System</i>

VISITOR REGISTRATION SHEET

Name of Committee**Date**

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME _____

FIRM OR AGENCY AND ADDRESS

Kristi Huff

NCHCFA

John Hammond

Citizen

Andy. C. B.

DC Assoc.

Lu-Ann Brown

DLC & Assoc

Leafy Horn

DHHS- DHSR

North Carolina Legislature
Aging Committee
Remarks by Wilson Housing Authority on HB 994 and HB996

- **Containing Medicaid Long Term Care costs involves reduction of nursing home beds and increasing adult care home beds.** In the State of North Carolina, Medicaid nursing facility spending grew by 26% from 2002 to 2007 to \$1,126 billion a year. Nursing home occupancy is high and 67% of nursing home residents are Medicaid. The number of Medicaid adult care home beds has declined by 3,558 beds between 2004 and 2007 as a result of the moratorium imposed by the certificate of need. If this trend continues, the Medicaid budget will skyrocket as the number of seniors grows by 97% by 2030. North Carolina ranks 10th in the growth of seniors. Other states like Oregon, Washington, Colorado have been able to meet the demands of the growing number of senior and disabled adults while reducing Medicaid spending and number of nursing home beds and increasing community care.
- **The Certificate of Need restricts competition, increases costs, and results in poor quality of care.** Demand for assisted living services is supported by considerable data, including 55% of the 65+ population under the poverty level, 43% with one or more disability, and 34% living alone. However, the much challenged certificate of need makes it impossible for any new provider to establish alternatives to nursing home care. In 2008 the state addressed major issues of poor quality of care and increased violations. We believe that the current system for determining demand for adult care home beds fails to take into consideration important factors as disability, lack of caretakers, and income. The proposed study under HB 996 should address this issue of need determination and the certificate of need system that originally included adult care homes only on a temporary basis "pending a finding of a more definite means of developing and maintaining the quality of adult care home". In order to be credible, the study should be undertaken by an independent contractor.
- **For several years the state has been searching for new models. There is no place like home.** Public housing has the largest concentration of senior and disabled adults in the nation. Many of the residents are forced from their homes into nursing homes because of lack of alternatives. These individuals prefer to stay home, in their private units, with the required 24-hour supervision being provided where they live. Public housing facilities are debt-free buildings federally subsidized and highly regulated. The state has been searching for a new model to address the growing number of low income seniors and disabled adults. In order to provide a true aging-in-place environment, HB 994 needs to be amended to include an exception allowed under the North Carolina building code, Section 421.5.4. Precedents exist for these exceptions. City and county officials as well as USHUD unanimously endorse this program.
- **The time is right to do the right thing:** North Carolina is under considerable pressure to expand the number of affordable assisted living providers to comply with the \$17 million *Money Follows the Person Demonstration* grant goals. Goals for the project include expanding the home and community-based waiver in order to divert/transfer clients from nursing homes back to the community. Under American Recovery and Reinvestment Act of 2009 the state will receive \$2.3 billion in increased federal matching funds, an increase of at least 5% from the current match of 64.5% federal to 70% federal match. The match will be in effect at least from now until 2011. The will allow the state to bring additional federal funds while meeting the demand for additional Medicaid community beds. Funding for the demonstration project can come from these additional federal funds. Three individuals can be cared for in the community for every one individual in a nursing home. The project will generate new jobs and economic activity and save the state \$2,550 per resident per day.

Edna: A few years ago Edna was roaming the halls or sitting in the library of her independent elderly-designated public housing building. Edna was a real bright spot in this building. She was always smiling and had cheerful comments for the staff and other residents. She had lived in public housing since 1992 as a widow living on a social security pension after many years of working and raising her family.

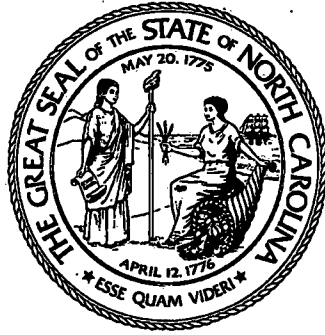
Edna was moved to a nursing home because she was having difficulty cooking and cleaning in addition to forgetting to take her medications daily. None of her three children were in a position to take her in or to visit her often. Her life and her close friends were at Tasman Towers.

Several weeks later I had the opportunity to visit Edna in the nursing home. I found her sitting in a chair besides her bed, looking like she had lost her best friend. In fact, she had pretty much lost all her friends. She said she had been asked not to walk around and visit with other folks as they didn't have enough staff to keep track of all the residents if they didn't stay in their rooms or as a part of organized activity. While she still appeared to be healthy, she was definitely sad and lonely. My heart ached for Edna.

I was able to visit Edna only once more sometime later and was extremely saddened to see her still sitting in the same chair but with no spirit left. She barely smiled when I walked in the room.

Edna died in the nursing home alone and without her friends around her. They said she died after a period of declining health. I don't believe it was poor health that caused Edna's premature death. I believe it was a broken heart. I have been determined since then to find a way to help save other precious older citizens from having to suffer the same consequences unnecessarily. The majority of our elderly public housing residents are in very much the same predicament as Edna was, and many live every day in fear of the day they will be forced to move to a nursing home and lose their independence, friends and family ties.

Edward R. Jagnandan, Executive Director, Wilson Housing Authority



HOUSE COMMITTEE ON AGING

Wednesday, May 27, 2009

Room 415 LOB

11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 1130 Senior Prop 13 Property Tax Relief

Representatives Mobley and Womble

(If favorable, Judiciary I, if favorable, Finance)

HB 1547 Senior Automobile Property Tax Exclusion

Representative Blust

(If favorable, Finance)

SB 188 Special Care Dentistry Collaboration

Senator Malone

(If favorable, Health)

ADJOURNMENT

HOUSE COMMITTEE ON AGING

Room 415 LOB

May 27, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, May 27, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice-Chair; Rep. James L. Boles, Jr.; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Darren Jackson; Rep. Earl Jones; Rep. Darrell McCormick; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. A copy of the Visitors Sheet is attached and included with the minutes.

The Chair recognized Representative John Blust to present **HB 1547, Senior Automobile Property Tax Exclusion**. A copy of the bill and bill summary are attached.

HB 1547 amends G.S. 105-275 by adding a subdivision to exclude from taxation the first \$2,000 of the appraised value of one motor vehicle owned by a person who is at least 65 years of age and who had an income of not more than the income eligibility limit specified in G.S. 105-277.1. This bill would become effective for taxes imposed for taxable years beginning on or after July 1, 2009. Representative Blust added that the exclusion would only affect those seniors who make \$25,000 a year or less.

The Chair recognized Representatives McCormick, Weiss, Sager, Jones, Burris-Floyd and Bordsen for individual comments. Ms. Patrice Roesler of the NC Association of County Commissioners was also recognized and stated that the Association did not support this bill.

Following discussion on the bill Representative Jones moved that HB 1547 receive a favorable report and be re-referred to the Committee on Finance. The motion passed.

Representative Annie Mobley was recognized to present **HB 1130, Senior Prop 13 Property Tax Relief**. A copy of the bill, a fiscal note and the bill summary are attached.

House Bill 1130 proposes a property tax benefit (the senior homestead tax relief) for North Carolina residents who are qualifying owners and meet all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

- The owner is at least 70 years of age;
- The owner has occupied the property as a permanent residence for at least 5 years.

Mr. Kenneth Strawberry was recognized by the sponsor and he spoke in support of the bill. He commented that it would help seniors remain in their homes.

Following the presentation of the bill, the Chair opened the floor for discussion. Representative Alice Bordsen asked if this exemption is for persons of a certain age only. Representative Ruth Samuelson expressed concern about the growing number of senior communities that could become tax exempt.

The Chair then recognized members of the audience to speak. Ms. Polly Williams, who represents several aging organizations, commented that they have not taken a position on this bill. She added that the taxes on her home increased 93% the previous year, but she does not believe that age should be a reason for not paying your fair share of taxes.

Ms. Roesler stated that the NC Association of County Commissioners opposed the bill. Also speaking against the bill was Mr. Paul Meyer of the League of Municipalities. He added that there are already two homestead exemptions on the books.

The Chair recommended that the bill be displaced and that the sponsor meet with Representatives Bordsen and Samuelson, Mr. Strawberry, Ms. Roesler and Mr. Meyer before the bill comes back to the committee for a vote.

The meeting was turned over to Representative Jennifer Weiss, who recognized Representative Farmer-Butterfield to speak on **SB 188, Special Care Dentistry Collaboration**. A copy of the bill, bill summary and Senate Health Care committee substitute as adopted on 3/12/09, are attached.

As introduced, this bill is identical to HB 144, as introduced by Representatives Farmer-Butterfield, Pierce, Bordsen and Mobley, which is currently in House Aging. It directs the Division of Public Health, within the Department of Health and Human Services, to collaborate with the Division of Medical Assistance, the Division of Aging and Adult Services, the State's Schools of Dentistry, the North Carolina Dental Society, and special care dental providers to examine current dental care options for special care populations. This bill is a recommendation from the Study Commission on Aging.

Following presentation of the bill, Representative Mobley moved that SB 188 receive a favorable report and be re-referred to the Committee on Health. The motion passed.

There being no further business, the meeting was adjourned at 11:41 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair



Ruth Merkle
Committee Clerk

8/27/09



HOUSE BILL 1130: Senior Prop 13 Property Tax Relief

2009-2010 General Assembly

Committee:	House Aging, if favorable, Judiciary I, if favorable, Finance	Date:	May 26, 2009
Introduced by:	Reps. Mobley, Womble	Prepared by:	Sara Kamprath
Analysis of:	First Edition		Legislative Analyst

SUMMARY: *House Bill 1130 would amend the North Carolina Constitution to permit certain exceptions to the uniformity requirement of Section 2 (State and local taxation.) of Article V (Finance) and would freeze the appraised value of the permanent residence of certain seniors who qualify for the new senior homestead tax relief.*

This bill has a serial referral to Judiciary I and, if favorable, to the Finance.

CURRENT LAW:

The homestead property tax exclusion is a partial exclusion from property taxes for a permanent residence.¹ The exclusion amount is the greater of \$25,000 or 50% of the tax value of the home. A qualifying individual is a person who:

- (1) is either age 65 or older or totally and permanently disabled² and
- (2) until July 1, 2003, has an income of not more than \$18,000. For every year thereafter, the income eligibility amount is indexed by a percentage equal to the cost-of-living adjustment (COLA) percentage used to increase social security benefits for the preceding calendar year. The COLAs are based on increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers from the third quarter of the prior year to the corresponding quarter for the current year in which the COLA is effective. The COLA for 2009 is 2.3%, and the income eligibility limit is \$25,600.

BILL ANALYSIS: House Bill 1130 proposes a property tax benefit (the senior homestead tax relief) for North Carolina residents who are qualifying owners and meet all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

- the owner is at least 70 years of age
- the owner has occupied the property as a permanent residence for at least 5 years

Limitation

Upon qualifying, the appraised value of the owner's permanent residence is frozen at the value set during the last general reappraisal and does not increase at the time of subsequent general reappraisals after July 1, 2010 unless:

- There is a physical change in the land or to improvements on the land other than those listed in G.S. 105-287(b)³ or
- The qualifying owner no longer occupies the residence as a permanent residence

¹ Permanent residence is a person's legal residence. It includes the dwelling, the dwelling site, not to exceed one acre, and related improvements. The dwelling may be a single family residence, a unit in a multi-family residential complex, or a manufactured home.

² Totally and permanently disabled refers to a person who has a physical or mental impairment that substantially precludes him or her from obtaining gainful employment and appears reasonably certain to continue without substantial improvement throughout his or her life.

House Bill 1130

Page 2

A temporary absence from the residence for reasons of health or confinement to a rest home or nursing home do not result in a loss of the tax benefit so long as the residence remains unoccupied or occupied by the owner's spouse or other dependent.

Application

An applicant for property tax relief should be filed during the regular listing period, but may be filed and must be accepted through June 1 preceding the tax year for which the relief is claimed.

Need for Constitutional Amendment

In order to effectuate these changes, a Constitutional amendment is required. Under subsections (2) and (5) of Section 2 of Article 5 of the North Carolina Constitution, the "power to classify property for taxation...shall be exercised only on a State-wide basis..... No class of property shall be taxed except by uniform rule, and every classification shall be made by general law uniformly applicable in every county, city and town, and other unit of local government." In addition, "[t]he General Assembly shall not authorize [a] levy of taxes on property, except for purposes authorized by general law uniformly applicable throughout the State...." Read together, our Courts have stated that taxing is required to be by uniform rule, that is, by one and the same unvarying standard used throughout the extent of the territory to which the tax is applicable. In order to invoke a different standard for determining the appraisal value of qualifying owners (i.e. determining the appraisal value by using the previous appraisal value as opposed to using the true value for non-qualifying owners), an amendment is needed.

Sections 1 and 2 of the bill provide the language for the Constitutional amendment and the language for the question that shall be submitted to the voters in a general election to be held November 2, 2010. If a majority of votes are cast in favor of the amendment, the State Board of Elections shall certify that amendment to the Secretary of State. The amendment becomes effective upon the certification.

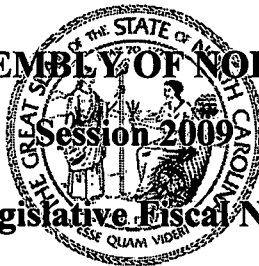
EFFECTIVE DATE: Sections 4 through 8 of this act become effective only if the constitutional amendment proposed by Section 1 is approved. If the constitutional amendment is approved, Sections 4 through 8 of this act become effective for taxes imposed for taxable years beginning on or after July 1, 2010. The remainder of the bill becomes effective when it becomes law.

³G.S. 105-287(b) lists the following changes: normal, physical depreciation of improvements; inflation, deflation, or other economic changes affecting the county in general; betterments to the property made by repainting, terracing, landscape gardening, fire protection for forests, impounding water for conservation purposes.

Dan Ettefagh, Staff Attorney, Bill Drafting, contributed significantly to this summary.

H1130-SMRJ-77(e1) v1

GENERAL ASSEMBLY OF NORTH CAROLINA



Legislative Fiscal Note

BILL NUMBER: House Bill 1130 (First Edition)

SHORT TITLE: Senior Prop 13 Property Tax Relief.

SPONSOR(S): Representatives Womble and Mobley

FISCAL IMPACT

Yes (x)

No ()

No Estimate Available ()

FY 2009-10

FY 2010-11

FY 2011-12

FY 2012-13

FY 2013-14

REVENUES:

Local
Governments

See Assumptions and Methodology

EXPENDITURES

State Board of
Elections

Negligible Cost – See Assumptions and Methodology

Dept of Sec of State

***Additional cost of \$400 associated with
Constitutional Amendment Notifications***

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Local Governments, NC
Department of Revenue; State Board of Elections; Secretary of State

EFFECTIVE DATE: Effective for taxable years beginning on or after July 1, 2010, but only
if the constitutional amendment is adopted.

BILL SUMMARY:

HB 1130 proposes to amend Section 2 of Article V of the North Carolina Constitution to authorize the General Assembly to adopt a general law, uniformly applicable across the state, that caps the increase in the assessed value of permanent residences and that varies the increase in assessed value of permanent residences on the basis of whether an owner has occupied the property as a permanent residence for at least five years. It requires the proposed amendment to be submitted to the voters at a general election on November 2, 2010.

HB 1130 also amends GS 105-277.1(b)(3a) and GS 105-283 to make conforming changes and is effective for taxable years beginning on or after July 1, 2010, but only if the constitutional amendment is adopted.

The bill adds a new section to Article 12 of Chapter 105 of the General Statutes to create a new senior homestead property tax relief. It also prohibits the increase in appraised value of a permanent residence of a qualifying owner pursuant to general reappraisals conducted after July 1, 2010. The bill defines qualifying owner as an owner who meets all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed: (1) the owner is at least 70 years old, (2) the owner has occupied the property as a permanent residence for at least five years, and (3) the owner is a North Carolina resident. It also specifies that qualifying owner does not lose the benefit because of temporary absences from permanent residence for health reasons or because the owner is confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by the owner's spouse or other dependent. If a permanent residence is owned and occupied by two or more persons other than a husband and wife, no property tax relief is allowed unless all the owners qualify. The bill specifies certain application requirements and exceptions to the benefit and makes conforming changes to GS 105-282.1(a)(2) and GS 105-309(f).

Source: Bill Digest

ASSUMPTIONS AND METHODOLOGY:

HB 1130 provides for a constitutional amendment that would allow the General Assembly to require local governments to freeze the property tax assessment for homeowners 70 years or older who have lived in their homes for 5 years or more. According to the American Community Survey (U.S. Census), in 2007 there were approximately 300,000 homeowners aged 70 or older with an average home value of \$148,000. The number of homeowners is assumed to grow by 4% annually and the home values are assumed to grow by 2.7% annually, based on data from Moody's Economy.com. The percentage of homeowners who have lived in their homes for 5 years or more is estimated to be 65% based on the Census data. Applying this percentage to the number of homeowners over age 70 results in a total number of eligible homeowners of 200,000.

The total property tax revenue generated by the eligible homeowners is calculated by multiplying the number of homeowners by the average home value and the average weighted property tax rate for counties and cities (93.4 cents per \$100 valuation). The fiscal impact of the bill is then determined by comparing the tax revenue generated by eligible homeowners under current law with the tax revenue assuming property values remain constant in years subsequent to homeowners becoming eligible for the program.

It is important to note that the fiscal impact in any particular year will be concentrated in those counties with revaluations. The estimate impacts below assume the same amount of property is revaluated in the state each year; the actual impacts will vary depending on the number of counties with revaluations in any given year.

Estimated Fiscal Impact of HB 1130 (\$millions)					
	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
Local Governments	\$0	\$0	-\$9.5	-\$18.4	-\$26.7

State Board of Elections

According to the State Board of Elections, the amendment set out in Section 1 of this act would be included as part of the General Election in November 2010, and would thus have a minimal cost to the State Board of Elections and to the County Boards of Election.

Department of Secretary of State

The Department of Secretary of State would incur minor costs associated with notification of county boards of election and the media.

SOURCES OF DATA: American Community Survey; Moody's Economy.com; NC Department of Revenue; State Board of Elections; Secretary of State

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Rodney Bizzell, Claire Hester, Michele Nelson

APPROVED BY: Marilyn Chism, Director
Fiscal Research Division

DATE: May 12, 2009



Signed Copy Located in the NCGA Principal Clerk's Offices

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1130

Short Title: Senior Prop 13 Property Tax Relief. (Public)

Sponsors: Representatives Mobley, Womble (Primary Sponsors); Adams, Blue, Bryant, Earle, Farmer-Butterfield, Fisher, Hall, Holliman, Jones, Parmon, Pierce, Rapp, Starnes, and Wray.

Referred to: Aging, if favorable, Judiciary I, if favorable, Finance.

April 7, 2009

A BILL TO BE ENTITLED

AN ACT TO FREEZE THE APPRAISED VALUE OF THE PERMANENT RESIDENCE OF CERTAIN SENIORS AND TO AMEND THE CONSTITUTION TO PERMIT A LIMITATION ON THE INCREASE IN THE APPRAISED VALUE OF CERTAIN RESIDENCES.

The General Assembly of North Carolina enacts:

SECTION 1. Section 2 of Article V of the North Carolina Constitution is amended by adding a new subsection to read:

"(8) Notwithstanding subsections (2) and (5) of this section, the General Assembly may both enact general laws uniformly applicable throughout the State requiring that during a general reappraisal a county may not increase the growth in the assessed value of a permanent residence by more than an amount specified in the law and enact general laws uniformly applicable throughout the State requiring that during a general reappraisal a county may vary the increase of the growth in the assessed value of a permanent residence on the basis of whether the owner has occupied the property as a permanent residence for at least five years."

SECTION 2. The amendment set out in Section 1 of this act shall be submitted to the qualified voters of the State at a general election to be held on November 2, 2010. The qualified election shall be conducted under the laws then governing elections in the State. Ballots, voting systems, or both may be used in accordance with Chapter 163 of the General Statutes. The question to be used in the voting systems and ballots shall be:

"[] FOR [] AGAINST

Constitutional amendment authorizing the General Assembly to limit the growth in the assessed value of a permanent residence owned and occupied by a qualifying owner."

SECTION 3. If the majority of the votes cast on the question are in favor of the amendment set out in Section 1 of this act, the State Board of Elections shall certify that amendment to the Secretary of State. The amendment becomes effective upon this certification. The Secretary of State shall enroll the amendment so certified among the permanent records of that office.

SECTION 4. G.S. 105-277.1(b)(3a) reads as rewritten:

"(b) Definitions. – The following definitions apply in this section:

...

(3a) Property tax relief. – The property tax homestead exclusion provided in this section, the property tax homestead circuit breaker provided in G.S. 105-277.1B, ~~or~~ the disabled veteran property tax homestead exclusion



* H 1 1 3 0 - V - 1 *

provided in ~~G.S. 105-277.1C~~ G.S. 105-277.1C, or the senior homestead tax relief provided in G.S. 105-277.1D.

...."

SECTION 5. G.S. 105-283 reads as rewritten:

"§ 105-283. Uniform appraisal standards.

All ~~Except as provided in G.S. 105-277.1D~~, all property, real and personal, shall as far as practicable be appraised or valued at its true value in money. When used in this Subchapter, the words "true value" shall be interpreted as meaning market value, that is, the price estimated in terms of money at which the property would change hands between a willing and financially able buyer and a willing seller, neither being under any compulsion to buy or to sell, and both having reasonable knowledge of all the uses to which the property is adapted and for which it is capable of being used. For the purposes of this section, the acquisition of an interest in land by an entity having the power of eminent domain with respect to the interest acquired shall not be considered competent evidence of the true value in money of comparable land."

SECTION 6. Article 12 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-277.1D. Senior homestead tax relief.

(a) Classification. – A permanent residence owned and occupied by a qualifying owner is designated a special class of property under Article V, Section 2(2) of the North Carolina Constitution and is taxable in accordance with this section.

(b) Definitions. – The definitions provided in G.S. 105-277.1 apply to this section.

(c) Qualifying Owner. – For the purpose of qualifying for the senior homestead tax relief under this section, a qualifying owner is an owner who meets all of the following requirements as of January 1 preceding the taxable year for which the benefit is claimed:

(1) The owner is at least 70 years of age.

(2) The owner has occupied the property as a permanent residence for at least five years.

(3) The owner is a North Carolina resident.

(d) Limitation. – Except as provided in subsection (e) of this section, the appraised value of the permanent residence of a qualifying owner shall not increase at the time of subsequent general reappraisals conducted pursuant to G.S. 105-286 after July 1, 2010.

(e) Exceptions. – The county shall reappraise the permanent residence of a qualifying owner at its true value in a year in which any of the following conditions are met:

(1) There is a physical change in the land or to improvements on the land other than a change listed in G.S. 105-287(b). A residence reappraised at its true value under this subdivision shall be subject to subsection (d) of this section at the time of subsequent reappraisals conducted pursuant to G.S. 105-286.

(2) Except as provided in subsection (f) of this section, the qualifying owner no longer occupies the residence as a permanent residence.

(f) Temporary Absence. – An otherwise qualifying owner does not lose the benefit of this tax relief because of a temporary absence from his or her permanent residence for reasons of health, or because of an extended absence while confined to a rest home or nursing home, so long as the residence is unoccupied or occupied by the owner's spouse or other dependent.

(g) Application. – An application for property tax relief provided by this section should be filed during the regular listing period, but may be filed and must be accepted at any time up to and through June 1 preceding the tax year for which the relief is claimed. Persons may apply for this property tax relief by entering the appropriate information on a form made available by the assessor under G.S. 105-282.1.

(h) Multiple Ownership. – When a permanent residence is owned and occupied by two or more persons other than husband and wife, no property tax relief is allowed under this section unless all of the owners qualify."

1 **SECTION 7.** G.S. 105-282.1(a)(2) reads as rewritten:

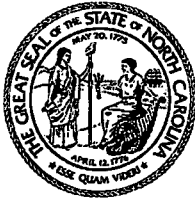
2 "(2) Single application required. – An owner of one or more of the following
3 properties eligible for a property tax benefit must file an application for the
4 benefit to receive it. Once the application has been approved, the owner does
5 not need to file an application in subsequent years unless new or additional
6 property is acquired or improvements are added or removed, necessitating a
7 change in the valuation of the property, or there is a change in the use of the
8 property or the qualifications or eligibility of the taxpayer necessitating a
9 review of the benefit.

- 10 a. Property exempted from taxation under G.S. 105-278.3, 105-278.4,
11 105-278.5, 105-278.6, 105-278.7, or 105-278.8.
12 b. Special classes of property excluded from taxation under
13 G.S. 105-275(3), (7), (8), (12), (17), (18), (19), (20), (21), (31e), (35),
14 (36), (38), (39), or (41) or under G.S. 131A-21.
15 c. Special classes of property classified for taxation at a reduced
16 valuation under G.S. 105-277(h), 105-277.1, 105-277.1C,
17 105-277.10, 105-277.13, 105-278, or 105-277.15.
18 d. Property owned by a nonprofit homeowners' association but where
19 the value of the property is included in the appraisals of property
20 owned by members of the association under G.S. 105-277.8.
21 e. Repealed by Session Laws 2008-35, s. 1.2, effective for taxes
22 imposed for taxable years beginning on or after July 1, 2008.
23 f. Special classes of property eligible for tax relief under
24 G.S. 105-277.1D."

25 **SECTION 8.** G.S. 105-309(f) reads as rewritten:

26 "(f) The assessor must print a homestead tax relief notice on each abstract or on an
27 information sheet distributed with the abstract. The abstract or sheet must include the address
28 and telephone number of the assessor below the notice required by this section. The notice must
29 be in the form required by the Department of Revenue designed to notify the taxpayer of his or
30 her rights and responsibilities under the homestead property tax exclusion provided in
31 ~~G.S. 105-277.1~~ and G.S. 105-277.1, the property tax homestead circuit breaker provided in
32 ~~G.S. 105-277.1B~~ G.S. 105-277.1B, and the senior homestead tax relief provided in
33 G.S. 105-277.1D."

34 **SECTION 9.** Sections 4 through 8 of this act become effective only if the
35 constitutional amendment proposed by Section 1 of this act is approved as provided in Sections
36 2 and 3 of this act. If the constitutional amendment is approved, Sections 4 through 8 of this
37 act become effective for taxes imposed for taxable years beginning on or after July 1, 2010.
38 The remainder of this act is effective when it becomes law.



HOUSE BILL 1547: Senior Automobile Property Tax Exclusion

2009-2010 General Assembly

Committee: House Aging, if favorable, Finance
Introduced by: Rep. Blust
Analysis of: First Edition

Date: May 22, 2009
Prepared by: Theresa Matula
Committee Staff

SUMMARY: *House Bill 1547 excludes from property taxes the first \$2,000 of the appraised value of a motor vehicle if an individual is at least 65 years of age and meets certain income eligibility requirements.*

CURRENT LAW:

Article V, Section 2(2) of the North Carolina Constitution provides that only the General Assembly has the power to classify property for taxation, and that power must be exercised only on a State-wide basis and can not be delegated. It further specifies that no class of property can be taxed except by uniform rule, and every classification must be made by general law uniformly applicable in every county, city and town, and other unit of local government.

G.S. 105-275 outlines the classes of property that are designated as special classes under the authority of Article V, Sec. 2 (2) of the North Carolina Constitution and are not listed, appraised, assessed, or taxed.

G.S. 105-277.1 outlines the property tax homestead exclusion. For taxes imposed for taxable years beginning on or after July 1, 2009, G.S. 105-277.1(a2) specifies the Income Eligibility Limit as follows:

For the taxable year beginning on July 1, 2008, the income eligibility limit is twenty-five thousand dollars (\$25,000). For taxable years beginning on or after July 1, 2009, the income eligibility limit is the amount for the preceding year, adjusted by the same percentage of this amount as the percentage of any cost-of-living adjustment made to the benefits under Titles II and XVI of the Social Security Act for the preceding calendar year, rounded to the nearest one hundred dollars (\$100.00). On or before July 1 of each year, the Department of Revenue must determine the income eligibility amount to be in effect for the taxable year beginning the following July 1 and must notify the assessor of each county of the amount to be in effect for that taxable year.

BILL ANALYSIS:

House Bill 1547 amends G.S. 105-275 by adding a new subdivision to exclude from taxation the first \$2,000 of the appraised value of one motor vehicle owned by a person who is at least 65 years of age and who had an income of not more than the income eligibility limit specified in G.S. 105-277.1 (see current law above).

EFFECTIVE DATE:

House Bill 1547 would become effective for taxes imposed for taxable years beginning on or after July 1, 2009.

H1547-SMSH-123(e1) v1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1547

Short Title: Senior Automobile Property Tax Exclusion. (Public)

Sponsors: Representatives Blust; Allred, Brown, Burr, Cleveland, Dollar, Gulley, Lewis, Mills, Moore, Rhyne, Setzer, and West.

Referred to: Aging, if favorable, Finance.

April 27, 2009

A BILL TO BE ENTITLED

AN ACT TO CREATE AN EXCLUSION FOR A MOTOR VEHICLE OWNED BY A QUALIFYING SENIOR.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-275 is amended by adding a new subdivision to read:

"§ 105-275. Property classified and excluded from the tax base.

The following classes of property are hereby designated special classes under authority of Article V, Sec. 2(2), of the North Carolina Constitution and shall not be listed, appraised, assessed, or taxed:

(5b) The first two thousand dollars (\$2,000) of the appraised value of one motor vehicle owned by an individual who is at least 65 years of age and who has an income of not more than the income eligibility limit specified in G.S. 105-277.1.

SECTION 2. This act is effective for taxes imposed for taxable years beginning on or after July 1, 2009.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1547 A BILL TO BE ENTITLED AN ACT TO CREATE AN EXCLUSION
FOR A MOTOR VEHICLE OWNED BY A QUALIFYING SENIOR.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on
FINANCE.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on
_____.

_____ The bill/resolution is re-referred to the Committee on _____.



SENATE BILL 188: Special Care Dentistry Collaboration

2009-2010 General Assembly

Committee: House Aging
Introduced by: Sen. Malone
Analysis of: Second Edition

Date: May 22, 2009
Prepared by: Theresa Matula
Committee Staff

SUMMARY: *Senate Bill 188 directs the Division of Public Health, within the Department of Health and Human Services, to collaborate with the Division of Medical Assistance, the Division of Aging and Adult Services, the State's Schools of Dentistry, the North Carolina Dental Society, and special care dental providers to examine current dental care options for special care populations. As introduced, this bill was a recommendation from the NC Study Commission on Aging.*

[As introduced, this bill was identical to H144, as introduced by Reps. Farmer-Butterfield, Pierce, Bordsen, Mobley, which is currently in House Aging, if favorable, Health.]

BILL ANALYSIS:

Senate Bill 188 directs the Division of Public Health to collaborate with the following entities:

- Division of Medical Assistance,
- Division of Aging and Adult Services,
- University of North Carolina at Chapel Hill School of Dentistry,
- East Carolina University School of Dentistry,
- North Carolina Dental Society, and
- Current providers of special care dentistry services.

This collaboration should result in suggestions for ways to improve the availability of services for special care populations. The Department is required to report findings and recommendations to the North Carolina Study Commission on Aging and the Public Health Study Commission by February 1, 2010.

The Division of Public Health, which has an Oral Health Section, is designated as the lead division among those divisions within the Department of Health and Human Services that are listed in the bill.

This bill will become effective when it becomes law.

BACKGROUND:

It has been reported that people with disabilities and the institutionalized aged often have more dental disease, more missing teeth, and more difficulty obtaining dental care than other segments of the population. Persons with developmental disabilities residing in community settings have significant unmet health care needs, including oral health needs, and the situation is worse for the aged and disabled living in rural and remote areas. A 2000 Surgeon General's report, *Oral Health in America*, noted that although there have been gains in oral health status for the population as a whole, the gains have not been evenly distributed across sub-populations. Profound disparities for dental care exist among racial and ethnic minorities, individuals with disabilities, elderly persons, and individuals with complicated medical and social conditions. The Medicaid program in North Carolina is one of a minority of states that offers comprehensive dental benefits for adults.¹

SI88-SMSH-26(e2) v2

**Shawn Parker contributed to this summary.*

¹ North Carolina Study Commission on Aging's report to the Governor and the 2009 General Assembly.
Research Division

O. Walker Reagan, Director

(919) 733-2578

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

S

2

**SENATE BILL 188
Health Care Committee Substitute Adopted 3/12/09**

Short Title: Special Care Dentistry Collaboration.

(Public)

Sponsors:

Referred to:

February 18, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF PUBLIC HEALTH, IN COLLABORATION WITH THE DIVISION OF MEDICAL ASSISTANCE, DIVISION OF AGING AND ADULT SERVICES, THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND EAST CAROLINA UNIVERSITY SCHOOLS OF DENTISTRY, THE NORTH CAROLINA DENTAL SOCIETY, AND CURRENT SPECIAL CARE DENTAL PROVIDERS, TO EXAMINE DENTAL CARE OPTIONS FOR SPECIAL CARE POPULATIONS.

The General Assembly of North Carolina enacts:

SECTION 1. The Department of Health and Human Services, Division of Public Health, shall collaborate with the Division of Medical Assistance, the Division of Aging and Adult Services, the University of North Carolina at Chapel Hill and the East Carolina University Schools of Dentistry the North Carolina Dental Society, and current providers of special care dentistry services to examine current dental care options for special care populations. The collaboration of these groups shall result in suggestions for ways to improve the availability of services for special care populations. The Department shall report findings and recommendations to the North Carolina Study Commission on Aging and the Public Health Study Commission on or before February 1, 2010.

SECTION 2. This act is effective when it becomes law.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☒ Committee Substitute for

SB 188 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF PUBLIC HEALTH, IN COLLABORATION WITH THE DIVISION OF MEDICAL ASSISTANCE, DIVISION OF AGING AND ADULT SERVICES, THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL AND EAST CAROLINA UNIVERSITY SCHOOLS OF DENTISTRY, THE NORTH CAROLINA DENTAL SOCIETY, AND CURRENT SPECIAL CARE DENTAL PROVIDERS, TO EXAMINE DENTAL CARE OPTIONS FOR SPECIAL CARE POPULATIONS.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.

VISITOR REGISTRATION SHEET

Aging

Name of Committee

5/27/69

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kenneth R. Strawberry	Wilmington
Wilma Strawberry	"
Polly Williams	NC Justice Center
Paul Meyer	NCLM
Patrice Raven	NCACC
David Baker	NC DOR
Sheyna Reid	IOG
Mary Edwards	DAAS
Sheyna Alterowitz	AARP
Gissi Hays	NC HBA
Litona Hawkins	Banc & Assoc

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME _____

FIRM OR AGENCY AND ADDRESS

Andrew Cagle

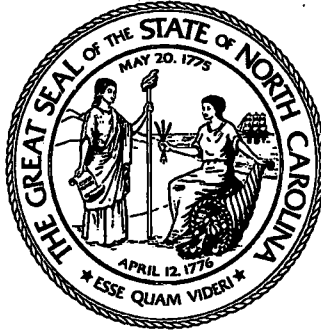
DLC + Assoc.

BN 1275

WM

E. Regan

NC RGEA



HOUSE COMMITTEE ON AGING
Wednesday, June 17, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 1622 Home Care License Fee/New License Moratorium
Representative Beverly Earle
(If favorable, Finance)

ADJOURNMENT

HOUSE COMMITTEE ON AGING

Room 415 LOB

June 17, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, June 17, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Alice Bordsen; Rep. Pearl Burris-Floyd; Rep. Darren Jackson; Rep. Earl Jones; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. A copy of the Visitors Sheet is attached and included with the minutes.

The Chair recognized the Sergeants-At Arms and asked the Pages to introduce themselves.

Representative Garland Pierce was recognized to present **House Bill 1622, Home Care License Fee/New License Moratorium.** The Chair moved that a proposed committee substitute be approved for discussion only. The motion passed.

The Proposed Committee Substitute (PCS) for HB 1622 imposes an initial licensure fee of \$575 for new home care agencies, and restricts the Department of Health and Human Services from issuing licenses for home care agencies for a period of one year beginning January 1, 2010, unless the license is being issued to certified home health agencies, continuing care retirement communities offering home care services not funded by Medicaid, or to agencies that need a new license due to acquisition. Section 1 of the bill would become effective July 1, 2009, and the remainder of the bill would become effective when it becomes law. Copies of the bill, the bill summary and proposed committee substitute are attached.

Following presentation of the bill, the Chair opened the floor for discussion. Representative Darrell McCormick asked what the current fee is for licensure. Staff member Theresa Matula replied that the renewal fee was increased in the budget bills from \$400, to \$510, and this bill would charge an initial licensure fee of \$575 for new home care agencies to provide in-home aide services. Representative Grey Mills asked what the purpose was for a one year moratorium on licensing. Ms. Matula responded that there is a backlog of new home-care agencies requesting licensure. She added that the moratorium has been in place from January 1, 2007 to January 1, 2009.

Representative Boles asked if the proposed fees are based per bed. Ms. Matula responded that the application fee is the same whether they are new or renewals. Mr. Jeff Horton, of the Department of Health Service Regulation (DHSR), was recognized to speak. He answered that the \$400 fee is the initial licensure fee. The proposed bill increases that fee to \$575. Representative Boles asked if the moratorium applies to facilities that do not accept Medicaid. Ms. Matula replied that there are exemptions to the moratorium. Representative McCormick expressed concern about the moratorium and asked if the Department (DHHS) requested it. Sharnese Ransome, of DHHS, replied that it was not a request of the department.

The Chair recognized Mr. Tim Rogers, Executive Director of the Home and Hospice Association. He commented that the association supports the bill and the moratorium on licensing. He added that there are 1,600 licensed home care agencies in North Carolina and 160 more on the waiting list to be licensed.

Jeff Horton responded to a question from Representative Ruth Samuelson regarding the application process. She followed with a concern about whether putting a moratorium on licensing limits competition. In a question from Representative Bordsen, Mr. Horton responded that DHHS is required to inspect licensed facilities every 3 years. They perform about 200 inspections and license about 120 facilities per year. He added that extending the moratorium would allow them to visit more homes.

The Chair recognized Representatives Jones, Mills, Samuelson, McCormick, Burris-Floyd and Bordsen for additional comments. Following discussion of the bill, the Chair stated that there would be no amendments added to the proposed committee substitute at this time because the bill sponsor was not present. House Bill 1622 was then tabled until the next meeting.

There being no further business, the meeting was adjourned at 11:37 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair


Ruth Merkle
Committee Clerk

HOUSE PAGES

NAME OF COMMITTEE Aging DATE 6/17/09

1. Name: Jackson Weeks

County: Wake

Sponsor: Joe Hackney

2. Name: Jonathan Alberzon

County: Wilford

Sponsor: Rep. John Blust

3. Name: Meredith Dinkins

County: Davie

Sponsor: Julia Howard

4. Name: Tisha Funderburk

County: Davie

Sponsor: Rep. Julia Howard

5. Name: _____

County: _____

Sponsor: _____

SGT-AT-ARM

1. Name: Martha Parrish

2. Name: Jerald Perry

3. Name: Loussaint L. Avent

4. Name: _____

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jack Cozart

WCS R

Jeff Horne

DHNS- DHR

Dennis Streets

DHHS- DAAS

nar nese Ransome

ΔHHS



2009-2010 General Assembly

HOUSE BILL 1622: Home Care License Fee/New License Moratorium

Tabled

Committee:	House Aging, if favorable, Finance	Date:	June 16, 2009
Introduced by:	Rep. Earle	Prepared by:	Theresa Matula
Analysis of:	PCS to First Edition H1622-CSSH-56		Committee Staff

SUMMARY: *The Proposed Committee Substitute for House Bill 1622 imposes an initial licensure fee of \$575 for new home care agencies, and restricts the Department of Health and Human Services from issuing licenses for home care agencies for a period of one year beginning January 1, 2010, unless the license is being issued to certified home health agencies, continuing care retirement communities offering home care services not funded by Medicaid, or to agencies that need a new license due to acquisition.*

CURRENT LAW:

Home Care Definitions

- "Home care agency" – defined in G.S. 131E-136 (2) as a private or public organization that provides home care services.
- "In-home aide services" – defined in G.S. 131E-136(3) (d) as services that involve hands-on care to an individual in a place of temporary or permanent residence used as an individual's home.
- "Home health agency" – defined in G.S. 131E-136(4) as a home care agency certified to receive Medicare and Medicaid reimbursement for providing nursing care, therapy, medical social services, and home health aide services on a part-time, intermittent basis.

Continuing Care Definitions

- "Continuing care" – defined in G.S. 58-64-1 (1) as the furnishing to an individual other than an individual related by blood, marriage, or adoption to the person furnishing the care, of lodging together with nursing services, medical services, or other health related services, under an agreement effective for the life of the individual or for a period longer than one year.
- "Provider" of continuing care – defined in G.S. 58-64-1 (6) as the promoter, developer, or owner of a facility, whether a natural person, partnership, or other unincorporated association, however organized, trust, or corporation, of an institution, building, residence, or other place, whether operated for profit or not, or any other person, that solicits or undertakes to provide continuing care under a continuing care facility contract, or that represents himself, herself, or itself as providing continuing care or "life care."

BILL ANALYSIS:

Section 1 of the PCS for HB 1622 authorizes the Department of Health and Human Services, Division of Health Service Regulation, to charge an initial licensure fee of \$575 for new home care agencies to provide in-home aide services.

Section 2 of the PCS for HB 1622 prevents the Department of Health and Human Services from issuing any licenses for new home care agencies that intend to offer in-home aide services for a period of one year beginning October 1, ~~2009~~ ²⁰¹⁰. The restriction shall not prevent the Department from issuing licenses to:

- certified home health agencies that intend to offer in-home aide services,

House Bill 1622

Page 2

- continuing care retirement communities offering home care services not funded by Medicaid as part of a continuing care contract, or
- to agencies that need a new license for an existing agency that is being acquired.

The bill states that the purpose of the moratorium is to allow the Department of Health and Human Services more time to work with existing home care agencies to assure compliance with newly adopted home care rules.

EFFECTIVE DATE:

Section 1 of House Bill 1622 would become effective July 1, 2009 and the remainder of the bill would become effective when it becomes law.

BACKGROUND:

Previous Moratoriums

S.L. 2006-194 implemented a moratorium on home care agency licenses for one year. S.L. 2007-125 extended the moratorium for an additional year. A moratorium on the issuance of home care licenses was in place from January 1, 2007 until January 1, 2009. The exemptions under these Session Laws were the same as those contained in this bill, except for the exemption for continuing care retirement communities which is contained in this bill. This bill would put a moratorium in place beginning January 1, 2010 for a period of one year.

Fees

Section 10.76(d) of SB 202, 3rd edition, and SB 202, 6th edition, amend G.S. 131E-138(c) to increase the application fee from \$400 to \$510 for a home care agency license. Section 10.77 of SB 202, 3rd edition, and SB 202, 6th edition, establish a new section G.S. 131E-272 to implement an initial licensure fee of \$560 for a home care agency license. This bill implements an initial licensure fee of \$575.

Home Care Agencies by County

Based on a list of home care agencies by county, there are nine counties that list 2 or fewer home care agencies.

According to the Division of Health Service Regulation, as of June 1, 2009, there are 1,613 licensed home care agencies in North Carolina with the majority providing in-home aide services. The Division reports there are 10 agencies/county that are licensed to provide in-home aide services and that there is no limit on the number of clients any agency can service as long as the clients are in contiguous counties or 90 minutes driving time from where the agency is located.

HI622-SMSH-142(CSSH-56) v1

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

D

HOUSE BILL 1622
PROPOSED COMMITTEE SUBSTITUTE H1622-CSSHf-56 [v.2]

6/16/2009 8:02:42 PM

Short Title: Home Care License Fee/New License Moratorium. (Public)

Sponsors:

Referred to:

May 7, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPOSE AN INITIAL LICENSE FEE FOR HOME CARE AGENCIES; AND
3 TO PLACE A ONE-YEAR MORATORIUM ON THE ISSUANCE OF LICENSES FOR
4 NEW HOME CARE AGENCIES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 16 of Chapter 131E of the General Statutes is amended by
7 adding a new section to read:

8 "§ 131E-272. Initial licensure fees for new facilities.

9 The Department of Health and Human Services, Division of Health Service Regulation,
10 shall impose an initial licensure fee of five hundred seventy-five dollars (\$575.00) for new
11 home care agencies to provide in-home aide services."

12 SECTION 2. Beginning January 2010, and for a period of one year thereafter, the
13 Department of Health and Human Services shall not issue any licenses for new home care
14 agencies that intend to offer in-home aide services. This prohibition shall not restrict the
15 Department from issuing licenses to certified home health agencies that intend to offer in-home
16 aide services, to continuing care retirement communities offering home care services not
17 funded by Medicaid as part of a continuing care contract, or to agencies that need a new license
18 for an existing home care agency being acquired. The purpose of this section is to allow the
19 Department of Health and Human Services more time to work with existing home care
20 agencies to assure compliance with newly adopted home care rules.

21 SECTION 3. Section 1 of this act becomes effective July 1, 2009. The remainder
22 of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1622

Short Title: Home Care License Fee/New License Moratorium. (Public)

Sponsors: Representatives Earle; and Hughes.

Referred to: Aging, if favorable, Finance.

May 7, 2009

A BILL TO BE ENTITLED

AN ACT TO IMPOSE AN INITIAL LICENSE FEE FOR HOME CARE AGENCIES; AND
TO PLACE A ONE-YEAR MORATORIUM ON THE ISSUANCE OF LICENSES FOR
NEW HOME CARE AGENCIES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 16 of Chapter 131E of the General Statutes is amended by
adding a new section to read:

"§ 131E-272. Initial licensure fees for new facilities.

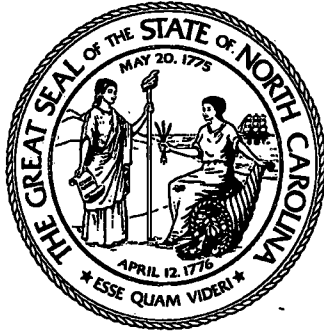
The Department of Health and Human Services, Division of Health Service Regulation,
shall impose an initial licensure fee of five hundred seventy-five dollars (\$575.00) for new
home care agencies to provide in-home aide services."

SECTION 2. Beginning October 1, 2009, and for a period of one year thereafter,
the Department of Health and Human Services shall not issue any licenses for new home care
agencies that intend to offer in-home aide services. This prohibition shall not restrict the
Department from issuing licenses to certified home health agencies that intend to offer in-home
aide services or to agencies that need a new license for an existing home care agency being
acquired. The purpose of this section is to allow the Department of Health and Human
Services more time to work with existing home care agencies to assure compliance with newly
adopted home care rules.

SECTION 3. Section 1 of this act becomes effective July 1, 2009. The remainder
of this act is effective when it becomes law.



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HOUSE COMMITTEE ON AGING
Wednesday, July 8, 2009
Room 415 LOB
11:00 a.m.

AGENDA

OPENING REMARKS AND INTRODUCTIONS

Representative Jean Farmer-Butterfield, Chair

BILLS:

HB 1622 Home Care License Fee/New License Moratorium
Representative Beverly Earle
(If favorable, Finance)

ADJOURNMENT

HOUSE COMMITTEE ON AGING

Room 415 LOB

July 8, 2009

11:00 am

Representative Jean Farmer-Butterfield, Chair

The House Committee on Aging met on Wednesday, July 8, 2009, at 11:00 am in Room 415 of the Legislative Office Building.

Committee members in attendance were Rep. Jean Farmer-Butterfield, Chair; Rep. Garland Pierce, Vice-Chair; Rep. Ruth Samuelson, Vice-Chair; Rep. Jennifer Weiss, Vice Chair; Rep. James L. Boles, Jr.; Rep. Pearl Burris-Floyd; Rep. Beverly Earle; Rep. Darren Jackson; Rep. Earl Jones; Rep. Darrell McCormick; Rep. Grey Mills; Rep. Annie Mobley and Rep. Efton Sager. Also in attendance were staff members Theresa Matula and Sarah Kamprath and committee assistant Ruth Merkle. A copy of the Visitors Sheet is attached and included with the minutes.

The Chair thanked the Sergeants-At-Arms and the Pages, and then recognized Representative Beverly Earle, to present a proposed committee substitute for **HB 1622, Home Care License Fee/New License Moratorium.**

This bill imposes an initial license fee for home care agencies; and to place a one year moratorium on the issuance of licenses for new home care agencies. As the title indicates, Effective July 1, 2009, adds new GS 131E-272 to impose initial licensure fee of \$575. Moratorium begins October 1, 2009, and applies to new home care agencies that intend to offer in-home aide services. The moratorium does not apply to certified home health agencies that intend to offer in-home aide services or to agencies that need a new license for an existing home care agency being acquired. Copies of the bill, bill summary and proposed committee substitute (PCS) are attached and included with these minutes.

Following presentation of the bill, the Chair opened the floor for discussion. Representative Darrell McCormick asked how long the moratorium is in place. Representative Earle explained that the moratorium ended in October 2008 was extended to January 2010. She added that approximately 300 or more facilities have applied for or received a license since it was extended.

Representative Annie Mobley asked if there are any special provisions in the bill to permit a facility to be licensed if the need arises. Representative Earle replied that home health agencies are pretty well spread-out throughout the state and they can expand if they need to increase services.

Representative Jamie Boles asked how many of the 300 applications (for licensure) have expired. Representative Earle referred his question to Mr. Jesse Goodwin of the Department of Health and Human Services (DHHS). He commented that he did have

that information available but he would provide it to the committee. He added that there are presently 1,600 licensed home care agencies, and 300 more were licensed since the last moratorium ended in January 2009.

Representative Boles followed with a question, asking if the moratorium would give agencies more time to follow the new rules that were put in place in 2005. Representative Earle stated that DHHS has five employees who evaluate facilities across the state and the moratorium will give the department an opportunity to catch-up on the backlog of licensure requests.

Representative Ruth Samuelson asked what the average number of staff and residents were for home care agencies. Mr. Goodwin responded that there is not really an average; there are a number of factors that determine capacity, including location and the number of clients.

Representative Samuelson followed with a statement that she has drafted an amendment to remove the two-year moratorium on new licenses.

Representative Earle that this is not the first time a moratorium has been put in place to slow down the number of group homes when there is not a need. Representative Samuelson asked if a reduction in Medicaid reimbursements would self-regulate the number of home health agencies. Representative Earle responded that the cut in reimbursement will affect services, not the number of home health agencies.

Representative McCormick commented that he spoke with Jeff Horton of DHHS, and he said they could do about 250 inspections a year. At their current staffing level they would need a two year turn-around to inspect the additional 300 new licensed agencies. Representative Mobley asked if the department requested the moratorium. Rep. Earle replied that DHHS did not request it, but it would help their department.

Representative Mobley asked if the department is in support of the moratorium. Sharnese Ransome, Legislative liaison for DHHS, responded that DHHS has decided to remain neutral on this issue.

Representative Boles asked if the 300 new applicants need to show a certificate of need (CON) to be licensed. Representative Earle said it was not directed by a CON. Representative Pearl Burris-Floyd commented that initially she had concerns about the moratorium but now supports the bill.

Representative Earl Jones commented that he was in support of a one-year extension to the moratorium but wanted to know who was driving the bill. Representative Earle explained that it was the home health agencies who asked for the bill.

The Chair recognized Mr. Tracy Colvard of the Home and Hospice Care Association. He replied that their reason for supporting a moratorium is to ensure quality

of care. Representative Farmer-Butterfield asked him if he was aware of any problems with quality of care. He said it has been in the media.

Representative Jones commented that Robeson County has 90 home health agencies and in other counties there may only be two, which serves his point for not having a moratorium. He added that the demand for agencies will increase with the baby boomers.

Representative Weiss asked if someone from AARP was available to speak. The Chair recognized Mary Bethel, who stated that AARP has not taken a position on this bill.

The Chair then recognized Mr. David Thomerson of Durham, the owner of a senior care facility. He spoke of the challenges he met trying to get licensed during the moratorium, and the difficulty in receiving the training he needed because of a lack of trainers.

Representative Jennifer Weiss asked Mr. Goodwin if there was adequate funding for inspectors. He responded that they do not have the staff to inspect agencies more than once every three years. Representative Weiss then commented that this issue should be studied in an aging study commission.

Representative Boles was recognized and he asked Mr. Goodwin how many agencies are able to train per month. Mr. Goodwin responded that there are about 20 slots per month. He added that DHHS no longer does the training; it is contracted out.

The Chair recognized Representative Samuelson, who presented an amendment to HB 1622. The amendment "moves to amend the bill on page 1, line 2-4, by rewriting the lines to read "AN ACT TO IMPOSE AN INITIAL LICENSE FEE FOR HOME CARE AGENCIES."; and on page 1, line 12-20, by deleting Section 2 of the bill: and on page 1, lines 21-22, by rewriting the lines to read: "SECTION 2. This act becomes effective July 1, 2009.". A copy of the amendment is attached and included with these minutes.

Representative Samuelson explained that there were many questions on the moratorium and this amendment removes it from the bill. Representative Weiss suggested that the bill sponsor work with the sponsor of the amendment to change the language in the PCS to address the moratorium, and direct DHHS to evaluate the quality of care of clients served by home health care agencies.

Representative Earle remarked that she opposed the amendment and that the committee could pass the bill and have it sent to the Aging Study Commission.

The Chair recognized Representative Jones, who asked that the amendment be voted up or down. Representative Earle agreed to a vote on the amendment. The amendment failed by a vote of 7-6.

House Bill 1622 was displaced and the meeting was adjourned at 11:49 am.

Respectfully submitted,

Representative Jean Farmer-Butterfield
Chair



Ruth Merkle
Committee Clerk

8/31/09



HOUSE BILL 1622: Home Care License Fee/New License Moratorium

2009-2010 General Assembly

Committee: House Aging, if favorable, Finance
Introduced by: Rep. Earle
Analysis of: PCS to First Edition
H1622-CSSHf-56

Date: July 7, 2009
Prepared by: Theresa Matula
Committee Staff

SUMMARY: *The Proposed Committee Substitute for House Bill 1622 imposes an initial licensure fee of \$575 for new home care agencies providing in-home aide services, and restricts the Department of Health and Human Services from issuing licenses for home care agencies for a period of one year beginning January 1, 2010, unless the license is being issued to certified home health agencies, continuing care retirement communities offering home care services not funded by Medicaid, or to agencies that need a new license due to acquisition.*

CURRENT LAW:

Home Care Definitions

- "Home care agency" – defined in G.S. 131E-136(2), is a private or public organization that provides home care services.
- "In-home aide services" – defined in G.S. 131E-136(3)(d), are services that involve hands-on care to an individual in a place of temporary or permanent residence used as an individual's home.
- "Home health agency" – defined in G.S. 131E-136(4) as a home care agency certified to receive Medicare and Medicaid reimbursement for providing nursing care, therapy, medical social services, and home health aide services on a part-time, intermittent basis.

Continuing Care Definitions

- "Continuing care" – defined in G.S. 58-64-1 (1) as the furnishing to an individual other than an individual related by blood, marriage, or adoption to the person furnishing the care, of lodging together with nursing services, medical services, or other health related services, under an agreement effective for the life of the individual or for a period longer than one year.
- "Provider" of continuing care – defined in G.S. 58-64-1 (6) as the promoter, developer, or owner of a facility, whether a natural person, partnership, or other unincorporated association, however organized, trust, or corporation, of an institution, building, residence, or other place, whether operated for profit or not, or any other person, that solicits or undertakes to provide continuing care under a continuing care facility contract, or that represents himself, herself, or itself as providing continuing care or "life care."

BILL ANALYSIS:

Section 1 of the PCS for HB 1622 authorizes the Department of Health and Human Services, Division of Health Service Regulation, to charge an initial licensure fee of \$575 for new home care agencies to provide in-home aide services. Under G.S. 131E-136 (3) there are six services and directly related medical supplies and appliances that can be provided to an individual in a place of temporary or permanent residence used as an individual's home. In-home aide services are one of the six services. This fee increase would only apply to those home care agencies that provide in-home aide services.

Section 2 of the PCS for HB 1622 prevents the Department of Health and Human Services from issuing any licenses for new home care agencies that intend to offer in-home aide services for a period of one

House Bill 1622

Page 2

year beginning January 1, 2010. The restriction shall not prevent the Department from issuing licenses to:

- certified home health agencies that intend to offer in-home aide services,
- continuing care retirement communities offering home care services not funded by Medicaid as part of a continuing care contract, or
- to agencies that need a new license for an existing agency that is being acquired.

The bill states that the purpose of the moratorium is to allow the Department of Health and Human Services more time to work with existing home care agencies to assure compliance with newly adopted home care rules.

EFFECTIVE DATE:

Section 1 of House Bill 1622 would become effective July 1, 2009, and the remainder of the bill would become effective when it becomes law.

BACKGROUND:

Previous Moratoriums

S.L. 2006-194 implemented a moratorium on home care agency licenses for one year. S.L. 2007-125 extended the moratorium for an additional year. A moratorium on the issuance of home care licenses was in place from January 1, 2007 until January 1, 2009. The exemptions under these Session Laws were the same as those contained in this bill, except for the exemption for continuing care retirement communities which is contained in this bill. This bill would put a moratorium in place beginning January 1, 2010 for a period of one year.

Fees

Section 10.76(d) of SB 202, 3rd edition, and SB 202, 6th edition, amend G.S. 131E-138(c) to increase the application fee from \$400 to \$510 for a home care agency license. Section 10.77 of SB 202, 3rd edition, and SB 202, 6th edition, establish a new section G.S. 131E-272 to implement an initial licensure fee of \$560 for a home care agency license. This bill implements an initial licensure fee of \$575 for those home care agencies that offer in-home aide services.

Home Care Agencies by County

According to the Division of Health Service Regulation, as of June 1, 2009, there are 1,613 licensed home care agencies in North Carolina with the majority providing in-home aide services. Based on a list of home care agencies by county, there are nine counties that list 2 or fewer home care agencies. The Division reports there are an average of 10 agencies/county that are licensed to provide in-home aide services and that there is no limit on the number of clients any agency can service as long as the clients are in contiguous counties or 90 minutes driving time from where the agency is located.

H1622-SMSH-143(CSSHf-56) v5

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

D

**HOUSE BILL 1622
PROPOSED COMMITTEE SUBSTITUTE H1622-CSSHf-56 [v.3]**

6/17/2009 12:01:53 PM

Short Title: Home Care License Fee/New License Moratorium.

(Public)

Sponsors:

Referred to:

May 7, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPOSE AN INITIAL LICENSE FEE FOR HOME CARE AGENCIES; AND
3 TO PLACE A ONE-YEAR MORATORIUM ON THE ISSUANCE OF LICENSES FOR
4 NEW HOME CARE AGENCIES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 16 of Chapter 131E of the General Statutes is amended by
7 adding a new section to read:

8 **"§ 131E-272. Initial licensure fees for new facilities.**

9 The Department of Health and Human Services, Division of Health Service Regulation,
10 shall impose an initial licensure fee of five hundred seventy-five dollars (\$575.00) for new
11 home care agencies to provide in-home aide services."

12 **SECTION 2.** Beginning January 1, 2010, and for a period of one year thereafter,
13 the Department of Health and Human Services shall not issue any licenses for new home care
14 agencies that intend to offer in-home aide services. This prohibition shall not restrict the
15 Department from issuing licenses to certified home health agencies that intend to offer in-home
16 aide services, to continuing care retirement communities offering home care services not
17 funded by Medicaid as part of a continuing care contract, or to agencies that need a new license
18 for an existing home care agency being acquired. The purpose of this section is to allow the
19 Department of Health and Human Services more time to work with existing home care
20 agencies to assure compliance with newly adopted home care rules.

21 **SECTION 3.** Section 1 of this act becomes effective July 1, 2009. The remainder
22 of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1622

Short Title: Home Care License Fee/New License Moratorium. (Public)

Sponsors: Representatives Earle; and Hughes.

Referred to: Aging, if favorable, Finance.

May 7, 2009

A BILL TO BE ENTITLED

AN ACT TO IMPOSE AN INITIAL LICENSE FEE FOR HOME CARE AGENCIES; AND
TO PLACE A ONE-YEAR MORATORIUM ON THE ISSUANCE OF LICENSES FOR
NEW HOME CARE AGENCIES.

The General Assembly of North Carolina enacts:

SECTION 1. Article 16 of Chapter 131E of the General Statutes is amended by
adding a new section to read:

"§ 131E-272. Initial licensure fees for new facilities.

**The Department of Health and Human Services, Division of Health Service Regulation,
shall impose an initial licensure fee of five hundred seventy-five dollars (\$575.00) for new
home care agencies to provide in-home aide services."**

SECTION 2. Beginning October 1, 2009, and for a period of one year thereafter,
the Department of Health and Human Services shall not issue any licenses for new home care
agencies that intend to offer in-home aide services. This prohibition shall not restrict the
Department from issuing licenses to certified home health agencies that intend to offer in-home
aide services or to agencies that need a new license for an existing home care agency being
acquired. The purpose of this section is to allow the Department of Health and Human
Services more time to work with existing home care agencies to assure compliance with newly
adopted home care rules.

SECTION 3. Section 1 of this act becomes effective July 1, 2009. The remainder
of this act is effective when it becomes law.



* H 1 6 2 2 - V - 1 *



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 1622

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

H1622-ASH-17 [v.1]

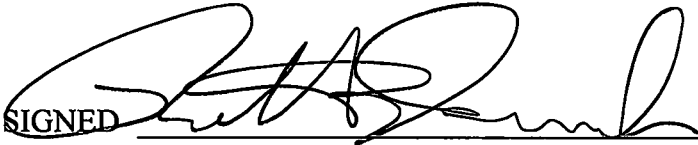
Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
First Edition

Date _____, 2009

Representative Samuelson

- 1 moves to amend the bill on page 1, lines 2-4, by rewriting the lines to read:
2 "AN ACT TO IMPOSE AN INITIAL LICENSE FEE FOR HOME CARE AGENCIES.";
3
4 and on page 1, lines 12-20, by deleting Section 2 of the bill;
5
6 and on page 1, lines 21-22, by rewriting the lines to read:
7 "SECTION 2. This act becomes effective July 1, 2009."

SIGNED 
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED ☒ TABLED _____



* H 1 6 2 2 - A S H - 1 7 - V - 1 *

VISITOR REGISTRATION SHEET

Aging
Name of Committee

7/8/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jerry Hardesty	NC Food Banks
Barbara Conkle	BSGA
Lu Ann [Signature]	NCANDHA
DAVID BARNES	Papier Sprmch
Jordan Qualls	NCALTCF
Lon Wilson	NCALTCF
Roz Sawitt	NC CCC
Victoria Hawkins	Bone & Assoc
BRUCE THOMPSON	PARKER PDS
Stephen Lair	Home Instead Senior Care

VISITOR REGISTRATION SHEET

Aging

Name of Committee

7/8/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

	
Jess Goodman	Diana
S. Wilson	
Tracey Colvard	
Andrew Cagle	DLC + Assoc
Tracey Kimbrell	Parker Poe
DAVID THOMMARSON	HOME INSTEAD SENIOR CARE
Mary Beth	AARP - NC
Delma DeCamillo's	UNC. IOG
Kristi Huff	NCHCFA
Emelyn Hawthorne	NCAA, NCOTA, NCAP

VISITOR REGISTRATION SHEET

Aging

Name of Committee

7/8/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Darnell Boyd

Rep. Adams



**NORTH CAROLINA GENERAL ASSEMBLY
HOUSE AGING COMMITTEE**

2010 Session

Rep. Jean Farmer-Butterfield, Chair

Wanda Kay, Committee Assistant

North Carolina General Assembly
Through House Committee on
Aging

Date: 07/20/2010
Time: 14:59
Page: 001 of 003

2009-2010 Biennium

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
\$ H0091=	Rapp	FUNDS FOR PROJECT C.A.R.E.	*H Re-ref Com On Appropriations	02-12-09	03-11-09
0138=	Farmer-Butterfie	INCREASE ADULT DAY CARE REIMBURSEMENT RATE.	H Re-ref Com On Appropriations	02-12-09	03-04-09
\$ H0139=	Farmer-Butterfie	DENTISTRY FUNDS FOR SPECIAL CARE POPULATIONS.	H Re-ref Com On Appropriations	02-12-09	03-04-09
H0140=	Farmer-Butterfie	ADULT CARE HOME MEDICATION QI PILOT ANALYSIS.	H Ref to the Com on Aging, if favorable, Health, if favorable, Appropriations	02-12-09	
\$ H0141=	Farmer-Butterfie	SENIOR CENTER FUNDS.	H Re-ref Com On Appropriations	02-12-09	03-04-09
\$ H0142=	Farmer-Butterfie	HOME & COMMUNITY CARE BLOCK GRANT FUNDS.	H Re-ref Com On Appropriations	02-12-09	03-04-09
H0143=	Farmer-Butterfie	STRENGTHEN DISASTER PLANNING/LTC FACILITIES.	H Ref To Com On Health Care	02-12-09	03-18-09
H0144=	Farmer-Butterfie	SPECIAL CARE DENTISTRY COLLABORATION.	*H Pres. To Gov. 7/9/2010	02-12-09	03-19-09
\$ H0145=	Farmer-Butterfie	PROJECT C.A.R.E. FOR DEMENTIA FUNDS.	H Re-ref Com On Appropriations	02-12-09	03-11-09
\$ H0146=	Farmer-Butterfie	FUNDS FOR ADULT PROTECTIVE SERVICES PILOT.	H Re-ref Com On Appropriations	02-12-09	03-11-09
0147=	Farmer-Butterfie	DHHS WORKGROUP ON MIXED POPULATIONS ACH.	*H Re-ref Com On Health	02-12-09	04-01-09
H0273=	Farmer-Butterfie	PREPARATIONS FOR AGING BABY BOOMERS.	H Ref to the Com on Aging, if favorable, Education	02-24-09	
\$ H0292	Brubaker	RANDOLPH COUNTY/ SENIOR ADULTS FACILITY.	H Re-ref Com On Appropriations	02-25-09	03-25-09
H0358	Bordsen	CLARIFY CONSECUTIVE TERMS - AGING & CHILD COM.	*HR Ch. SL 2009-142	03-03-09	03-19-09
H0418	Killian	DRIVERS LICENSE CHANGES/OLDER DRIVERS.	*H Re-ref Com On Finance	03-05-09	04-01-09
H0456=	Insko	TECH. & ORG. CHANGES/ CERTAIN DHHS FACILITIES.	*HR Ch. SL 2009-462	03-09-09	04-15-09
H0705=	Goodwin	GUARDIANSHIP/ JURISDICTION AND PORTABILITY.	H Ref to the Com on Aging, if favorable, Judiciary III	04-01-09	
H0994	Farmer-Butterfie	WILSON HOUSING AUTHORITY-AGING IN PLACE.	*HR Ch. SL 2009-220	04-02-09	05-06-09
H0996	Farmer-Butterfie	REPLACE DHHS WITH UNC POVERTY-ACH/PH STUDY.	*HR Ch. SL 2009-391	04-02-09	05-06-09
H1129	Mobley	CLARIFY SILVER ALERT-	HR Ch. SL 2009-143	04-07-09	04-15-09

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North Carolina General Assembly
Through House Committee on
Aging

Date: 07/20/2010
Time: 14:59
Page: 002 of 003
Leg. Day: H-151/S-148

2009-2010 Biennium

Bill	Introducer	Short Title		Latest Action	In Date	Out Date
1130	Mobley	ALL AGES. SENIOR PROP 13 PROPERTY TAX RELIEF.	H	Ref to the Com on Aging, if favorable, Judiciary I, if favorable, Finance	04-07-09	
H1186	Earle	DHHS/UPDATE CURRENT INSPECTION PRACTICES.- AB	*HR	Ch. SL 2009-232	04-08-09	04-23-09
H1310	Underhill	INSURANCE PREMIUM DISCOUNT/PREVENTION COURSE.	H	Ref to the Com on Aging, if favorable, Insurance	04-09-09	
H1547	Blust	SENIOR AUTOMOBILE PROPERTY TAX EXCLUSION.	H	Re-ref Com On Finance	04-27-09	05-27-09
H1622	Earle	HOME CARE LICENSE FEE/ NEW LICENSE MORATORIUM.	H	Ref to the Com on Aging, if favorable, Finance	05-07-09	
\$ H1630	Dickson	CONTINUING CARE AT HOME PROGRAM.	H	serial referral stricken bill is re-referred to Aging	05-18-10	
H1692=	Farmer-Butterfie	MEDICAID DENTAL/ SPECIAL NEEDS POPULATION.	*HR	Ch. SL 2010-88	05-13-10	05-26-10
H1692=	Farmer-Butterfie	MEDICAID DENTAL/ SPECIAL NEEDS POPULATION.	*HR	Ch. SL 2010-88	06-24-10	06-30-10
H1693=	Farmer-Butterfie	DEVELOP SPECIAL NEEDS DENTAL CARE WORKFORCE.	*HR	Ch. SL 2010-92	05-13-10	05-26-10
l693=	Farmer-Butterfie	DEVELOP SPECIAL NEEDS DENTAL CARE WORKFORCE.	*HR	Ch. SL 2010-92	06-24-10	06-30-10
H1698=	Farmer-Butterfie	UPDATE LONG-TERM CARE STATUTES.	*HR	Ch. SL 2010-66	05-13-10	05-26-10
H1703=	Weiss	ADULT DAY CARE CRIMINAL RECORD CHECK PROCESS.	*HR	Ch. SL 2010-93	05-13-10	05-26-10
H1704=	Weiss	IMPLEMENT LTC PARTNERSHIP PROGRAM.	H	Ref to the Com on Aging, if favorable, Insurance	05-13-10	
H1705=	Pierce	CONSUMER GUIDELINES FOR HEARING AID PURCHASES.	*H	Pres. To Gov. 7/9/ 2010	05-24-10	06-09-10
H1732=	England	NURSE AIDE TRAINING REVIEW.	H	Ref to the Com on Aging, if favorable, Health	05-17-10	
H1768	Harrison	LRC STUDY/LONG TERM CARE FACIL./LIABILITY INS.	H	Re-ref Com On Rules, Calendar, and Operations of the House	05-18-10	06-09-10
S0188=	Vernon Malone	SPECIAL CARE DENTISTRY COLLABORATION.	*HR	Ch. SL 2009-100	03-18-09	05-27-09
S0195=	Vernon Malone	PREPARATIONS FOR	HR	Ch. SL 2009-407	03-10-09	03-25-09

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North Carolina General Assembly
Through House Committee on
Aging

Date: 07/20/2010
Time: 14:59
Page: 003 of 003
Leg. Day: H-151/S-148

2009-2010 Biennium

Bill	Introducer	Short Title	Latest Action	In Date	Out Date
0354	Eleanor Kinnaird	AGING BABY BOOMERS. CONTINUING CARE RETIRE. COMMUNITY/ HOME CARE.	*H Pres. To Gov. 7/8/ 2010	06-02-10	06-16-10
S1191=	A. B Swindell	NURSE AIDE TRAINING REVIEW.	*HR Ch. SL 2010-69	06-09-10	06-16-10
S1193=	A. B Swindell	IMPLEMENT LTC PARTNERSHIP PROGRAM.	*HR Ch. SL 2010-68	06-09-10	06-16-10

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House Committee on Aging 2010 Session

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ATTENDANCE

Aging – 2010 Session

* Six or more members = Quorum

DATES	May 26, 2010	June 9, 2010	June 16, 2010	June 30, 2010								
Rep. Jean Farmer-Butterfield, Chair (excused)	X	E	E	X								
Rep. Garland Pierce, Vice-Chair	X	X	X	E								
Rep. Ruth Samuleson, Vice-Chair	X	X	X	X								
Rep. Jennifer Weiss, Vice-Chair	X	X	X	E								
Rep. Alma Adams (excused)	E	E	E	X								
Rep. James L. Boles, Jr.	X	X	X	E								
Rep. Alice Bordsen	A	X	X	X								
Rep. Pearl Burris-Floyd	A	A	X	A								
Rep. Beverly Earle	A	A	X	A								
Rep. Darren Jackson	A	X	X	E								
Rep. Earl Jones	X	X	X	E								
Rep. Darrell G. McCormick	X	X	X	X								
Rep. Grey Mills	X	X	X	X								
Rep. Annie Mobley	X	E	X	X								
Rep. Efton M. Sager	X	X	X	X								
Wanda Kay, Committee Clerk	X	E	X	X								
Theresa Matula, Research Staff	X	X	X	X								
Sarah Kamprath, Research Staff	X	X	X	X								

- “A” – indicates absent
- “E” - indicates excused absence
- “X” – indicates present



AGENDA

HOUSE COMMITTEE ON AGING

Rep. Jean Farmer-Butterfield, Chair

MAY 26, 2010

CALL TO ORDER

OPENING REMARKS

INTRODUCTIONS

BILLS TO BE HEARD:

<u>BILL NO.</u>	<u>SHORT TITLE</u>

<u>SPONSOR</u>

HB 1692	Medicaid Dental/Special Needs Population.	Representative Farmer-Butterfield Representative Weiss Representative Pierce Representative England, M.D.
HB 1693	Develop Special Needs Dental Care Workforce.	Representative Farmer-Butterfield Representative England, M.D. Representative Weiss Representative Pierce
HB 1698	Update Long-Term Care Statutes.	Representative Farmer-Butterfield Representative Pierce Representative Weiss Representative England, M.D.
HB 1703	Adult Day Care Criminal Record Check Process.	Representative Weiss Representative Farmer-Butterfield Representative Pierce Representative England, M.D.

ADJOURNMENT

**N.C. General Assembly
Committee on Aging
Rep. Jean Farmer-Butterfield, Chair**

**MINUTES
May 26, 2010**

The House Committee on Aging convened at 11:00 a.m. on Wednesday, May 26, 2010 in room 415 of the Legislative Office Building. The following Representatives were present: **Chair:** Farmer-Butterfield; **Vice Chairs:** Pierce, Samuelson and Weiss; **Members:** Boles, Jones, McCormick, Mills, Mobley and Sager.

Research staff persons included: **Legislative Analyst:** Theresa Matula and Sarah Kamprath; **Legislative Committee Assistant:** Wanda Kay

The Agenda, Committee Meeting Notice, Pages/Sergeant at Arms Sheet, Visitor Registration Sheets, Bill Analysis and Committee Reports are attached and incorporated into the minutes.

The Committee on Aging meeting was called to order by Rep. Farmer-Butterfield, Chair. Introductions of the House Sgt-at-Arms Toussaint Avent and Donald McLennan were made and they were thanked for assisting in preparing for the meeting.

Rep. Farmer-Butterfield turned the meeting over to Rep. Jennifer Weiss to preside as Chair while HB 1692, HB 1693 and HB 1703 were being heard, which she served as primary sponsor of. Rep. Weiss recognized Rep. Samuelson who made a motion for discussion of the bill and PCS.

HB 1692 (Medicaid Dental/Special Needs Population) - A BILL TO BE ENTITLED AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL SERVICES TO THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Farmer-Butterfield was recognized to present the bill, explaining that the bill requires that the Division of Medical Assistance and Division of Public Health to explore issues relating to providing dental services to people with special needs, to facilitate dental care and improved outcomes for people. The Committee is due to report its findings by November 15, 2011 to the Study Commission on Aging.

Rep. Farmer-Butterfield requested that Sara Kamprath, Research Staffer, explain the PCS, which she did, clarifying that the periodontal therapy in the bill should be limited to current therapeutic agent used to help to prevent periodontal disease.

Rep. Samuelson was recognized to comment regarding her personal experience as a foster parent to a child with special needs and dental care. She was initially under the mistaken impression that dental was only cosmetic. She learned in addition to the cosmetic aspects, how much disease can occur when their teeth are not properly cared for and how limited the resources are if on Medicaid or Medicare when accessing dental

care. As a result, she therefore indicated, she would be happy to meet approval of the bill.

Rep. McCormick was recognized to speak and inquired as to where the bill comes in with regard to foster care. Rep. Samuelson clarified that foster care is covered by Medicaid, this bill provides for special needs, which is a separate area of foster care. She further stated that the needs are different for special needs population than those of typical foster care....it is under-covered.

Rep. Samuelson made a motion to approve for a favorable report to the PCS, unfavorable as to the original version and be referred to the Health Committee. The motion was seconded and the Committee moved to pass HB 1692.

HB 1693 (Develop Special Needs Workforce) - A BILL TO BE ENTITLED AN ACT TO DIRECT THE NORTH CAROLINA AREA HEALTH EDUCATION CENTERS (AHEC) PROGRAM TO COORDINATE WORKFORCE DEVELOPMENT EFFORTS TO INCREASE THE NUMBER OF DENTAL CARE PROVIDERS SERVING THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Weiss recognized Rep. Farmer-Butterfield to present HB 1693. Rep. Farmer-Butterfield provided the Committee with an explanation of the bill, stating that the bill directs the NC Area Health Education Centers (AHEC) to coordinate workforce development efforts to increase the number of dental care providers serving people with special needs. Rep. Farmer-Butterfield indicated that this, too, was a recommendation by the Study Commission on Aging and the program is to report its findings to the Study Commission on Aging by August 1, 2011.

Rep. Jones was recognized, and stated at the appropriate time, he wished to move for a favorable report. Rep. Weiss asked if there were additional questions before taking the motion. There were none and the Rep. Jones' motion for a favorable report to be referred to House Health carried and approved.

HB 1698 (Update Long-Term Care Statutes) - A BILL TO BE ENTITLED AN ACT UPDATE AND CLARIFY NORTH CAROLINA'S GENERAL STATUTES ON OLDER ADULTS AND LONG-TERM SERVICES AND SUPPORTS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Weiss recognized Rep. Pierce to make a motion for discussion of PCS for HB 1698 update-Long Term Care Statues. The motion carried and Rep. Farmer-Butterfield was recognized to discuss the bill, indicating that there were technical corrections to the PCS that were in keeping with the intent of the original bill.

Rep. Farmer-Butterfield explained that the bill itself makes changes to the statutory language on Aging and Long Term Care and is being done to reflect contemporary descriptions of current programs and services. It is a recommendation of the NC Study Commission on Aging. Rep. Farmer-Butterfield suggested that review of the bill reflects underlines and strikethroughs for the changes that were made to the original bill, which should help clarify what was actually done in the bill.

Rep. Weiss recognized Rep. Samuelson who asked if there was any impact from the changes or if they were clearly technical. Rep. Farmer-Butterfield indicated that the changes were clearly technical and an update of the language.

Rep. Boles was recognized and made a motion for a favorable report to the PCS, unfavorable to the original bill, with a serial referral to Ways and Means. The motion was carried with the "ayes" having it.

HB 1703 (Adult Day Care Criminal Record Check Process) - A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF HEALTH AND HUMAN SERVICES, TO STUDY THE ISSUE OF CRIMINAL HISTORY RECORD CHECKS FOR CURRENT AND PROSPECTIVE OWNERS, OPERATORS, AND VOUNTEERS OF ADULT DAY CARE PROGRAMS AND ADULT DAY HEALTH SERVICES PROGRAMS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Farmer-Butterfield resumed her role as Chair, and recognized Rep. Pierce who made a motion for discussion of HB 1703. The motion was carried.

Rep. Jennifer Weiss was recognized to present HB 1703 and provide an explanation of the PCS, clarifying whether or not a criminal background check should be required. She explained that currently employees at these facilities are undergoing criminal background checks, but it's her understanding that owners, operators and volunteers are not. She suggested that a representative from DHHS was present to respond to specific questions. Rep. Farmer-Butterfield recognized research staffer Theresa Matula to explain changes to the PCS. She suggested that the changes to the PCS were practical and mundane. Theresa also indicated that she basically made sure that she referred to the Division of Aging and Adult Services and the Department of Health and Human Services consistently throughout the bill and combined the wording in two sentences.

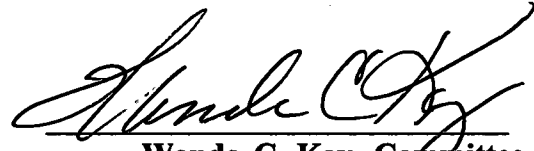
Rep. Samuelson was recognized and made a comment requesting that research make sure that they include in the study a clear definition of what constitutes a volunteer and moved for a favorable report to the PCS, unfavorable to the original, with a referral to JII.

The motion was carried and approved.

Rep. Farmer-Butterfield indicated that she wanted to back track and introduce House Pages, Dakota Boyd of Johnston County and Isaiah McArthur of Durham County

The meeting adjourned at 12:00 P.M.


Rep. Jean Farmer-Butterfield, Chair
Clerk


Wanda C. Kay, Committee

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1692 A BILL TO BE ENTITLED AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL SERVICES TO THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

D

**HOUSE BILL 1692*
PROPOSED COMMITTEE SUBSTITUTE H1692-PCS11124-RJ-36**

Short Title: Medicaid Dental/Special Needs Population.

(Public)

Sponsors:

Referred to:

May 13, 2010

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE, AND THE
3 DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND
4 HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL
5 SERVICES TO THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE
6 NORTH CAROLINA STUDY COMMISSION ON AGING.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.(a)** The Division of Medical Assistance, and the Division of Public
9 Health, in the Department of Health and Human Services, shall explore issues that would
10 facilitate dental care and improved dental outcomes for the special needs population. Issues
11 explored must include, but are not limited to, the following:

12 (1) The feasibility and anticipated impact of expanding Medicaid dental services
13 to include reimbursement for evidenced-based topical fluoride treatment and
14 other chemotherapeutic agents used to prevent periodontal disease in
15 high-risk adults with special health care needs.

16 (2) The feasibility and anticipated impact of implementing facility code policies
17 that would allow certified providers to bill for each patient seen in a
18 long-term care facility or group home on the date of service.

19 **SECTION 1.(b)** The Department of Health and Human Services shall report
20 findings and recommendations on the issues in this section on or before November 15, 2011, to
21 the North Carolina Study Commission on Aging.

22 **SECTION 2.** This act is effective when it becomes law.



**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 1692*

Short Title: Medicaid Dental/Special Needs Population. (Public)

Sponsors: Representatives Farmer-Butterfield, Weiss, Pierce, England (Primary Sponsors); Adams, M. Alexander, Brisson, Carney, Dockham, Earle, Fisher, E. Floyd, Gill, Glazier, Harrison, Hughes, Insko, Jones, McLawhorn, Mobley, Parfitt, Parmon, Ross, Spear, Tarleton, Wainwright, R. Warren, and Whilden.

Referred to: Aging, if favorable, Health.

May 13, 2010

A BILL TO BE ENTITLED
AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE, AND THE
DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND
HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL
SERVICES TO THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE
NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Division of Medical Assistance, and the Division of Public Health, in the Department of Health and Human Services, shall explore issues that would facilitate dental care and improved dental outcomes for the special needs population. Issues explored must include, but are not limited to, the following:

(1) The feasibility and anticipated impact of expanding Medicaid dental services to include reimbursement for evidenced-based fluoride and periodontal therapies for high-risk adults with special health care needs.

(2) The feasibility and anticipated impact of implementing facility code policies that would allow certified providers to bill for each patient seen in a long-term care facility or group home on the date of service.

SECTION 1.(b) The Department of Health and Human Services shall report findings and recommendations on the issues in this section on or before November 15, 2011, to the North Carolina Study Commission on Aging.

SECTION 2. This act is effective when it becomes law.





HOUSE BILL 1692: Medicaid Dental/Special Needs Population

2009-2010 General Assembly

Committee:	House Aging, if favorable, Health	Date:	May 24, 2010
Introduced by:	Reps. Farmer-Butterfield, Weiss, Pierce, England	Prepared by:	Sara Kamprath Legislative Analyst
Analysis of:	First Edition		

SUMMARY: *House Bill 1692 requires the Division of Medical Assistance and the Division of Public Health in the Department of Health and Human Services (DHHS) to explore issues to facilitate dental care and improved dental outcomes for the special needs population. DHHS shall report its findings and recommendations to the North Carolina Study Commission on Aging by November 15, 2011. The bill is a recommendation of the North Carolina Study Commission on Aging.*

[As introduced, this bill was identical to S1192, as introduced by Sen. Swindell, which is currently in Senate Health Care.]

BILL ANALYSIS: House Bill 1692 directs the Division of Medical Assistance and the Division of Public Health in the Department of Health and Human Services (Department) to explore issues related to facilitating dental care and improved dental outcomes for special needs individuals. The study must examine, but is not limited to, the following:

- Feasibility and impact of expanding Medicaid dental services to include reimbursement for evidence-based fluoride and periodontal therapies for high-risk adults with special health care needs
- Feasibility and impact of implementing facility code policies to allow certified providers to bill each patient seen in a long-term care facility or group home on the date of the service.

The Department shall report its findings and recommendations to the Study Commission on Aging by November 15, 2011.

EFFECTIVE DATE: The bill is effective when it becomes law.

BACKGROUND: In S.L. 2009-100, the General Assembly required the Division of Public Health, DHHS, to collaborate with the Division of Medical Assistance, the Division of Aging and Adult Services, the University of North Carolina at Chapel Hill and the East Carolina University Schools of Dentistry, the North Carolina Dental Society, and current providers of special care dentistry services, to examine current dental care options for special care populations. The collaboration of these groups and the report they prepared was presented to the Aging Study Commission on March 4, 2010.

The report estimated that NC may be the home of 450,000 individuals requiring special care dentistry services. This number includes individuals with intellectual and/or other developmental disabilities, those with long term needs due to a Traumatic Brain Injury, and older adults living with Alzheimer's disease or other types of dementia. However, the report estimates there are only a small number of dental facilities and practices that employ providers with the skills and abilities to safely serve dental patients with special health care needs. Barriers to care are significant and include access to care, financial dependency, inadequate care, limited capacity, limited professional training, limited financial compensation, and no special care dentistry infrastructure to address concerns. The presentation to the Commission highlighted a number of the recommendations and the presenters were asked to prioritize recommendations for the Commission. House Bill 1692 is based on one of the priority recommendations.

H1692-SMRJ-102(e1) v3

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1693

A BILL TO BE ENTITLED AN ACT TO DIRECT THE NORTH CAROLINA AREA HEALTH EDUCATION CENTERS (AHEC) PROGRAM TO COORDINATE WORKFORCE DEVELOPMENT EFFORTS TO INCREASE THE NUMBER OF DENTAL CARE PROVIDERS SERVING THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____

_____ The bill/resolution is re-referred to the Committee on _____.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 1693*

Short Title: Develop Special Needs Dental Care Workforce. (Public)

Sponsors: Representatives Farmer-Butterfield, England, Weiss, Pierce (Primary Sponsors); Adams, M. Alexander, Brisson, Carney, Dockham, Fisher, E. Floyd, Gill, Glazier, Harrison, Hughes, Parfitt, Parmon, Ross, Wainwright, R. Warren, and Whilden.

Referred to: Aging, if favorable, Health.

May 13, 2010

A BILL TO BE ENTITLED
AN ACT TO DIRECT THE NORTH CAROLINA AREA HEALTH EDUCATION
CENTERS (AHEC) PROGRAM TO COORDINATE WORKFORCE DEVELOPMENT
EFFORTS TO INCREASE THE NUMBER OF DENTAL CARE PROVIDERS SERVING
THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH
CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The North Carolina Area Health Education Centers (AHEC) Program shall coordinate efforts to increase the number of dental care providers serving the special needs population. These efforts shall include, but are not limited to, the following:

- (1) Working with the dental schools at the University of North Carolina at Chapel Hill and East Carolina University, the North Carolina Community College System, and current dental providers serving the special needs population to identify opportunities to increase the dental care workforce supply that is available and willing to treat the special needs population. These opportunities shall include, but are not limited to, options that could be undertaken without additional funding.
- (2) Working with the North Carolina State Board of Dental Examiners to explore the feasibility of allowing dental students, dental hygiene students, and assisting students the opportunity to receive training in long-term care facilities under the direction of nonprofit special care dental organizations.

SECTION 1.(b) The North Carolina Area Health Education Centers (AHEC) Program shall report findings and recommendations to the North Carolina Study Commission on Aging on or before August 1, 2011.

SECTION 2. This act is effective when it becomes law.



**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1698 A BILL TO BE ENTITLED AN ACT TO UPDATE AND CLARIFY
NORTH CAROLINA'S GENERAL STATUTES ON OLDER ADULTS AND LONG-TERM
SERVICES AND SUPPORTS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY
COMMISSION ON AGING.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill,
and recommendation that the committee substitute bill be re-referred to the Committee on WAYS
AND MEANS/BROADBAND CONNECTIVITY.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on
_____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution
(No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____)
is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the
Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute
Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

D

HOUSE BILL 1698*
Corrected Copy 5/14/10
PROPOSED COMMITTEE SUBSTITUTE H1698-PCS30505-SH-68

Short Title: Update Long-Term Care Statutes.

(Public)

Sponsors:

Referred to:

May 13, 2010

A BILL TO BE ENTITLED
AN ACT TO UPDATE AND CLARIFY NORTH CAROLINA'S GENERAL STATUTES ON
OLDER ADULTS AND LONG-TERM SERVICES AND SUPPORTS, AS
RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Whereas, the North Carolina General Assembly is committed to having North
Carolina recognized as a leader in supporting long-term services and supports; and

Whereas, the State is building on the following federal and State supported
person-centered initiatives: aging and disability resource centers or Community Resource
Connections for Aging and Disabilities, evidence-based health promotion, caregiver supports
for persons with Alzheimer's disease, lifespan respite programs, consumer-directed care,
transitional care, and promotion of community living for persons who might otherwise become
Medicaid eligible if placed in a skilled nursing facility; Now, therefore,
The General Assembly of North Carolina enacts:

SECTION 1. Part 14A, Article 3, Chapter 143B of the General Statutes reads as
rewritten:

"Part 14A. Policy Act for the Aging, Older Adults.
§ 143B-181.3. Statement of principles. Older adults – findings; policy.

To utilize effectively the resources of our State, to provide a better quality of life for our
senior citizens, and to assure older adults the right of choosing where and how they want to
live, the following principles are hereby endorsed:

(a) The North Carolina General Assembly finds the following:

- (1) Older people adults should be able to live as normal a life independently as possible, possible, and to live free from abuse, neglect, and exploitation.
- (2) Older adults should have opportunities to be involved in their communities in ways they desire, a choice of life styles which will allow them to remain contributing members of society for as long as possible.
- (3) Preventive and primary health care are necessary to keep older adults active and contributing members of society, assure optimal health and to enable active social and civic engagement by older adults.
- (4) Sufficient opportunities for Appropriate training in gerontology and geriatrics should be developed and readily available for individuals serving older adults.



* H 1 6 9 8 - P C S 3 0 5 0 5 - S H - 6 8 *

- (5) ~~Transportation to meet daily needs and to make accessible a broad range of services should be provided so that older persons may realize their full potential.~~ Older adults should have access to a broad range of services, supports, and opportunities, and they should have transportation options available to allow access to these services and to meet their daily needs and interests.
- (6) ~~Services for older adults should be person-centered and coordinated so that all their an individual's needs can be served efficiently and effectively.~~ met efficiently, effectively, and in the least restrictive environment.
- (7) ~~Information should be readily available in each county on all programs and services for older adults. citizens and advocacy for these services should be available in each county.~~
- (8) ~~Increased employment opportunities for older adults should be made available.~~ Older adults should have adequate opportunities for employment.
- (9) ~~Each county should have available a variety of housing options, including retirement housing, accessible affordable rental housing, and opportunities for residential home modifications, in order to allow older adults to remain in their communities. Options in housing should be made available.~~
- (10) ~~Older adults and their caregivers should have input in the planning and evaluation of programs and services for older adults, and they should have opportunities to advocate for these programs and services. Planning for programs for older citizens should always be done in consultation with them.~~
- (11) ~~The State should aid assist older people adults who desire to remain as independent as possible to help themselves and should encourage and support families in caring for their older members.~~

(b) It is the policy of the State to effectively utilize its resources to support and enhance the quality of life for older adults in North Carolina."

SECTION 2. Part 14B, Article 3, Chapter 143B of the General Statutes reads as rewritten:

"Part 14B. Long-Term ~~Care~~ Services and Supports.

"§ 143B-181.5. ~~Long-term care services and supports – findings, policy.~~

The North Carolina General Assembly finds that the aging of the population and advanced medical technology have resulted in a growing number of persons who require ~~assistance.~~ long-term services and supports. The primary ~~resource~~ resources for long-term ~~care~~ provision ~~assistance~~ continues to be the family and friends. However, these traditional caregivers are increasingly employed outside the home. There is growing demand for improvement and expansion of home and community-based long-term ~~care services to support and services and supports to complement the services care~~ provided by these informal caregivers.

The North Carolina General Assembly further finds that the public interest would best be served by a broad array of long-term ~~care services and supports that support enable~~ persons who need such services to remain in the home or in the community whenever practicable and that promote individual ~~autonomy, dignity, and choice.~~ autonomy and dignity as these individuals exercise choice and control over their lives.

The North Carolina General Assembly finds that as other long-term ~~care service and support~~ options become more readily available, the ~~relative need~~ for institutional care will stabilize or decline relative to the growing ~~aging population.~~ population of older adults and people living with disabilities. The General Assembly recognizes, however, that institutional care will continue to be a critical part of the State's long-term ~~care service and support~~ options and that such ~~services care~~ should promote individual dignity, autonomy, and a home like environment.

"§ 143B-181.6. Purpose and intent.

1 ~~It is the North Carolina General Assembly's intent in the State's development and~~
2 ~~implementation of long-term care policies that:~~ The development and implementation of
3 policies for long-term services and supports should reflect the intent of the North Carolina
4 General Assembly as follows:

- 5 (1) ~~Long-term care services and supports~~ administered by the Department of
6 Health and Human Services and other State and local agencies shall include
7 a balanced array of health, social, and supportive services that are well
8 coordinated to promote individual choice, dignity, and the highest
9 practicable level of independence; independence.
- 10 (2) Home and community-based services shall be developed, expanded, or
11 maintained in order to meet the needs of consumers in the least confusing
12 and least restrictive manner. manner and Services should be based on the
13 desires of the elderly older adults, persons with disabilities, and their
14 families; families, and others that support them.
- 15 (3) All services shall be responsive and appropriate to individual need and shall
16 be delivered through a uniform and seamless system that is flexible and
17 responsive regardless of funding source; source. Information and services
18 shall be available through the effective use of Community Resource
19 Connections for Aging and Disabilities as they are developed throughout the
20 State.
- 21 (4) Services shall be available to all ~~elderly persons who need them~~ them, but
22 shall be targeted primarily to the those citizens who are the most frail, frail
23 and those with the greatest need, needy elderly;
- 24 (5) State and local agencies shall maximize the use of limited resources by
25 establishing a fee system for persons who have the ability to ~~pay~~ pay.
- 26 (6) ~~Institutional care~~ Care provided in facilities shall be provided offered in such
27 a manner and in such an environment as to promote for each resident,
28 maintenance of health, or enhancement of the quality of life of each resident
29 life, and timely discharge to a less restrictive care setting when appropriate;
30 and appropriate.
- 31 (7) State health planning for institutional bed supply shall take into account
32 increased availability of ~~other~~ home and community-based services options.
- 33 (8) In an effort to maximize the use of limited resources, State and local
34 agencies shall invest in supports for families and other informal caregivers
35 of persons requiring assistance.
- 36 (9) Emphasis shall be placed on offering evidence-based activities to promote
37 healthy aging, prevent injuries, and manage chronic diseases and conditions.
- 38 (10) Individuals and families shall be encouraged and supported in planning for
39 and financing their own future needs for long-term services and supports."

40 **SECTION 3.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

2

HOUSE BILL 1698*
Corrected Copy 5/14/10

Short Title: Update Long-Term Care Statutes. (Public)

Sponsors: Representatives Farmer-Butterfield, Pierce, Weiss, England (Primary Sponsors);
Adams, M. Alexander, Earle, Fisher, Gill, Hughes, Spear, R. Warren, and
Whilden.

Referred to: Aging, if favorable, Ways and Means/Broadband Connectivity.

May 13, 2010

1 A BILL TO BE ENTITLED
2 AN ACT TO UPDATE AND CLARIFY NORTH CAROLINA'S GENERAL STATUTES ON
3 OLDER ADULTS AND LONG-TERM SERVICES AND SUPPORTS, AS
4 RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

5 Whereas, the North Carolina General Assembly is committed to having North
6 Carolina recognized as a leader in supporting long-term services and supports; and

7 Whereas, the State is building on the following federal and State supported
8 person-centered initiatives: aging and disability resource centers or Community Resource
9 Connections for Aging and Disabilities, evidence-based health promotion, caregiver supports
10 for persons with Alzheimer's disease, lifespan respite programs, consumer-directed care,
11 transitional care, and promotion of community living for persons who might otherwise become
12 Medicaid eligible if placed in a skilled nursing facility: Now, therefore,
13 The General Assembly of North Carolina enacts:

14 SECTION 1. Part 14A, Article 3, Chapter 143B of the General Statutes reads as
15 rewritten:

16 "Part 14A. Policy Act for the Aging. Older Adults.
17 "§ 143B-181.3. Statement of principles. Older adults findings; policy.

18 ~~To utilize effectively the resources of our State, to provide a better quality of life for our~~
19 ~~senior citizens, and to assure older adults the right of choosing where and how they want to~~
20 ~~live, the following principles are hereby endorsed:~~

21 (a) The North Carolina General Assembly finds the following:

- 22 (1) ~~Older people~~ adults ~~should be able to live as normal a life independently as~~
23 ~~possible. possible, and to live free of abuse, neglect, and exploitation.~~
24 (2) Older adults should have a choice of ~~life styles~~ lifestyles which will allow
25 them to remain contributing members of society for as long as possible.
26 (3) Preventive and primary health care are necessary to keep older adults active
27 and contributing members of society.
28 (4) Sufficient opportunities for ~~Appropriate~~ training in gerontology and
29 geriatrics should be developed and readily available for individuals serving
30 older adults.
31 (5) Transportation to meet daily needs and to make accessible a broad range of
32 services should be ~~provided~~ available so that older ~~persons~~ adults may
33 realize their full potential.



- 1 (6) Services for older adults should be person-centered and coordinated so that
2 all their an individual's needs can be served efficiently and
3 effectively efficiently, effectively, and in the least restrictive environment.
4 (7) Information should be readily available in each county on all programs and
5 services for older adults. citizens and advocacy for these services should be
6 available in each county.
7 (8) Increased employment opportunities for older adults should be made
8 available.
9 (9) A variety of housing options should be available in each county. Options in
10 housing should be made available.
11 (10) Older adults and their caregivers should have input in the planning and
12 evaluation of programs and services for older adults, and they should have
13 opportunities to advocate for these programs and services. Planning for
14 programs for older citizens should always be done in consultation with them.
15 (11) The State should aid assist older people adults who desire to remain as
16 independent as possible to help themselves and should encourage and
17 support families in caring for their older members.

18 (b) It is the policy of the State to effectively utilize its resources to support and enhance
19 the quality of life for older adults in North Carolina."

20 SECTION 2. Part 14B, Article 3, Chapter 143B of the General Statutes reads
21 as rewritten:

22 "Part 14B. Long-Term ~~Care~~ Services and Supports.

23 "§ 143B-181.5. Long-term ~~care services and supports – findings, policy.~~

24 The North Carolina General Assembly finds that the aging of the population and advanced
25 medical technology have resulted in a growing number of persons who require ~~assistance.~~
26 long-term services and supports. The primary resource for long-term ~~care provision assistance~~
27 continues to be the family and friends. However, these traditional caregivers are increasingly
28 employed outside the home. There is growing demand for improvement and expansion of home
29 and community-based long-term ~~care services to support and services and supports to~~
30 complement the ~~services care~~ provided by these informal caregivers.

31 The North Carolina General Assembly further finds that the public interest would best be
32 served by a broad array of long-term ~~care services and supports that support enable~~ persons
33 who need such services to remain in the home or in the community whenever practicable and
34 that promote individual ~~autonomy, dignity, and choice.~~ autonomy and dignity as these
35 individuals exercise choice and control over their lives.

36 The North Carolina General Assembly finds that as other long-term ~~care service and~~
37 support options become more readily available, the ~~relative need for institutional care will~~
38 stabilize or decline relative to the growing aging population. population of older adults and
39 people living with disabilities. The General Assembly recognizes, however, that institutional
40 care will continue to be a critical part of the State's long-term ~~care service and support options~~
41 and that such services should promote individual dignity, autonomy, and a home like
42 environment."

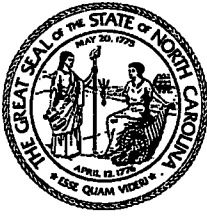
43 "§ 143B-181.6. Purpose and intent.

44 It is the North Carolina General Assembly's intent in the State's development and
45 implementation of long term care policies that: The development and implementation of
46 policies for long-term services and supports should reflect the intent of the North Carolina
47 General Assembly as follows:

- 48 (1) Long-term ~~care services and supports~~ administered by the Department of
49 Health and Human Services and other State and local agencies shall include
50 a balanced array of health, social, and supportive services that are well

- 1 coordinated to promote individual choice, dignity, and the highest
2 practicable level of ~~independence~~; independence.
- 3 (2) Home and community-based services shall be developed, expanded, or
4 maintained in order to meet the needs of consumers in the least confusing
5 and least restrictive manner and based on the desires of the ~~elderly-older~~
6 adults, persons with disabilities, ~~and their families~~; families, and others that
7 support them.
- 8 (3) All services shall be responsive and appropriate to individual need and shall
9 be delivered through a uniform and seamless system that is flexible and
10 responsive regardless of funding ~~source~~; source through the effective use of
11 Community Resource Connections for Aging and Disabilities as they are
12 developed throughout the State.
- 13 (4) Services shall be available to all ~~elderly persons~~ who need them but targeted
14 primarily to the most ~~frail, frail and needy elderly~~; citizens.
- 15 (5) State and local agencies shall maximize the use of limited resources by
16 establishing a fee system for persons who have the ability to ~~pay~~; pay.
- 17 (6) ~~Institutional care~~ Care provided in facilities shall be ~~provided~~ offered in such
18 a manner and in such an environment as to promote maintenance of health
19 and ~~or~~ enhancement of the quality of life of each resident and timely
20 discharge to a less restrictive care setting when ~~appropriate~~; and appropriate.
- 21 (7) State health planning for institutional bed supply shall take into account
22 increased availability of other home and community-based services options.
- 23 (8) In an effort to maximize the use of limited resources, State and local
24 agencies shall invest in supports for families and other informal caregivers
25 of persons requiring assistance.
- 26 (9) Emphasis shall be placed on offering evidence-based activities to promote
27 healthy aging, prevent injuries, and manage chronic diseases and conditions.
- 28 (10) Individuals and families shall be encouraged and supported in planning for
29 and financing their own future needs for long-term services and supports."

30 SECTION 3. This act is effective when it becomes law.



HOUSE BILL 1698: Update Long-Term Care Statutes

2009-2010 General Assembly

Committee:	House Aging, if favorable, Ways and Means/Broadband Connectivity	Date:	May 25, 2010
Introduced by:	Reps. Farmer-Butterfield, Pierce, Weiss, England	Prepared by:	Theresa Matula Committee Staff
Analysis of:	PCS to Second Edition H1698-CSSH-68		

SUMMARY: *House Bill 1698 makes changes to the statutory language on aging and long-term care to reflect contemporary descriptions of current programs and services. This bill was a recommendation by the NC Study Commission on Aging. The PCS makes further technical and conforming changes that are consistent with the intent of the original bill.*

[As introduced, this bill was identical to S1190, as introduced by Sen. Swindell, which is currently in Senate Health Care.]

BILL ANALYSIS:

Section 1 of HB 1698 amends Part 14A, Article 3, Chapter 143B. Part 14A, currently titled "Policy Act for the Aging", was enacted in 1979 and has not been amended since. This section of the bill amends Part 14A, G.S. 143B-181.3 which contains inconsistent and antiquated references to older adults. The amendments to this section also include a reference to person-centered services. The amendments reflect the way the State currently views older adults and delivers programs and services to them.

Section 2 of HB 1698 amends Part 14B, Article 3, Chapter 143B, which was enacted in 1981 and was amended in 1995. Part 14B contains sections G.S. 143B-181.5 and G.S. 143B-181.6. This bill changes references in Part 14B from "long-term care" to "long-term services and support" which is consistent with terminology changes made by the Department of Health and Human Services. This section also references the use of "Community Resource Connections for Aging and Disabilities" which is the title North Carolina has given to their aging and disability resource centers.

House Bill 1698 would become effective when it becomes law.

BACKGROUND:

The Division of Aging and Adult Services recommended the changes in this bill to the NC Study Commission on Aging.

Person-Centered Services - The Office of Long-Term Services and Supports, Department of Health and Human Services, defines person-centered services and supports as "those that help people establish the right balance between what is important to their day-to-day quality of life and what is important for their health and safety. The person is the expert in his or her own life, and professionals are there to provide support and guidance, but not control."

Aging and disability resource centers were part of a federal grant initiative. Community Resource Connections for Aging and Disabilities (CRC) represents a collaboration of agencies and organizations that link resources within the community and strengthen relationships between existing providers through partnerships and facilitate a "no wrong door" approach to services. The Department states that a, "CRC is considered to be one of the primary vehicles to modernize long-term care systems, particularly in relation to helping people avoid unnecessary institutionalization by supporting individuals of all disabilities and incomes to make informed, cost-effective choices."

H1698-SMSH-168(CSSH-68) v1

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1703 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO STUDY THE ISSUE OF CRIMINAL HISTORY RECORD CHECKS FOR CURRENT AND PROSPECTIVE OWNERS, OPERATORS, AND VOLUNTEERS OF ADULT DAY CARE PROGRAMS AND ADULT DAY HEALTH SERVICES PROGRAMS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill, and recommendation that the committee substitute bill be re-referred to the Committee on JUDICIARY II.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

D

**HOUSE BILL 1703*
PROPOSED COMMITTEE SUBSTITUTE H1703-PCS60080-SH-67**

Short Title: Adult Day Care Criminal Record Check Process.

(Public)

Sponsors:

Referred to:

May 13, 2010

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF AGING AND ADULT SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO STUDY THE ISSUE OF CRIMINAL HISTORY RECORD CHECKS FOR CURRENT AND PROSPECTIVE OWNERS, OPERATORS, AND VOLUNTEERS OF ADULT DAY CARE PROGRAMS AND ADULT DAY HEALTH SERVICES PROGRAMS, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Division of Aging and Adult Services, Department of Health and Human Services, shall study the issue of criminal history record checks for owners, operators, volunteers, and prospective owners, operators, and volunteers in adult day care programs and adult day health services programs. In conducting the study, the Division of Aging and Adult Services shall seek input from the North Carolina Adult Day Services Association and shall ensure that the current process used for adult day care employee criminal history record checks is incorporated into the study. The study shall include the following elements:

- (1) Identifying the positions that warrant a criminal history record check.
- (2) Developing a process for conducting the criminal history record check.
- (3) Designating the entity responsible for requesting the criminal history record check.
- (4) Designating the entity responsible for paying for the criminal history record check.
- (5) Determining whether a State or a national criminal history record check, or both, is performed.
- (6) Defining the relevant offenses that indicate an individual's fitness to have responsibility for the safety and well-being of program participants.
- (7) Any other issues deemed appropriate.

SECTION 1.(b) The Division of Aging and Adult Services, Department of Health and Human Services, shall report findings and recommendations on criminal history record checks in adult day and adult day health services programs to the North Carolina Study Commission on Aging on or before November 1, 2010.

SECTION 2. This act is effective when it becomes law.



* H 1 7 0 3 - P C S 6 0 0 8 0 - S H - 6 7 *

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE BILL 1703*

Short Title: Adult Day Care Criminal Record Check Process. (Public)

Sponsors: Representatives Weiss, Farmer-Butterfield, Pierce, England (Primary Sponsors); M. Alexander, Brown, Carney, Cleveland, Dockham, Earle, Fisher, Gill, Harrison, Heagarty, Holliman, Hughes, Insko, Lucas, Luebke, McLawhorn, Mobley, Rapp, Spear, Stewart, Tarleton, R. Warren, and Whilden.

Referred to: Aging, if favorable, Judiciary II.

May 13, 2010

A BILL TO BE ENTITLED
AN ACT TO DIRECT THE DIVISION OF AGING AND ADULT SERVICES,
DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO STUDY THE ISSUE OF
CRIMINAL HISTORY RECORD CHECKS FOR CURRENT AND PROSPECTIVE
OWNERS, OPERATORS, AND VOLUNTEERS OF ADULT DAY CARE PROGRAMS
AND ADULT DAY HEALTH SERVICES PROGRAMS, AS RECOMMENDED BY THE
NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

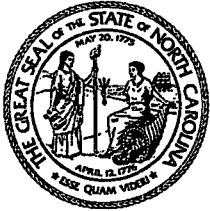
SECTION 1.(a) The Division of Aging and Adult Services, Department of Health and Human Services, shall study the issue of criminal history record checks for owners, operators, volunteers, and prospective owners, operators, and volunteers, in adult day care programs and adult day health services programs. The Department shall also ensure the current process used for adult day care employee criminal history record checks is incorporated into the study. In conducting the study, the Division of Aging and Adult Services shall seek input from the North Carolina Adult Day Services Association. The study shall include the following elements:

- (1) Identifying the positions that warrant a criminal history record check.
- (2) Developing a process for conducting the criminal history record check.
- (3) Designating the entity responsible for requesting the criminal history record check.
- (4) Designating the entity responsible for paying for the criminal history record check.
- (5) Determining whether a State or a national criminal history record check, or both is performed.
- (6) Defining the relevant offenses that indicate an individual's fitness to have responsibility for the safety and well-being of program participants.
- (7) Any other issues deemed appropriate.

SECTION 1.(b) The Department of Health and Human Services shall report findings and recommendations to the North Carolina Study Commission on Aging on or before November 1, 2010.

SECTION 2. This act is effective when it becomes law.





HOUSE BILL 1703: Adult Day Care Criminal Record Check Process

2009-2010 General Assembly

Committee:	House Aging, if favorable, Judiciary II	Date:	May 25, 2010
Introduced by:	Reps. Weiss, Farmer-Butterfield, Pierce, England	Prepared by:	Theresa Matula Committee Staff
Analysis of:	PCS to First Edition H1703-CSSH-67		

SUMMARY: *House Bill 1703 directs the Division of Aging, DHHS, to study the issue of criminal history record checks for current and prospective owners, operators, and volunteers of adult day care programs and adult day health services programs and to present findings and recommendations to the NC Study Commission on Aging on or before November 1, 2010. This bill is a recommendation from the NC Study Commission on Aging.*

The PCS makes only clarifying and technical changes. There are no substantive changes in the PCS.

[As introduced, this bill was identical to S1189, as introduced by Sen. Swindell, which is currently in Senate Health Care.]

CURRENT LAW:

G.S. 131D-6 provides for adult day care programs. G.S. 131D-6(a) states that it is the policy of the State to enable people who would otherwise need full-time care away from their own residences to remain in their residences as long as possible and to enjoy as much independence as possible. One of the programs allowing adults to remain in their residences and with their families is adult day care.

G.S. 131D-6(b) specifies that adult day care is the provision of group care and supervision in a place other than their usual place of abode on a less than 24-hour basis to adults who may be physically or mentally disabled.

G.S. 131D-6(b) requires the Department of Health and Human Services to annually inspect and certify all adult care programs in accordance with rules adopted by the Social Services Commission. The Social Services Commission is required to adopt rules to protect the health, safety, and welfare of persons in adult day care programs. These rules must include minimum standards relating to management of the program, staffing requirements, building requirements, fire safety, sanitation, nutrition, and program activities.

10A NCAC 06R.0305(a)(3) requires a statewide criminal history records search of all newly-hired employees of adult day programs for the past five years conducted by an agency approved by the North Carolina Administrative Offices of the Courts.

10A NCAC 06R.0508 (b)(8)(B) requires an adult day program to keep evidence of a state criminal history record check on each employee providing direct care for a minimum of six years.

BILL ANALYSIS:

Rules adopted by the Social Services Commission require State criminal history checks for newly hired employees. This bill would require the Division to explore expanding the criminal history checks beyond what is currently required. Specifically, House Bill 1703 requires the Division of Aging and Adult Services, Department of Health and Human Services, to study the issue of criminal history record

House Bill 1703

Page 2

checks for owners, operators, volunteers, and prospective owners, operators, and volunteers, in adult day care programs and adult day health services programs.

The Division of Aging and Adult Services is required to seek input from the North Carolina Adult Day Services Association and to ensure that the current process used for adult day care employee criminal history record checks is incorporated into the study.

The study must include the following elements:

- Identifying the positions that warrant a criminal history record check.
- Developing a process for conducting the criminal history record check.
- Designating the entity responsible for requesting the criminal history record check.
- Designating the entity responsible for paying for the criminal history record check.
- Determining whether a State or a national criminal history record check, or both is performed.
- Defining the relevant offenses that indicate an individual's fitness to have responsibility for the safety and well-being of program participants.
- Other issues deemed appropriate.

On or before November 1, 2010, the Division of Aging and Adult Services must report findings and recommendations to the North Carolina Study Commission on Aging.

House Bill 1703 would become effective when it becomes law.

BACKGROUND:

- Adult day care - a program delivered during the day in a community group setting that is designed to support independence and to promote social, physical, and emotional well-being. Adult day care programs offer a variety of activities that are designed to meet the needs and interests of the participants.
- Adult day health services – programs that are similar to adult day care but that also offer health care services to participants.
- Adult day care and adult day health services program providers must meet State Standards for Certification. These standards are set by the Social Services Commission and are enforced by the Department
- According to the Division of Aging and Adult Services, there are 101 programs located in 53 counties in North Carolina. Of the 101 programs: 38 are adult day care only, 4 are adult day health only, and the remaining 59 programs serve both adult day care and adult day health clients.
- The Division of Aging and Adult Services brought the criminal history record check issue to the attention of the NC Study Commission on Aging. In consultation with the Division and the Department, the Commission made the recommendation represented by HB 1703.

HI703-SMSH-167(CSSH-67) v2

ATTENDANCE

Aging – 2010 Session

* Six or more members = Quorum

DATES	May 26												
Rep. Jean Farmer-Butterfield, Chair (excused)	X												
Rep. Garland Pierce, Vice-Chair	X												
Rep. Ruth Samuleson, Vice-Chair	X												
Rep. Jennifer Weiss, Vice-Chair	X												
Rep. Alma Adams (excused)	E												
Rep. James L. Boles, Jr.	X												
Rep. Alice Bordsen	A												
Rep. Pearl Burris-Floyd	A												
Rep. Beverly Earle	A												
Rep. Darren Jackson	A												
Rep. Earl Jones	X												
Rep. Darrell G. McCormick	X												
Rep. Grey Mills	X												
Rep. Annie Mobley	X												
Rep. Efton M. Sager	X												
Wanda Kay, Committee Clerk	X												
Theresa Matula, Research Staff	X												
Sarah Kamprath, Research Staff	X												

- “A” – indicates absent
- “E” - indicates excused absence
- “X” – indicates present

VISITOR REGISTRATION SHEET

Committee on Aging
Name of Committee

May 26, 2010
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Toni G. Camp, RN	Life Enrichment Center of Cleveland County, Inc. 103 T.R. Harris Dr. Shelby, NC 28150
Glenda Artis	DIVISION of Aging and Adult Services
HEATHER CARTER	DAAS
MARY EDWARDS	DAAS
JOE LANIER	NELSON MULLINS
Alice Watkins	Alzheimers NORTH CAROLINA
Ruth merkle	NCGA
Polly Williams	NC Justice Center / Triangle Older Women's League
Lean Spratt	NC DIVISION of PUBLIC HEALTH
Mark Casey	NC DECS / DMA
Bridget	NMSS

VISITOR REGISTRATION SHEET

Committee on Aging
Name of Committee

May 26, 2010
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Paula A. Wolf	Friends of Residents in long-term Care
Allison Calder	Pavlatics
Joni Allmon	NLHADFB
Andrew Cagle	DLC and Assoc.
Brian Dengson	MWC
Sam	DHHS
JESSE GOODMAN	DAHS
Mary Bethel	AARP NC
Brian Carey	HPM
Ed Smith	B Pierce

AGENDA

HOUSE COMMITTEE ON AGING

Wednesday June 9, 2010

Room 415 LOB

11:00 am

Opening Remarks

Representative Weiss, Vice-Chair

Agenda Items

BILL NO.	SHORT TITLE	SPONSOR
HB 1705	Consumer Guidelines for Hearing Aid Purchases.	Representative Pierce Representative Farmer- Butterfield Representative England, M.D. Representative Weiss
HJR 1768	LRC Study/Long Term Care Facil./Liability Ins.	Representative Harrison Representative Insko Representative Jeffus
SB 354	Social Security Increase/Medicaid Elig.	Senator Kinnaird

Adjournment

MINUTES

House Aging Committee

Wednesday June 9, 2010

11:00 a.m.

Room 415 Legislative Office Building

The House Aging Committee met on Wednesday, June 9, at 11:00 a.m., in Room 415 of the Legislative Office Building. The following members were present: Representatives Weiss and Samuelson, Vice-Chairs; Representatives Samuelson, Adams, Boles, Bordsen, Jones, McCormick, Mills and Sager. Staff members present were: Theresa Matula and Sarah Kamprath.

Representative Weiss, Vice-Chair, called the meeting to order at 11:05 a.m., and introduced the pages and the Sergeant at Arms staff. The visitor registration is attached.

The first order of business was HJR 1768 LRC Study/Long Term Care Facil./Liability Ins. Representative Harrison, the bill's sponsor, was recognized to speak on the bill. After a brief explanation of the bill, Representative Harrison welcomed questions from the committee. Mary Bethel, representing AARP, and Paula Wolf, representing Friends of Residents in Long Term care, were recognized to speak in support of the bill. Representative Bordsen was recognized to make a motion for a favorable report on the resolution, and a recommendation that the bill be re-referred to the committee on Rules, Calendar and Operations of the House. All were in favor and the motion passed.

Representative Weiss requested that Representative Samuelson preside as Chair for the next bill.

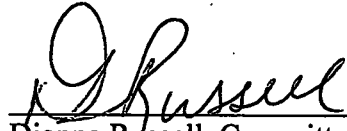
The next order of business was HB 1705 Consumer Guidelines for Hearing Aid Purposes. Representative Boles was recognized for a motion to have a proposed committee substitute before the committee for discussion purposes only. In the absence of the primary bill sponsor, Representative Weiss was recognized to speak on the bill. After a brief explanation of the bill, Representative Weiss welcomed questions from the committee. Following a brief discussion on the bill, Representative Adams was recognized to for a motion for a favorable report as to the committee substitute, unfavorable to the original bill. All were in favor and the motion passed.

Representative Weiss resumed responsibility for Chairing the committee.

The next order of business was SB 354 Social Security Increase/Medicare Elig. Representative Samuelson was recognized for a motion to have a proposed committee substitute before the committee for discussion purposes only. Senator Kinnaid, the bill's sponsor, was recognized to speak on the bill. After a brief explanation of the bill, Senator Kinnaid asked Theresa Matula, staff, to further explain the bill by clarifying certain language in the proposed committee substitute. Following an extensive committee discussion, Senator Kinnaid requested the bill be pulled from the agenda for the day and requested the bill be rescheduled to come before the committee at a later date.

The committee adjourned at 11:51 a.m.


Representative Weiss, Vice-Chair


Dianne Russell, Committee Clerk

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Weiss (Vice-Chair) for the Committee on AGING.

☐ Committee Substitute for

HB 1705 A BILL TO BE ENTITLED AN ACT TO REQUIRE THE HEARING AID DEALERS AND FITTERS BOARD TO COORDINATE A TASK FORCE THAT WILL DEVELOP GUIDELINES FOR CONSUMERS TO USE WHEN PURCHASING A HEARING AID, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

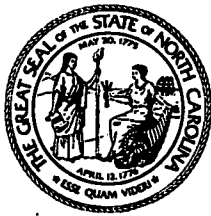
☒ With a favorable report as to the committee substitute bill, unfavorable as to the original bill.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.



HOUSE BILL 1705: Consumer Guidelines for Hearing Aid Purchases

2009-2010 General Assembly

Committee:	House Aging	Date:	June 7, 2010
Introduced by:	Reps. Pierce, Farmer-Butterfield, England, Weiss	Prepared by:	Theresa Matula Committee Staff
Analysis of:	PCS to First Edition H1705-CSSH-74		

SUMMARY: *House Bill 1705 requires the Hearing Aid Dealers and Fitters Board to coordinate a task force to develop guidelines for consumers seeking information and assistance in the treatment of hearing loss and the purchase of a hearing aid. This bill is a recommendation from the NC Study Commission on Aging.*

The Proposed Committee Substitute adds a practicing audiologist, and a physician who treats patients with hearing loss, to the identified members of the task force.

[As introduced, this bill was identical to S1203, as introduced by Sen. Swindell, which is currently in Senate Health Care.]

BILL ANALYSIS:

The Proposed Committee Substitute for House Bill 1705 requires the Hearing Aid Dealers and Fitters Board to coordinate a task force to develop guidelines for consumers seeking information and assistance in the treatment of hearing loss and the purchase of a hearing aid. The task force will include representatives from the following:

- Hearing Aid Dealers and Fitters Board;
- Division of Services for the Deaf and Hard of Hearing, DHHS;
- Consumer Protection Division, Office of the Attorney General;
- A practicing audiologist, recommended by the NC Board of Examiners for Speech and Language Pathologists and Audiologists;
- A physician who treats patients with hearing loss, as recommended by the NC Medical Board; and
- Other Interested Stakeholders.

On or before October 15, 2010, the Board is required to report findings and recommendations, including methods to disseminate hearing aid purchasing guidelines, to the North Carolina Study Commission on Aging.

House Bill 1705 would become effective when it becomes law.

BACKGROUND:

S.L. 2008-181, Part XII, required the Department of Health and Human Services, Division of Services for the Deaf and Hard of Hearing, to study the impact of hearing loss on North Carolina's older adult population. On February 4, Jan Withers, Director of the Division of Services for the Deaf and Hard of Hearing, DHHS, presented the above report to the Study Commission on Aging. The report presentation and discussion included information on: hearing aid evaluation, the cost of hearing aids (\$1200 -\$3000 per unit), the importance of follow-up visits, and the purchase of hearing aids from local dealers and via

House Bill 1705

Page 2

the internet. During her presentation, Ms. Withers reported on the results of the study, reviewed significant aspects of the report, and presented three recommendations to the Commission. One of the recommendations was to "establish a task force to assess the feasibility of developing and implementing a formal system that optimizes consumer capacity to evaluate quality of hearing aid services prior to and during the process of purchasing hearing aids." The report recommended that the Hearing Aid Dealers and Fitters Board be the lead entity in the task force.

H1705-SMSH-179(CSSH-74) v1

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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D

**HOUSE BILL 1705*
PROPOSED COMMITTEE SUBSTITUTE H1705-CSSH-74 [v.3]**

6/2/2010 12:53:31 PM

Short Title: Consumer Guidelines for Hearing Aid Purchases.

(Public)

Sponsors:

Referred to:

May 17, 2010

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE HEARING AID DEALERS AND FITTERS BOARD TO
COORDINATE A TASK FORCE THAT WILL DEVELOP GUIDELINES FOR
CONSUMERS TO USE WHEN PURCHASING A HEARING AID, AS
RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Hearing Aid Dealers and Fitters Board shall coordinate a task force which shall develop recommended guidelines for consumers seeking information and assistance in the treatment of hearing loss and the purchase of a hearing aid. The task force shall include representatives of the NC Hearing Aid Dealers and Fitters Board; the Division of Services for the Deaf and Hard of Hearing, Department of Health and Human Services; the Consumer Protection Division, Office of the Attorney General; a practicing audiologist as recommended by the NC Board of Examiners for Speech and Language Pathologists and Audiologists; a physician who treats patients with hearing loss, as recommended by the NC Medical Board; and may include other interested stakeholders.

SECTION 1.(b) The Hearing Aid Dealers and Fitters Board shall report the findings and recommendations of the task force, along with recommendations on methods to disseminate hearing aid purchasing guidelines, to the North Carolina Study Commission on Aging on or before October 15, 2010.

SECTION 2. This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2009

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1

HOUSE BILL 1705*

Short Title: Consumer Guidelines for Hearing Aid Purchases.

(Public)

Sponsors: Representatives Pierce, Farmer-Butterfield, England, Weiss (Primary Sponsors);
M. Alexander, Brown, Dockham, Gill, Harrison, Hughes, Parfitt, and R. Warren.

Referred to: Health, if favorable, Aging.

May 17, 2010

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE HEARING AID DEALERS AND FITTERS BOARD TO
COORDINATE A TASK FORCE THAT WILL DEVELOP GUIDELINES FOR
CONSUMERS TO USE WHEN PURCHASING A HEARING AID, AS
RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Hearing Aid Dealers and Fitters Board shall coordinate a task
force which shall develop recommended guidelines for consumers seeking information and
assistance in the treatment of hearing loss and the purchase of a hearing aid. The task force
shall include representatives of the Hearing Aid Dealers and Fitters Board; the Division of
Services for the Deaf and Hard of Hearing, Department of Health and Human Services; the
Consumer Protection Division, Office of the Attorney General; and may include other
interested stakeholders.

SECTION 1.(b) The Hearing Aid Dealers and Fitters Board shall report the
findings and recommendations of the task force, along with recommendations on methods to
disseminate hearing aid purchasing guidelines, to the North Carolina Study Commission on
Aging on or before October 15, 2010.

SECTION 2. This act is effective when it becomes law.



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Weiss (Vice-Chair) for the Committee on AGING.

☐ Committee Substitute for

HJR 1768 A JOINT RESOLUTION AUTHORIZING THE LEGISLATIVE
RESEARCH COMMISSION TO STUDY WHETHER LONG-TERM CARE FACILITIES
SHOULD BE REQUIRED TO CARRY LIABILITY INSURANCE.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on
RULES, CALENDAR, AND OPERATIONS OF THE HOUSE.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on
_____.

_____ The bill/resolution is re-referred to the Committee on _____.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

1

HOUSE JOINT RESOLUTION 1768

Sponsors: Representatives Harrison, Insko, Jeffus (Primary Sponsors); K. Alexander, Dockham, Faison, Gill, Hughes, Lucas, and Wray.

Referred to: Aging, if favorable, Rules, Calendar, and Operations of the House.

May 18, 2010

A JOINT RESOLUTION AUTHORIZING THE LEGISLATIVE RESEARCH COMMISSION TO STUDY WHETHER LONG-TERM CARE FACILITIES SHOULD BE REQUIRED TO CARRY LIABILITY INSURANCE.

Be it resolved by the House of Representatives, the Senate concurring:

SECTION 1.(a) The Legislative Research Commission may study whether long-term care facilities should be required to carry liability insurance. In conducting the study, the Commission should consider:

(1) Whether the laws of this State adequately protect the ability of residents of long-term care facilities who are harmed by a wrongful act of the facility from receiving just compensation because of bankruptcy or other actions by the facility's owners to unjustly shield personal or business assets.

(2) Whether as a condition of licensure, long-term care facilities should carry liability insurance.

(3) Whether other states require long-term care facilities to carry liability insurance as a requirement for licensure.

SECTION 1.(b) The Legislative Research Commission may make an interim report to the 2011 General Assembly, and shall make its final report to the 2011 General Assembly, Regular Session 2012.

SECTION 2. The Legislative Services Officer shall allocate funds appropriated to the General Assembly for the expenditures of the Legislative Services Commission in conducting this study.

SECTION 3. This resolution is effective upon ratification.



* H 1 7 6 8 - V - 1 *



HOUSE JOINT RESOLUTION 1768: LRC Study/Long Term Care Facil./Liability Ins

2009-2010 General Assembly

Committee:	Aging, if favorable, Rules, Calendar, and Operations of the House	Date:	June 8, 2010
Introduced by:	Reps. Harrison, Insko, Jeffus	Prepared by:	Sara Kamprath
Analysis of:	First Edition		Legislative Analyst

SUMMARY: *House Joint Resolution 1768 would authorize the Legislative Research Commission to study whether long-term care facilities should be required to carry liability insurance.*

BILL ANALYSIS: House Joint Resolution 1768 would authorize the Legislative Research Commission to study whether long-term care facilities should be required to carry liability insurance.

The Commission should consider:

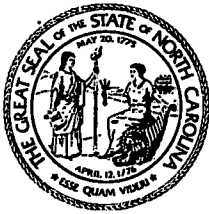
- Whether State law adequately protects the ability of long-term care facility residents who are harmed by wrongful acts of a facility to receive just compensation in the case of bankruptcy or other actions to unjustly shield the owners' personal or business assets.
- Whether long-term care facilities should carry liability insurance as a condition of licensure
- Whether other states require long-term care facilities to carry liability insurance as a requirement for licensure

The Commission may make an interim report to the 2011 General Assembly and a final report to the 2012 Regular Session.

The Legislative Services Officer shall allocate funds appropriated to the General Assembly for expenditures to conduct the study.

EFFECTIVE DATE: The resolution is effective upon ratification.

H1768-SMRJ-114(e1) v1



SENATE BILL 354: Social Security Increase/Medicaid Elig

2009-2010 General Assembly

Committee:	House Aging, if favorable, Insurance, if favorable, Finance	Date:	June 9, 2010
Introduced by:	Sen. Kinnaird	Prepared by:	Theresa Matula
Analysis of:	PCS to Third Edition S354-CSSHf-77		Committee Staff

SUMMARY: *The Proposed Committee Substitute (PCS) for SB 354 allows continuing care retirement communities to provide or arrange for home care services for an individual who has entered into a continuing care contract with the provider but is not receiving lodging. The PCS also requires progress reports to the Study Commission on Aging and the Joint Legislative Health Care Oversight and contains a July 1, 2012 sunset provision.*

CURRENT LAW: G.S. 58-64-1 (1) defines continuing care as the "furnishing to an individual other than an individual related by blood, marriage, or adoption to the person furnishing the care, of lodging together with nursing services, medical services, or other health related services, under an agreement effective for the life of the individual or for a period longer than one year." G.S. 58-64-5 requires a provider offering or providing continuing care to obtain a license from the Commissioner of Insurance. G.S. 58-64-25 specifies the continuing care contract requirements.

G.S. 131E-136 (3) defines "Home care services" as any of the following services and directly related medical supplies and appliances, which are provided to an individual in a place of temporary or permanent residence used as an individual's home:

- a. Nursing care provided by or under the supervision of a registered nurse.
- b. Physical, occupational, or speech therapy, when provided to an individual who also is receiving nursing services, or any other of these therapy services, in a place of temporary or permanent residence used as the individual's home.
- c. Medical social services.
- d. In-home aide services that involve hands-on care to an individual.
- e. Infusion nursing services.
- f. Assistance with pulmonary care, pulmonary rehabilitation or ventilation.
- g. In-home companion, sitter, and respite care services provided to an individual.
- h. Homemaker services provided in combination with in-home companion, sitter, respite, or other home care services.

The term does not include: health promotion, preventative health and community health services provided by public health departments; maternal and child health services provided by public health departments, by employees of the Department of Health and Human Services under G.S. 130A-124, or by developmental evaluation centers under contract with the Department of Health and Human Services to provide services under G.S. 130A-124; hospitals licensed under Article 5 of Chapter 131E of the General Statutes when providing follow-up care initiated to patients within six months after their discharge from the hospital; facilities and programs operated under the authority of G.S. 122C and providing services within the scope of G.S. 122C; schools, when providing services pursuant to Article 9 of Chapter 115C; the practice of midwifery by a person licensed under Article 10A of Chapter 90 of the General Statutes; hospices licensed under Article 10 of Chapter 131E of the General Statutes when providing care to a hospice patient; an individual who engages solely in providing his own services to other individuals; incidental health care provided by an employee of a physician licensed to practice

Senate Bill 354

Page 2

medicine in North Carolina in the normal course of the physician's practice; or nursing registries if the registry discloses to a client or the client's responsible party, before providing any services, that (i) it is not a licensed home care agency, and (ii) it does not make any representations or guarantees concerning the training, supervision, or competence of the personnel provided. The term sitter does not include child care facilities licensed in accordance with Chapter 110 of the General Statutes. The term respite care does not include facilities or services licensed in accordance with Chapter 122C of the General Statutes. The terms in-home companion, sitter, homemaker, and respite care services do not include (i) services certified or otherwise overseen by the Department as not providing personal care or (ii) services administered on a voluntary basis for which there is not reimbursement from the recipient or anyone acting on the recipient's behalf.

BILL ANALYSIS:

Section 1 of the PCS for SB 354 amends G.S. 58-64-5 to increase the application fee for a continuing care license from \$500 to \$1000.

Section 2 makes technical formatting changes and the following substantive changes to the definitions contained in G.S. 58-64-1:

- "Continuing care" is amended to include the provision or arrangement of home care services by a provider of lodging at a facility to an individual who has entered into a continuing care contract with the provider, but is not yet receiving lodging.
- "Home care services" as defined in G.S. 131E-136 (see above).
- "Lodging" a living unit and meals as set forth in a contract approved by the Department of Insurance in accordance with Article 64.

Section 3 makes a number of technical and one substantive amendment to G.S. 58-64-24 which contains continuing care contract specifications. G.S. 58-64-25(12) requires that when a contract provides for the provision or arrangement of continuing care without lodging, the contract must specify the procedures for determining when the individual will transition to receiving both lodging and health related services.

Section 4 requires the Department of Insurance and the Department of Health and Human Services to identify any statutory, regulatory, or practical barriers that prevent or discourage individuals that contract with continuing care retirement communities from receiving home care services for as long they need home care services and are able to be safely cared for in their homes. The Departments are required to provide an interim status report on or before November 1, 2010, and a final report on or before September 1, 2011, to the NC Study Commission on Aging and the Joint Legislative Health Care Oversight Committee. The reports must include findings and recommendations made to date on statutory changes and a timetable for promulgation of rules to eliminate any identified barriers to providing appropriate levels of care.

EFFECTIVE DATE:

Section 1, which increases the fee, would become effective July 1, 2010, and apply to applications filed on or after that date. The remainder of the act is effective when it becomes law. Sections 2 and 3 expire July 1, 2012, however contracts executed on or after the effective date of the act that allow for the provision or arrangement of continuing care without lodging, remain effective after July 1, 2012, and the continuing care retirement community may provide home care service without lodging under the terms of the contract after July 1, 2012.

Senate Bill 354

Page 3

BACKGROUND:

According to the Department of Insurance, as of 5/13/10, there are 57 licensed Continuing Care Retirement Communities in North Carolina.

The following description of Continuing Care Retirement Communities (CCRC) was provided by the Department of Insurance in their 2008 Reference Guide:

"CCRCs are communities that provide a continuum of care to older adults under a contract for the life of an individual or for a period longer than one year. Typically there are three levels/stages of care offered by CCRCs:

1. **Independent Living** – is for individuals who are capable of doing the basic chores of everyday life but who may need occasional help from others.
2. **Assisted Living** – provides assistance for residents with chronic care needs excluding complete 24-hour skilled nursing care. Assisted living services include helping a resident with bathing, dressing, taking medications, and other daily activities.
3. **Skilled Nursing Care** – generally provides 24-hour nursing care, rehabilitative services, and assistance with activities of daily living to the chronically ill as well as those who have been hospitalized for an illness or operation and require a short period of rehabilitation before returning home.

CCRCs are generally a collection of apartments, town homes, or cottages and include common activity areas such as a library, activity and craft rooms, a restaurant-like dining room, an assisted living facility, and a nursing home. Other amenities often include banking services, convenience stores, a golf course, walking trails, gardens, swimming pool, fitness center, beauty/barber shops, and guest accommodations."

354-SMSH-181(CSSHf-77) v2

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 354
Appropriations/Base Budget Committee Substitute Adopted 4/23/09
House Committee Substitute Favorable 5/26/09
PROPOSED HOUSE COMMITTEE SUBSTITUTE S354-CSSHf-77 [v.7]

6/9/2010 9:33:08 AM

Short Title: Continuing Care Retirement Com/Home Care.

(Public)

Sponsors:

Referred to:

March 2, 2009

A BILL TO BE ENTITLED

AN ACT TO PERMIT CONTINUING CARE RETIREMENT COMMUNITIES TO
PROVIDE OR ARRANGE FOR HOME CARE SERVICES WITHOUT PROVIDING
LODGING WHEN THOSE SERVICES ARE PROVIDED ADJUNCT TO A CONTRACT
FOR CONTINUING CARE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-64-5 reads as rewritten:

"§ 58-64-5. License.

(a) No provider shall engage in the business of offering or providing continuing care in this State without a license to do so obtained from the Commissioner as provided in this Article. It is a Class 1 misdemeanor for any person, other than a provider licensed under this Article, to advertise or market to the general public any product similar to continuing care through the use of such terms as "life care", "continuing care", or "guaranteed care for life", or similar terms, words, or phrases. The licensing process may involve a series of steps pursuant to rules adopted by the Commissioner under this Article.

(b) The application for a license shall be filed with the Department by the provider on forms prescribed by the Department and within a period of time prescribed by the Department; and shall include all information required by the Department pursuant to rules adopted by it under this Article including, but not limited to, the disclosure statement meeting the requirements of this Article and other financial and facility development information required by the Department. The application for a license must be accompanied by an application fee of ~~five hundred one thousand~~ dollars (\$500.00\$1,000).

...."

SECTION 2. G.S. 58-64-1 reads as rewritten:

"§ 58-64-1. Definitions.

As used in this Article, unless otherwise specified:

(1) ~~"Continuing care" means the~~Continuing care. – The furnishing to an individual other than an individual related by blood, marriage, or adoption to the person furnishing the care, of lodging together with nursing services, medical services, or other health related services, under ~~an agreement~~a contract approved by the Department in accordance with this Article effective for the life of the individual or for a period longer than one year.



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- 1 "Continuing care" may also include home care services provided or arranged
 2 by a provider of lodging at a facility to an individual who has entered into a
 3 continuing care contract with the provider but is not yet receiving lodging.
 4 (2) ~~"Entrance fee" means a~~ Entrance fee. – A payment that assures a resident a
 5 place in a facility for a term of years or for life.
 6 (3) ~~"Facility" means the~~ Facility. – The retirement community or communities in
 7 which a provider undertakes to provide continuing care to an individual.
 8 (4) ~~"Health related services" means, at~~ Health related services. – At a minimum,
 9 nursing home admission or assistance in the activities of daily living,
 10 exclusive of the provision of meals or cleaning services.
 11 (4a) Home care services. – Defined in G.S. 131E-136.
 12 (5) ~~"Living unit" means a~~ Living unit. – A room, apartment, cottage, or other
 13 area within a facility set aside for the exclusive use or control of one or more
 14 identified residents.
 15 (5a) Lodging. – A living unit as set forth in a contract approved by the
 16 Department in accordance with this Article.
 17 (6) ~~"Provider" means the~~ Provider. – The promoter, developer, or owner of a
 18 facility, whether a natural person, partnership, or other unincorporated
 19 association, however organized, trust, or corporation, of an institution,
 20 building, residence, or other place, whether operated for profit or not, or any
 21 other person, that solicits or undertakes to provide continuing care under a
 22 continuing care facility contract, or that represents himself, herself, or itself
 23 as providing continuing care or "life care."
 24 (7) ~~"Resident" means a~~ Resident. – A purchaser of, a nominee of, or a subscriber
 25 to, a continuing care contract.
 26 (8) ~~"Hazardous financial condition" means a~~ Hazardous financial condition. – A
 27 provider is insolvent or in eminent danger of becoming insolvent."

28 **SECTION 3. G.S. 58-64-25 reads as rewritten:**

29 **"§ 58-64-25. Contract for continuing care; specifications.**

- 30 (a) Each contract for continuing care shall provide that:
 31 ...
 32 (b) Each contract shall include provisions that specify the following:
 33 (1) The total consideration to be ~~paid;~~ paid.
 34 (2) Services to be ~~provided;~~ provided.
 35 (3) The procedures the provider shall follow to change the resident's
 36 accommodation if necessary for the protection of the health or safety of the
 37 resident or the general and economic welfare of the ~~residents;~~ residents.
 38 (4) The policies to be implemented if the resident cannot pay the periodic
 39 ~~fees;~~ fees.
 40 (5) The terms governing the refund of any portion of the entrance fee in the
 41 event of discharge by the provider or cancellation by the ~~resident;~~ resident.
 42 (6) The policy regarding increasing the periodic ~~fees;~~ fees.
 43 (7) The description of the living ~~quarters;~~ quarters.
 44 (8) Any religious or charitable affiliations of the provider and the extent, if any,
 45 to which the affiliate organization will be responsible for the financial and
 46 contractual obligations of the ~~provider;~~ provider.
 47 (9) Any property rights of the ~~resident;~~ resident.
 48 (10) The policy, if any, regarding fee adjustments if the resident is voluntarily
 49 absent from the ~~facility;~~ facility.
 50 (11) Any requirement, if any, that the resident apply for Medicaid, public
 51 assistance, or any public benefit program.

1 (12) The procedures for determining when the individual will transition to
2 receiving lodging and health related services in the event that a contract
3 allows for the provision or arrangement of continuing care without lodging."

4 **SECTION 4.** The Department of Insurance and the Department of Health and
5 Human Services shall identify any statutory, regulatory, or practical barriers that prevent or
6 discourage individuals that contract with continuing care retirement communities from
7 receiving home care services for as long as they need home care services and are able to be
8 safely cared for in their homes. The Departments shall jointly provide an interim status report
9 on or before November 1, 2010, and a final report on or before September 1, 2011, to the North
10 Carolina Study Commission on Aging and the Joint Legislative Health Care Oversight
11 Committee. Each report shall include findings and recommendations made to date on statutory
12 changes and a timetable for promulgation of rules to eliminate any identified barriers to
13 providing appropriate levels of care.

14 **SECTION 5.** Section 1 of this act becomes effective July 1, 2010, and applies to
15 applications filed on or after that date. Sections 2, 3, 4, and 5 are effective when the act
16 becomes law and Sections 2 and 3 expire July 1, 2012. Contracts executed on or after the
17 effective date of this act that allow for the provision or arrangement of continuing care without
18 lodging remain effective after July 1, 2012, and the continuing care retirement community may
19 provide home care services without lodging under the terms of the contract after July 1, 2012.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

S

3

**SENATE BILL 354
Appropriations/Base Budget Committee Substitute Adopted 4/23/09
House Committee Substitute Favorable 5/26/09**

Short Title: Social Security Increase/Medicaid Elig.

(Public)

Sponsors:

Referred to:

March 2, 2009

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO
ADOPT A POLICY ALLOWING A CERTAIN INCOME DISREGARD UNDER THE
MEDICAID PROGRAM.

The General Assembly of North Carolina enacts:

SECTION 1. The Department of Health and Human Services, Division of Medical Assistance, shall adopt and implement a policy that will prevent a Medicaid recipient (including MQB, QI-1, and QWD recipients) from losing Medicaid eligibility when the annual Social Security and Railroad Retirement Cost of Living Adjustments (COLAs) and the annual Federal Poverty Level adjustment cause a Medicaid recipient to become income-ineligible for Medicaid benefits. The policy shall apply only in cases where Medicaid income eligibility is affected only by Social Security and Railroad Retirement COLAs and Federal Poverty Level adjustments and shall not render a Medicaid recipient eligible if all other eligibility requirements are not met. If approval from the Centers for Medicare and Medicaid Services (CMS) is required for this policy to be implemented, the Department shall apply to CMS for approval.

SECTION 2.(a) The Department of Health and Human Services, Division of Medical Assistance, shall apply for a Medicaid State Plan Amendment to implement Section 1 of this act. If the State Plan amendment is approved by the Centers for Medicare and Medicaid Services (CMS), then the Department may use funds available to reinstate eligibility lost due to federal adjustments to income described under Section 1 of this act.

SECTION 2.(b) If the State Plan amendment required under subsection (a) of this section is approved by CMS, then there is appropriated from the General Fund to the Department of Health and Human Services, Division of Medical Assistance, the sum of eleven million two hundred eighty-eight thousand two hundred twenty-four dollars (\$11,288,224) for the 2009-2010 fiscal year and the sum of twelve million three hundred forty-eight thousand five hundred twenty-five dollars (\$12,348,525) for the 2010-2011 fiscal year to implement Section 1 of this act.

SECTION 3. Section 2(b) of this act becomes effective July 1, 2009. The remainder of this act is effective when it becomes law and applies to all eligible Medicaid recipients as of March 31, 2009.



Aging – 2010 Session

[illegible]

VISITOR REGISTRATION SHEET

Name of Committee

Date

June 9, 2018

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

TRACY COLUMAN	AMHC
Katie Short	AMHC
Robert Paschal	Young Mums
Meria Reid	SOG
Allie Kinnaird	Senate
Julia Adams	The Arc of NC
And Bone	Byrne Asso.
Jonah Janson	Intern, Rep. Luebke
Santana Miller	Senate
Carolyn McClanahan	DHHS - DMA
Rose Williams	NC DOI

VISITOR REGISTRATION SHEET

Committee on Aging

Name of Committee

June 16, 2010

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME _____

FIRM OR AGENCY AND ADDRESS

Pennis Streets

NC DARS - DHHHS

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Tony Ruffick	NC DOI
ERNEST L. Nickerson	NC DOI
Jusselynn Carter	4-H Citizenship Focus 225 Holloman Rd. Ahoskie. NC 27910
Maleek Overton	4-H North Carolina Citizenship Focus 4-H NC Citizenship Focus
Jean Ashburn	39 US Hwy 158 BUS E Gatesville, NC 27938
Ashley Ashburn	4-H NC Citizenship Focus 39 US Hwy 158 BUS E Gatesville, NC 27938
TED HAMBY	NC DOI
JESSIE GOODMAN	DHHS
Jeff Horton	DHHS
Annaliese Dolph	HR NC
Evelyn Henderson	ETOR

VISITOR REGISTRATION SHEET

Name of Committee

Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME:

FIRM OR AGENCY AND ADDRESS

John Deen

General's Office

Joi Mobley

Rep. Mobley (Intern)

VISITOR REGISTRATION SHEET

Aging
Name of Committee

6-9-'10
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jeff Mobley	NC Div. Services for Deaf & Hard of Hearing
Joni Alberg	NCHADFB
BRIAN DEMPSEY	MUNC
Paula A. Wolf	Friends of Residents in Long Term Care
Allie Calder	Paulatics
Gwyn Hawthorne	EPGR
Bill Newel	NC Justice Center

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jane Hardy	Paul Morris & Paul Banks
Kristi Huff	NCHCFA
Tony Ridgick	NCDOI
Rose Williams	NCDOI
JESSIE GOODMAN	DHHS
Leslie Jarene	NCANPHA
Valerie Foushee	Orange Co. Board of Commissioners
Smith	DHHS
Britta Croon	National MS Society
Roz McGee	Carol Woods
Jacqueline Allen	Carol Woods



AGENDA

HOUSE COMMITTEE ON AGING

Rep. Jean Farmer-Butterfield, Chair

JUNE 16, 2010

CALL TO ORDER

OPENING REMARKS

INTRODUCTIONS

BILLS TO BE HEARD:

BILL NO. SHORT TITLE

SPONSOR

SB 354	Social Security Increase/Medicaid Elig.	Senator Ellie Kinnaird
SB 1191	Nurse Aide Training Review	Senator Swindell IV
SB 1193	Implement LTC Partnership Program	Senator Swindell IV

ADJOURNMENT

**N.C. General Assembly
House Committee on Aging
Rep. Jennifer Weiss, Acting Chair**

**MINUTES
June 16, 2010**

The House Committee on Aging met at 11:00 a.m. on Wednesday, June 16, 2010 in room 415 of the Legislative Office Building. The following Representatives were present: **Acting Chair:** Weiss; **Vice Chairs:** Pierce and Samuelson; **Members:** Boles, Bordsen, Burris-Floyd, Earle, Jackson, Jones, McCormick, Mills, Mobley and Sager.

Research staff persons included: **Legislative Analyst:** Theresa Matula and Sarah Kamprath; **Legislative Committee Assistant:** Wanda Kay

The Agenda, Committee Meeting Notice, Pages/Sergeant at Arms Sheet, Visitor Registration Sheets, Bill Analysis and Committee Reports are attached and incorporated into the minutes.

Rep. Jennifer Weiss served as Chair, calling the meeting to order at 11:10 a.m. She also introduced House Pages, Trent Rhea of Cleveland County (Rep. Tim Moore), Cora Bradford of Jones County (Wainwright) and Destiny Barnes of Nash County (Stewart), Sgt-at-Arms, Martha Parrish and Bill Bass, and members of the 4-H Club leaders and members from Gates, Hertford, Percllemmons and Bertie Counties. Rep. Braxton had 4-H leaders and members from Greene County present.

The following bills were heard:

SB 1191- A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO COORDINATE A REVIEW OF THE EDUCATION AND TRAINING REQUIREMENTS FOR NURSE AIDES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

A motion was made to open discussion around SB 1191, and Rep. Braxton provided an explanation of the bill on behalf of Sen. Swindell, stating that it is an agency bill that asks for the Div. of Health and Services Regulation (DHHS) to coordinate and evaluate the education and training program for Nurses Aid 1, and indicating that he knew of no opposition to the bill. Rep. Burris Floyd made a motion for a favorable report with a referral to the Health Committee. The motion was carried and approved.

SB 1193- A BILL TO BE ENTITLED AN ACT TO IMPLEMENT THE LONG-TERM CARE PARTNERSHIP PROGRAM, TO ENSURE THAT NORTH CAORLINA'S LONG-TERM CARE INSURANCE LAWS COMPORT WITH THE LONG-TERM CARE PARTNERSHIP PROVISIONS IN THE SHARING OF CONFIDENTIAL INFORMATION BETWEEN THE NORTH CAROLINA DEPARTMENT OF INSURANCE, ENTITIES THAT CONTRACT WITH THE FEDERAL GOVERNMENT, AND OTHER GOVERNMENTAL AGENCIES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Garland Pierce made a motion to open discussion before the Committee regarding the PCS to SB 1193. Rep. Braxton explained the bill, stating that it encourages middle class folks to buy long-term care coverage which would also exempt the amount of a person's assets, so that they would not have to exhaust their assets for long-term care. He further indicated that there is a reciprocal policy between states which would

allow for anyone moving to another state to carry that long-term care benefit over. Thirty-two states across the nation are on board.

Rep. Boles inquired if there was a cap on the amount of coverage one could carry in terms of exemption of their assets. There is no cap; whatever your estimated assets are is the amount you would be exempt from under the long-term care coverage.

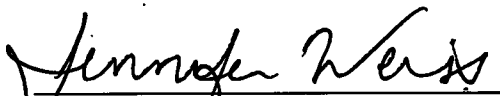
Rep. Earl Jones made a motion for a favorable report to the PCS, unfavorable to the original. The motion was carried and approved.

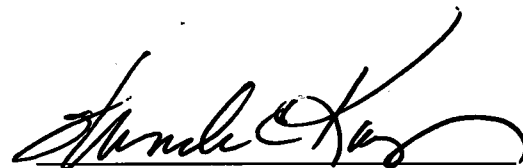
SB 354 - A BILL TO BE ENTITLED AN ACT TO PERMIT CONTINUING CARE RETIREMENT COMMUNITIES TO PROVIDE OR ARRANGE FOR HOME CARE SERVICES WITHOUT PROVIDING LODGING WHEN THOSE SERVICES ARE PROVIDED ADJUNCT TO A CONTRACT FOR CONTINUING CARE AND TO REQUIRE THE DEPARTMENT OF INSURANCE AND THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY ISSUES RELATED TO CONTINUING CARE RETIREMENT COMMUNITIES PROVIDING HOME CARE SERVICES WITHOUT PROVIDING LODGING.

Rep. Weiss made a motion for discussion around SB 354, the motion was approved. Sen. Kinnaird explained the bill, stating that they had identified a position with the Dept. of Insurance to respond to responsibilities associated with providing long-term care coverage. Theresa Matula explained the PCS, indicating there was only one change to section IV regarding "*evidence of license*". She further stated that the bill has a sunset of July 1, 2012, because the position in DOI has not been put into place yet. DOI has agreed to deal with the matter until the position is filled. The PCS does not contemplate the position. Section IV specifies what they are required to provide.

Rose Vaughn Williams, from the Dept. of Insurance, suggested that the Department of Insurance (DOI) is in support of the SB 354. A motion was made for a favorable report to the PCS, unfavorable to the original, with a referral to the Insurance Committee. The motion was carried and approved.

The meeting adjourned at 11:30 a.m.


Rep. Jennifer Weiss, Acting Chair


Wanda C. Kay, Committee Clerk

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☒ Committee Substitute for

SB 1191

A BILL TO BE ENTITLED AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO COORDINATE A REVIEW OF THE EDUCATION AND TRAINING REQUIREMENTS FOR NURSE AIDES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report and recommendation that the bill be re-referred to the Committee on HEALTH.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ The bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

S

3

SENATE BILL 1191*
Health Care Committee Substitute Adopted 6/3/10
Third Edition Engrossed 6/7/10

Short Title: Nurse Aide Training Review.

(Public)

Sponsors:

Referred to:

May 18, 2010

A BILL TO BE ENTITLED

AN ACT TO DIRECT THE DIVISION OF HEALTH SERVICE REGULATION,
DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO COORDINATE A
REVIEW OF THE EDUCATION AND TRAINING REQUIREMENTS FOR NURSE
AIDES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION
ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The Division of Health Service Regulation, Department of Health and Human Services, shall coordinate a review of the education and training requirements for nurse aides. In conducting the review, the Division shall include an equal number of representatives from the Division of Health Service Regulation; Division of Aging and Adult Services; the North Carolina Board of Nursing; the Direct Care Workers Association of North Carolina; the North Carolina Medical Society; the North Carolina Health Care Facilities Association; the North Carolina Hospital Association; the Association for Home and Hospice Care of North Carolina; the North Carolina Assisted Living Association; the North Carolina Association of Long Term Care Facilities; and individuals representing residents in long-term care. The review shall include an evaluation of the current education and training requirements for nurse aides.

SECTION 1.(b) The Division of Health Service Regulation shall report findings and recommendations on the appropriate levels of education and training for nurse aides to the North Carolina Study Commission on Aging on or before November 1, 2010.

SECTION 2. This act is effective when it becomes law.

Favorable report & referral to Health



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**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☒ Committee Substitute for

SB 1193

A BILL TO BE ENTITLED AN ACT TO IMPLEMENT THE LONG-TERM CARE PARTNERSHIP PROGRAM, TO ENSURE THAT NORTH CAROLINA'S LONG-TERM CARE INSURANCE LAWS COMPORT WITH THE LONG-TERM CARE PARTNERSHIP PROVISIONS IN THE FEDERAL DEFICIT REDUCTION ACT OF 2005, AND TO AUTHORIZE THE SHARING OF CONFIDENTIAL INFORMATION BETWEEN THE NORTH CAROLINA DEPARTMENT OF INSURANCE, ENTITIES THAT CONTRACT WITH THE FEDERAL GOVERNMENT, AND OTHER GOVERNMENTAL AGENCIES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

☒ With a favorable report as to the House committee substitute bill, unfavorable as to Senate Committee Substitute Bill and recommendation that the House committee substitute bill be re-referred to the Committee on INSURANCE.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

S

D

**SENATE BILL 1193*
Health Care Committee Substitute Adopted 6/3/10
PROPOSED HOUSE COMMITTEE SUBSTITUTE S1193-PCS65081-RJ-40**

Short Title: Implement LTC Partnership Program.

(Public)

Sponsors:

Referred to:

May 18, 2010

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT THE LONG-TERM CARE PARTNERSHIP PROGRAM, TO ENSURE THAT NORTH CAROLINA'S LONG-TERM CARE INSURANCE LAWS COMPORT WITH THE LONG-TERM CARE PARTNERSHIP PROVISIONS IN THE FEDERAL DEFICIT REDUCTION ACT OF 2005, AND TO AUTHORIZE THE SHARING OF CONFIDENTIAL INFORMATION BETWEEN THE NORTH CAROLINA DEPARTMENT OF INSURANCE, ENTITIES THAT CONTRACT WITH THE FEDERAL GOVERNMENT, AND OTHER GOVERNMENTAL AGENCIES, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

The General Assembly of North Carolina enacts:

SECTION 1. Part 6, Article 2 of Chapter 108A of the General Statutes is amended by adding a new section to read:

"§ 108A-70.4. Long-Term Care Partnership Program.

(a) The following definitions apply in this section:

- (1) Asset. – Resources and income.
- (2) Department. – The Department of Health and Human Services.
- (3) Division. – The Division of Medical Assistance.
- (4) Estate recovery. – The placing of a statutory claim on the estate of a deceased Medicaid recipient, as provided by G.S. 108A-70.5.
- (5) Medicaid. – The federal medical assistance program established under Title XIX of the Social Security Act.
- (6) Qualified long-term care partnership policy. – A long-term care insurance policy approved for use in North Carolina and meeting all the requirements of the federal Deficit Reduction Act of 2005, P.L. 109-171.
- (7) Resource. – Cash or its equivalent and/or real or personal property that is available to an applicant or recipient.
- (8) Resource disregard. – The amount of resources owned by a long-term care Medicaid applicant that is equal to the amount of benefits paid to the applicant by a qualified long-term care partnership policy. This amount shall not be taken into consideration when determining the applicant's long-term care Medicaid eligibility.
- (9) Resource protection. – An amount equal to the resource disregard given to a Medicaid recipient during the long-term care Medicaid eligibility



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determination process. This amount shall be deducted from the total value of the estate for estate recovery purposes.

(b) There is established the North Carolina Long-Term Care Partnership Program (Partnership Program) to be administered by the Division with assistance from the Department of Insurance. The Partnership Program shall:

(1) Provide a mechanism for individuals to qualify for coverage of the cost of their long-term care needs under Medicaid without first being required to substantially exhaust their resources.

(2) Provide counseling services to individuals planning for their long-term care needs.

(3) Reduce the financial burden on the State medical assistance program by encouraging the pursuit of private insurance.

(c) In the case of an individual who has received benefits under a qualified long-term care partnership policy, an equal amount of resources shall not be considered by the Department during the determination of the following:

(1) Eligibility for long-term care Medicaid.

(2) Any subsequent recovery by the State from a deceased recipient's estate for payment of Medicaid paid services.

(d) The Department shall adopt rules and amendments to the State Plan to allow for resource disregard at long-term care Medicaid eligibility determination and resource protection at estate recovery. To provide resource disregards for purchases of a qualified long-term care partnership policy, the Department shall count insurance benefits paid under the policy prior to the date of the first application for long-term care Medicaid made after the implementation of the Partnership Program toward resource disregard and resource protection to the extent the payments are for covered services under the qualified long-term care partnership policy.

(e) Effective January 1, 2011, or 60 days after approval of the Medicaid State Plan amendment, whichever is later, a qualified long-term care partnership policy shall be accompanied by a disclosure detailing in plain language the current law pertaining to the Partnership Program, resource disregard, and resource protection.

(f) The Department may enter into a reciprocal agreement with other states that enter into a national reciprocity agreement to extend the resource disregard and resource protection to residents of the State who purchased, or purchased and used, a qualified long-term care policy in another state.

(g) The Department and the Department of Insurance are authorized to adopt rules to implement the provisions of the Partnership Program and to provide for its administration.

(h) In the case of an individual who has received benefits under a qualified long-term care partnership policy, the provisions of G.S. 108A-70.5 remain in effect for purposes of estate recovery, with the exception of the definition of "estate" under G.S. 108A-70.5(b)(2). In accordance with Title XIX of the Social Security Act, 42 U.S.C. § 1396p(b)(4)(B), the definition of "estate" for an individual who has received benefits under a qualified long-term care partnership policy includes any other real or personal property and other assets in which the individual had any legal title or interest at the time of death (to the extent of such interest), including assets conveyed to a survivor, heir, or assign of the deceased individual through joint tenancy, tenancy in common, survivorship, life estate, living trust, or other arrangement."

SECTION 2. G.S. 108A-70.5 reads as rewritten:

"§ 108A-70.5. Medicaid Estate Recovery Plan.

(a) There is established in the Department of Health and Human Services, the Medicaid Estate Recovery Plan, as required by the Omnibus Budget Reconciliation Act of 1993, to recover from the estates of recipients of medical assistance an equitable amount of the State and federal shares of the cost paid for the recipient. The Department shall administer the

program in accordance with applicable federal law and regulations, including those under Title XIX of the Social Security Act, 42 U.S.C. § 1396(p).

(b) ~~As used in this section:~~ The following definitions apply in this section:

(1) ~~"Medical assistance" means medical~~ Medical assistance. – Medical care services paid for by the North Carolina Medicaid Program on behalf of the recipient:

a. If the recipient of any age is receiving medical care services as an inpatient in a nursing facility, intermediate care facility for the mentally retarded, or other medical institution, and cannot reasonably be expected to be discharged to return home; or

b. If the recipient is 55 years of age or older and is receiving one or more of the following medical care services:

1. Nursing facility services.

2. Home and community-based services.

3. Hospital care.

3a. Prescription drugs.

4. Personal care services.

5 through 9. Repealed by Session Laws 2007-442, s. 1, effective August 23, 2007.

(2) ~~"Estate" means all~~ Estate. – All the real and personal property considered assets of the estate available for the discharge of debt pursuant to G.S. 28A-15-1. For individuals who have received long-term care benefits as described in G.S. 108A-70.4, "estate" also includes any other real or personal property and other assets in which the individual had any legal title or interest at the time of death (to the extent of such interest), including assets conveyed to a survivor, heir, or assign of the deceased individual through joint tenancy, tenancy in common, survivorship, life estate, living trust, or other arrangement.

(3) Repealed by Session Laws 2007-442, s. 1, effective August 23, 2007.

(c) The amount the Department recovers from the estate of any recipient shall not exceed the amount of medical assistance made on behalf of the recipient and shall be recoverable only for medical care services prescribed in subsection (b) of this section. The Department is a fifth-class creditor, as prescribed in G.S. 28A-19-6, for purposes of determining the order of claims against an estate; provided, however, that judgments in favor of other fifth-class creditors docketed and in force before the Department seeks recovery for medical assistance shall be paid prior to recovery by the Department.

(d) The Department of Health and Human Services shall adopt rules pursuant to Chapter 150B of the General Statutes to implement the Plan, including rules to waive whole or partial recovery when this recovery would be inequitable because it would work an undue hardship or because it would not be administratively cost-effective and rules to ensure that all recipients are notified that their estates are subject to recovery at the time they become eligible to receive medical assistance.

(e) Repealed by Session Laws 2007-442, s. 1, effective August 23, 2007."

SECTION 3. Article 55 of Chapter 58 of the General Statutes is amended by designating G.S. 58-55-1 through G.S. 58-55-50 as "Part 1. General Provisions."

SECTION 4. Article 55 of Chapter 58 of the General Statutes is amended by adding a new Part to read:

"Part 2. Long-Term Care Partnership.

"§ 58-55-55. Definitions.

The following definitions apply in this section:

(1) Asset. – Resources and income.

- (2) Estate recovery. – The placing of a statutory claim on the estate of a deceased Medicaid recipient, as provided by G.S. 108A-70.5.
- (3) Medicaid. – The federal medical assistance program established under Title XIX of the Social Security Act.
- (4) Qualified long-term care partnership policy. – A long-term care insurance policy approved for use in North Carolina and meeting all the requirements of the federal Deficit Reduction Act of 2005, P.L. 109-171, that when issued is determined by the issuing insurance company to meet the qualifications for a partnership policy and includes the required disclosure of this qualification.
- (5) Resource. – Cash or its equivalent and/or real or personal property that is available to an applicant or recipient.
- (6) Resource disregard. – The amount of resources owned by a long-term care Medicaid applicant that is equal to the amount of benefits paid to the applicant by a qualified long-term care partnership policy. This amount shall not be taken into consideration when determining the applicant's long-term care Medicaid eligibility.
- (7) Resource protection. – An amount equal to the resource disregard given to a Medicaid recipient during the long-term care Medicaid eligibility determination process. This amount shall be deducted from the total value of the estate for estate recovery purposes.

"§ 58-55-60. Qualified long-term care partnership policy.

A qualified long-term care partnership policy is a long-term care insurance policy or a certificate issued under a group long-term care insurance policy that satisfies all of the following requirements:

- (1) The policy meets the requirements for a qualified long-term care insurance contract, as defined in section 7702B of the Internal Revenue Code of 1986 (26 U.S.C. § 7702B(b)).
- (2) The effective date of the coverage is on or after January 1, 2011, or 60 days after approval of the Medicaid State Plan amendment, whichever is later.
- (3) The policy covers an insured who was a resident of North Carolina or another reciprocal partnership state when coverage first became effective under the policy.
- (4) The policy meets the federal consumer protection requirements of section 1917(b) of the Social Security Act as amended by section 6021(a) of the Deficit Reduction Act of 2005, P.L. 109-171 of the Social Security Act (42 U.S.C. § 1396p(b)(5)(A)).
- (5) The policy is issued with and retains inflation protection coverage which meets the inflation standards based on the insured's then attained age as defined in sub-subdivisions a., b., and c. below:
- a. Policies or certificates issued to an individual who is under 61 years old must provide compound annual inflation protection.
- b. Policies or certificates issued to an individual who is 61 to 76 years old must provide some level of inflation protection. This may include simple interest or compound inflation protection.
- c. For purchasers 76 years old or older, inflation protection may be offered but is not required.

Notwithstanding the above, purchasers of qualified long-term care insurance policies which meet partnership criteria may adjust their inflation protection as they age. However, their policies shall maintain partnership status as long

as the inflation protection continues to meet the minimum requirements for the insured's attained age.

(6) The policy states that it is intended to be a qualified long-term care insurance policy as defined in section 7702B(b) of the Internal Revenue Code of 1986.

(7) A partnership policy issued, executed, and delivered in North Carolina shall be accompanied by a Partnership Disclosure Notice explaining the benefits associated with a partnership policy and indicating that at the time issued, the policy is a qualified long-term care insurance partnership policy in North Carolina. The Partnership Disclosure Notice shall also include a statement indicating that by purchasing this partnership policy, the insured does not automatically qualify for Medicaid. Notices providing additional information may be used in conjunction with the Partnership Disclosure Notice described in this section if filed and approved by the Commissioner. The Notice shall state the following in at least 12-point font:

"Partnership Policy Status: Your long-term care insurance policy is intended to qualify as a Partnership Policy under the North Carolina Long-Term Care Partnership Program as of your policy's effective date. For Medicaid applicants applying for help with the cost of long-term care, this means that an amount of your resources equal to the dollar amount of long-term care insurance benefits paid to you or on your behalf under this policy may be disregarded for purposes of determining your eligibility for long-term care Medicaid. The amount that may be disregarded at eligibility will be equal to the amount of the long-term care partnership benefits paid out prior to the time you apply for long-term care Medicaid. As a result, you may qualify for coverage of the cost of your long-term care needs under Medicaid without first being required to substantially exhaust your personal resources. If you are already a recipient of long-term care Medicaid, this policy will not allow a resource disregard or estate recovery resource protection. The purchase of a Partnership Policy does not automatically qualify you for Medicaid.

Please note that this policy may lose long-term care partnership program status if you move to a different state that does not recognize North Carolina's Long-Term Care Partnership Program or you modify this policy after issuance. This policy may also lose long-term care partnership program status due to changes in federal or state laws.

If you have questions regarding long-term care insurance and the North Carolina Long-Term Care Partnership Program, you may contact the Seniors' Health Insurance Information Program of the Department of Insurance at 1-800-443-9354."

In the case of a group insurance contract, this Notice shall be provided to the insured upon the issuance of the certificate. The insurer shall include in that Notice that the amount of the insured resources that may be disregarded at eligibility will be equal to the amount of qualified long-term care partnership policy benefits paid prior to the time the insured applied for long-term care Medicaid. The insurer shall also include in the notice a warning to the insured that the policy may lose long-term care partnership program status if the insured moves to another state that does not recognize North Carolina's

Long-Term Care Partnership Program, or if the policy is modified after issuance.

- (8) When the insured's remaining lifetime maximum benefit is equal to 90 times the current daily benefit, or three times the current monthly benefit, the insurer shall notify the insured in writing advising the insured to go to the local department of social services to apply for Medicaid if the insured had not already done so.

"§ 58-55-65. Compliance with federal regulations.

(a) The Commissioner may adopt rules to conform long-term care policies and certificates to the requirements of federal law and regulations, including any changes required by Congress or the U.S. Department of Health and Human Services, or any successor agencies.

(b) The tax-qualified long-term care provisions required of the Health Insurance Portability and Accountability Act of 1996, including subsequent amendments and editions, are hereby incorporated into Article 55 of Chapter 58 of the General Statutes.

(c) The long-term care partnership provisions required of the Deficit Reduction Act of 2005, including subsequent amendments and editions, are hereby incorporated into Article 55 of Chapter 58 of the General Statutes.

"§ 58-55-70. Disclosure notices.

(a) Prior to making a change requested by the policyholder to a policy that would result in the loss of long-term care partnership status, the insurer shall provide to the policyholder a written explanation within 30 calendar days of how this action would affect the insured and shall obtain the insured's signature indicating consent to the change.

(b) If a qualified long-term care partnership policy subsequently loses long-term care partnership status, the insurer shall explain in writing within 30 calendar days to the policyholders the reason for the loss of status.

(c) The disclosures required in this section shall be provided to any insured who exchanges a policy for a qualified long-term care partnership policy.

"§ 58-55-75. Exchange of long-term care policies for long-term care partnership policies.

An insurer shall offer, on a onetime basis, in writing, to all existing policyholders that were issued a long-term care policy on or after February 8, 2006, the option to exchange their existing long-term care coverage for coverage that is intended to qualify under North Carolina's Long-Term Care Partnership Program. The insurer shall provide notification of this onetime offer within 180 days from the date on which the company begins to offer partnership coverage in the State. The mandatory offer of an exchange shall only apply to products issued by the insurer that are comparable to the type of policy form, such as group policies and individual policies, and on the policy series that the company has certified as partnership qualified. This exchange may be subject to underwriting and premium adjustment. A policy received in an exchange after the effective date of North Carolina's Long-Term Care Partnership Program is treated as newly issued and is eligible for partnership policy status. For purposes of applying the Medicaid rules relating to qualified long-term care partnership policies, the addition of a rider, endorsement, or change in schedule page for a policy may be treated as giving rise to an exchange. The effective date of the long-term care partnership policy shall be the date the policy was exchanged."

SECTION 5. Article 55 of Chapter 58 of the General Statutes is amended by adding a new section under Part 2 to read:

"§ 58-55-80. Information sharing.

(a) In order to assist in the performance of the Commissioner's duties under the long-term care partnership program specified in the federal Deficit Reduction Act of 2005, the Commissioner may:

- (1) Share information, including identifying information, related to the long-term care partnership program with other state and federal agencies, the

1 National Association of Insurance Commissioners, and any entity
2 contracting with the federal government under the program.

3 (2) Receive information, including identifying information, related to the
4 long-term care partnership program from other state and federal agencies,
5 the National Association of Insurance Commissioners, and any entity
6 contracting with the federal government under the program, and shall
7 maintain as confidential or privileged any identifying information received
8 with notice or the understanding that it is confidential or privileged under the
9 laws of the jurisdiction that is the source of the document, material, or
10 information.

11 (3) Enter into agreements governing sharing and use of information consistent
12 with this section.

13 (b) No waiver of an existing privilege or claim of confidentiality in the identifying
14 information shall occur as a result of disclosure to the Commissioner under this section or as a
15 result of sharing as authorized in subsection (a) of this section.

16 (c) A privilege established under the law of any state or jurisdiction that is substantially
17 similar to the privilege established under this section shall be available and enforced in any
18 proceeding in, and in any court of, this State.

19 (d) As used in this section, "identifying information" has the same meaning as in
20 G.S. 14-113.20(b)."

21 **SECTION 6.** The Department of Health and Human Services and the Department
22 of Insurance may adopt rules to implement the North Carolina Long-Term Care Partnership
23 Program.

24 **SECTION 7.** The Department of Health and Human Services shall pursue a
25 Medicaid State Plan amendment to allow the North Carolina Long-Term Care Partnership
26 Program to operate.

27 **SECTION 8.** Sections 7 and 8 of this act are effective when they become law. The
28 remainder of this act becomes effective January 1, 2011, or 60 days after approval of the
29 Medicaid State Plan amendment, whichever is later.

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☒ House Committee Substitute # 1 for

SB 354 A BILL TO BE ENTITLED AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ADOPT A POLICY ALLOWING A CERTAIN INCOME DISREGARD UNDER THE MEDICAID PROGRAM.

☒ With a favorable report as to House Committee Substitute Bill 2, which changes the title, unfavorable as to House Committee Substitute Bill 1, and recommendation that House Committee Substitute Bill be re-referred to the Committee on INSURANCE.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the (House/Senate) committee substitute bill/(joint) resolution (No. _____) is placed on the Calendar of _____. (The original bill resolution No. _____) is placed on the Unfavorable Calendar.

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 354
Appropriations/Base Budget Committee Substitute Adopted 4/23/09
House Committee Substitute Favorable 5/26/09
PROPOSED HOUSE COMMITTEE SUBSTITUTE S354-PCS55623-SHF-79

Short Title: Continuing Care Retire. Community/Home Care.

(Public)

Sponsors:

Referred to:

March 2, 2009

A BILL TO BE ENTITLED

AN ACT TO PERMIT CONTINUING CARE RETIREMENT COMMUNITIES TO PROVIDE OR ARRANGE FOR HOME CARE SERVICES WITHOUT PROVIDING LODGING WHEN THOSE SERVICES ARE PROVIDED ADJUNCT TO A CONTRACT FOR CONTINUING CARE AND TO REQUIRE THE DEPARTMENT OF INSURANCE AND THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO STUDY ISSUES RELATED TO CONTINUING CARE RETIREMENT COMMUNITIES PROVIDING HOME CARE SERVICES WITHOUT PROVIDING LODGING.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-64-5 reads as rewritten:

"§ 58-64-5. License.

(a) No provider shall engage in the business of offering or providing continuing care in this State without a license to do so obtained from the Commissioner as provided in this Article. It is a Class 1 misdemeanor for any person, other than a provider licensed under this Article, to advertise or market to the general public any product similar to continuing care through the use of such terms as "life care", "continuing care", or "guaranteed care for life", or similar terms, words, or phrases. The licensing process may involve a series of steps pursuant to rules adopted by the Commissioner under this Article.

(b) The application for a license shall be filed with the Department by the provider on forms prescribed by the Department and within a period of time prescribed by the Department; and shall include all information required by the Department pursuant to rules adopted by it under this Article including, but not limited to, the disclosure statement meeting the requirements of this Article and other financial and facility development information required by the Department. The application for a license must be accompanied by an application fee of ~~five hundred one thousand~~ dollars (\$500.00\$1,000).

...."

SECTION 2. G.S. 58-64-1 reads as rewritten:

"§ 58-64-1. Definitions.

As used in this Article, unless otherwise specified:

- (1) ~~"Continuing care"~~ means the Continuing care. - The furnishing to an individual other than an individual related by blood, marriage, or adoption to the person furnishing the care, of lodging together with nursing services,



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medical services, or other health related services, under ~~an agreement~~
 contract approved by the Department in accordance with this Article
 effective for the life of the individual or for a period longer than one year.
 "Continuing care" may also include home care services provided or arranged
 by a provider of lodging at a facility to an individual who has entered into a
 continuing care contract with the provider but is not yet receiving lodging.

(2) ~~"Entrance fee" means a~~ Entrance fee. – A payment that assures a resident a
 place in a facility for a term of years or for life.

(3) ~~"Facility" means the~~ Facility. – The retirement community or communities in
 which a provider undertakes to provide continuing care to an individual.

(4) ~~"Health-related services" means, at~~ Health-related services. – At a minimum,
 nursing home admission or assistance in the activities of daily living,
 exclusive of the provision of meals or cleaning services.

(4a) Home care services. – Defined in G.S. 131E-136.

(5) ~~"Living unit" means a~~ Living unit. – A room, apartment, cottage, or other
 area within a facility set aside for the exclusive use or control of one or more
 identified residents.

(5a) Lodging. – A living unit as set forth in a contract approved by the
 Department in accordance with this Article.

(6) ~~"Provider" means the~~ Provider. – The promoter, developer, or owner of a
 facility, whether a natural person, partnership, or other unincorporated
 association, however organized, trust, or corporation, of an institution,
 building, residence, or other place, whether operated for profit or not, or any
 other person, that solicits or undertakes to provide continuing care under a
 continuing care facility contract, or that represents himself, herself, or itself
 as providing continuing care or "life care."

(7) ~~"Resident" means a~~ Resident. – A purchaser of, a nominee of, or a subscriber
 to, a continuing care contract.

(8) ~~"Hazardous financial condition" means a~~ Hazardous financial condition. – A
 provider is insolvent or in eminent danger of becoming insolvent."

SECTION 3. G.S. 58-64-25 reads as rewritten:

"§ 58-64-25. Contract for continuing care; specifications.

(a) Each contract for continuing care shall provide that:

...

(b) Each contract shall include provisions that specify the following:

(1) The total consideration to be ~~paid;~~ paid.

(2) Services to be ~~provided;~~ provided.

(3) The procedures the provider shall follow to change the resident's
 accommodation if necessary for the protection of the health or safety of the
 resident or the general and economic welfare of the ~~residents;~~ residents.

(4) The policies to be implemented if the resident cannot pay the periodic
~~fees;~~ fees.

(5) The terms governing the refund of any portion of the entrance fee in the
 event of discharge by the provider or cancellation by the ~~resident;~~ resident.

(6) The policy regarding increasing the periodic ~~fees;~~ fees.

(7) The description of the living ~~quarters;~~ quarters.

(8) Any religious or charitable affiliations of the provider and the extent, if any,
 to which the affiliate organization will be responsible for the financial and
 contractual obligations of the ~~provider;~~ provider.

(9) Any property rights of the ~~resident;~~ resident.

- (10) The policy, if any, regarding fee adjustments if the resident is voluntarily absent from the ~~facility~~; facility.
- (11) Any requirement, if any, that the resident apply for Medicaid, public assistance, or any public benefit program.
- (12) The procedures for determining when the individual will transition to receiving lodging and health-related services in the event that a contract allows for the provision or arrangement of continuing care without lodging."

SECTION 4. Article 64 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-64-7 Continuing care services without lodging.

(a) A provider of continuing care who has obtained a license pursuant to this Article and desires to provide or arrange for continuing care services, including home care services, to an individual who has entered into a continuing care contract with the provider but is not yet receiving lodging must submit the following to the Commissioner:

- (1) An application to offer continuing care services without providing lodging.
- (2) An amended Disclosure Statement containing a description of the proposed continuing care services that will be provided without lodging, including the target market, the types of services to be provided, and the fees to be charged.
- (3) A copy of the written service agreement which must contain those provisions as prescribed in G.S. 58-64-25(b).
- (4) A summary of an actuarial report that presents the impact of providing continuing care services without lodging on the overall operation of the continuing care retirement community.
- (5) A financial feasibility study prepared by a certified public accountant that shows the financial impact of providing continuing care services without lodging on the applicant and the continuing care retirement facility or facilities. The financial feasibility study shall include a statement of activities reporting the revenue and expense details for providing continuing care services without lodging, as well as any impact the provision of these services will have on operating reserves.
- (6) Evidence of the license required under Part 3 of Article 6 of Chapter 131E of the General Statutes to provide home care services, or a contract with a licensed home care agency for the provision of home care services to the individuals under the continuing care services without lodging program.

(b) A provider issued a start-up certificate for the provision of continuing care services without lodging must enter into binding written service agreements with subscribers to provide continuing care services without lodging.

(c) When providing the financial statements and five-year forecasts required by G.S. 58-64-20, a provider offering continuing care services without lodging must account for the related revenue and expenses generated from the provision of these services separate from the facility's on-site operation."

SECTION 5. The Department of Insurance and the Department of Health and Human Services shall identify any statutory, regulatory, or practical barriers that prevent or discourage individuals that contract with continuing care retirement communities from receiving home care services for as long as they need home care services and are able to be safely cared for in their homes. The Departments shall jointly provide an interim status report on or before November 1, 2010, and a final report on or before September 1, 2011, to the North Carolina Study Commission on Aging and the Joint Legislative Health Care Oversight Committee. Each report shall include findings and recommendations made to date on statutory

1 changes and a timetable for promulgation of rules to eliminate any identified barriers to
2 providing appropriate levels of care.

3 **SECTION 6.** Section 1 of this act becomes effective July 1, 2010, and applies to
4 applications filed on or after that date. The remainder of the act is effective when it becomes
5 law, and Sections 2, 3, and 4 expire July 1, 2012. Contracts executed on or after the effective
6 date of this act that allow for the provision or arrangement of continuing care without lodging
7 remain effective after July 1, 2012, and the continuing care retirement community may provide
8 home care services without lodging under the terms of the contract after July 1, 2012.

Aging – 2010 Session

[illegible][illegible]

VISITOR REGISTRATION SHEET

Committee on Aging

Name of Committee

June 16, 2010

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME _____

FIRM OR AGENCY AND ADDRESS

W. G. Carr Calder

NCNA

Bo Healy

Muk

Ann Loh

note

HOUSE PAGES

NAME OF COMMITTEE Agony DATE 6-16-10

1. Name: Kent Rhea

County: Cleveland

Sponsor: Tim Moore

2. Name: CORA BRADFORD

County: JONES

Sponsor: Wainwright

3. Name: Destiny Barnes

County: Dash

Sponsor: Barry Stewart

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

SGT-AT-ARM

1. Name: Bill Bass

2. Name: Martha Parrish

3. Name: _____

4. Name: _____



AGENDA

HOUSE COMMITTEE ON AGING

Rep. Jean Farmer-Butterfield, Chair

JUNE 30, 2010

CALL TO ORDER

OPENING REMARKS

INTRODUCTIONS

BILLS TO BE HEARD:

BILL NO. SHORT TITLE

SPONSOR

HB 1692 Medicaid Dental/Special Needs
Population.

Representative Jean Farmer-
Butterfield
Representative Weiss
Representative Pierce
Representative England, M.D.

HB 1693 Develop Special Needs Dental Care
Workforce.

Representative Farmer-Butterfield
Representative England, M.D.
Representative Weiss
Representative Pierce

ADJOURNMENT

**N.C. General Assembly
House Committee on Aging
Rep. Jean Farmer-Butterfield, Chair**

**MINUTES
June 30, 2010**

The House Committee on Aging met at 11:00 a.m. on Wednesday, June 30, 2010 in room 415 of the Legislative Office Building. The following Representatives were present: **Chair:** Farmer-Butterfield; **Vice Chair:** Samuelson; **Members:** Bordsen, Earle, McCormick, Mills, Mobley and Sager.

Research staff persons included: **Legislative Analyst:** Theresa Matula and Sarah Kamprath; **Legislative Committee Assistant:** Wanda Kay

The Agenda, Committee Meeting Notice, Pages/Sergeant at Arms Sheet, Visitor Registration Sheets, Bill Analysis and Committee Reports are attached and incorporated into the minutes.

Rep. Farmer-Butterfield, Chair, called the meeting to order at 11:10 a.m. She also introduced House Pages, Taylor Trent of Rockingham County (Rep. Cole) and Katelyn Phelps Gaston County (Rep. Leland), Sgt-at-Arms, Martha Parrish and Bill Bass, and members of the 4-H Club from Greene and Bertie Counties. Rep. Farmer-Butterfield turned the meeting over to Rep. Samuelson, Vice Chair to preside while Rep. Farmer-Butterfield's bills, HB 1692 & HB 1693, were being heard.

The following bills were heard for concurrence:

HB 1692 (Medicaid Dental/Special Needs Population) - A BILL TO BE ENTITLED AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE, AND THE DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL SERVICES TO THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Farmer-Butterfield was recognized to review the changes to HB 1692, made by the Senate; replacing explore and "explored" with "study" and "studied", adding the Public Health Study Commission to the reporting requirements and also remove "as recommended by the Study Commission on Aging" from the long title. She asked for concurrence. Rep. Samuelson asked for questions from the Committee and audience, followed by a motion. A motion was made by Rep. Bordsen to concur and the motion approved.

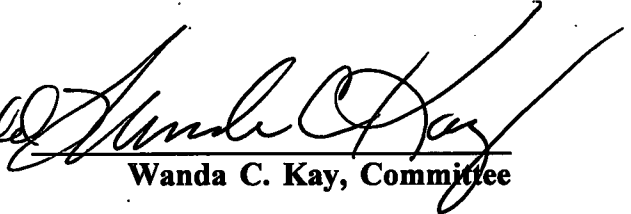
HB 1693 (Develop Special Needs Workforce) - A BILL TO BE ENTITLED AN ACT TO DIRECT THE NORTH CAROLINA AREA HEALTH EDUCATION CENTERS (AHEC) PROGRAM TO COORDINATE WORKFORCE DEVELOPMENT EFFORTS TO INCREASE THE NUMBER OF DENTAL CARE PROVIDERS SERVING THE SPECIAL NEEDS POPULATION, AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.

Rep. Farmer-Butterfield was recognized to review the changes to HB 1693, stating that there were technical changes. The first of those changes included adding the Public Health Study Commission to the reporting requirements and secondly remove, "as recommended by the Study Commission on Aging" from the long title, as to their concurrence.

Rep. Samuelson asked for questions from the Committee and audience, of which there were none, followed her request for a motion from the Committee. A motion was made by Rep. Sager to concur and the motion was carried and approved.

The meeting adjourned at 11:10 AM.


Rep. Jean Farmer-Butterfield, Chair
Clerk


Wanda C. Kay, Committee

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☒ Committee Substitute for

HB 1692

A BILL TO BE ENTITLED AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE AND THE DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL SERVICES TO THE SPECIAL NEEDS POPULATION.

☒ With recommendation that the House concur.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____.

_____ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of _____.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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**HOUSE BILL 1692*
Committee Substitute Favorable 5/26/10
Senate Health Care Committee Substitute Adopted 6/23/10**

Short Title: Medicaid Dental/Special Needs Population. **(Public)**

Sponsors:

Referred to:

May 13, 2010

- 1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE DIVISION OF MEDICAL ASSISTANCE AND THE
3 DIVISION OF PUBLIC HEALTH, IN THE DEPARTMENT OF HEALTH AND
4 HUMAN SERVICES, TO EXPLORE ISSUES RELATED TO PROVIDING DENTAL
5 SERVICES TO THE SPECIAL NEEDS POPULATION.
6 The General Assembly of North Carolina enacts:
7 **SECTION 1.(a)** The Department of Health and Human Services, Divisions of
8 Medical Assistance and Public Health, shall study issues that may facilitate dental care and
9 improved dental outcomes for the special needs population. Issues studied shall include at least
10 the following:
11 (1) The feasibility and anticipated impact of expanding Medicaid dental services
12 to include reimbursement for evidenced-based topical fluoride treatment and
13 other chemotherapeutic agents used to prevent periodontal disease in
14 high-risk adults with special health care needs.
15 (2) The feasibility and anticipated impact of implementing facility code policies
16 that would allow certified providers to bill for each patient seen in a
17 long-term care facility or group home on the date of service.
18 **SECTION 1.(b)** The Department of Health and Human Services shall report its
19 findings and recommendations to the North Carolina Study Commission on Aging and the
20 Public Health Study Commission on or before November 15, 2011.
21 **SECTION 2.** This act is effective when it becomes law.





HOUSE BILL 1692: Medicaid Dental/Special Needs Population

2009-2010 General Assembly

Committee:	House Aging	Date:	June 29, 2010
Introduced by:	Reps. Farmer-Butterfield, Weiss, Pierce, England	Prepared by:	Theresa Matula Committee Staff
Analysis of:	Third Edition		

SUMMARY: *House Bill 1692 requires the Division of Medical Assistance and the Division of Public Health, Department of Health and Human Services, to study issues that would facilitate dental care and improved dental outcomes for the special needs population and to report findings and recommendations to the North Carolina Study Commission on Aging and the Public Health Study Commission by November 15, 2011.*

House Bill 1692 is in the House Aging Committee for concurrence.

[As introduced, this bill was identical to S1192, as introduced by Sen. Swindell, which is currently in Senate Health Care.]

BILL STATUS:

The House Aging Committee gave a favorable report to a Proposed Committee Substitute (PCS) for HB 1692 on 5/26/10. The second edition of the bill received a favorable report in House Health on 6/08/10. On 6/23/10, the Senate Committee on Health gave a favorable report to a PCS which became the third edition of the bill.

Changes to HB 1692 since it was heard in the House Aging Committee include:

- Replacing "explore" and "explored" with "study" and "studied"
- Adding the Public Health Study Commission to the reporting requirement.
- Removing "AS RECOMMENDED BY THE STUDY COMMISSION ON AGING" from the long title.

HB 1692 is now back for concurrence with the above changes.

BILL ANALYSIS:

House Bill 1692 directs the Divisions of Medical Assistance and Public Health in the Department of Health and Human Services to study issues that would facilitate dental care and improved dental outcomes for special needs individuals. The study must examine, but is not limited to the:

- Feasibility and impact of expanding Medicaid dental services to include reimbursement for evidence-based topical fluoride treatment and other chemotherapeutic agents used to prevent periodontal disease in high-risk adults with special health care needs.
- Feasibility and impact of implementing facility code policies to allow certified providers to bill each patient seen in a long-term care facility or group home on the date of the service.

The Department is required to report findings and recommendations to the Study Commission on Aging and Public Health Study Commission on or before November 15, 2011.

The act becomes effective when it becomes law.

BACKGROUND:

The General Assembly required (S.L. 2009-100) the Divisions of Public Health, Medical Assistance, and Aging and Adult Services, DHHS; the University of North Carolina at Chapel Hill and the East Carolina University Schools of Dentistry; the North Carolina Dental Society; and current providers of special care dentistry services; to examine current dental care options for special care populations. The report resulting from this collaboration estimated that NC may be home to 450,000 individuals requiring special care dentistry services. However, only a small number of dental facilities and practices employ providers with the skills and abilities to safely serve dental patients with special health care needs.

House Bill 1692

Page 2

Adult patients with special needs include those that take medications increasing the risk of dental diseases and those with developmental disabilities or physical limitations that make routine oral hygiene difficult. The report recommended consideration of reimbursement for evidence-based services like fluoride treatments and chemotherapeutic agents that prevent dental disease. (Chemotherapeutic agents are medicines or products that can prevent dental diseases. These are not drugs to prevent cancer.) The report also recommended exploring the revision of policy limits that allow only a per site reimbursement for providers that render services in a long-term care facility or group home. Currently dental providers that travel to these locations provide dental services in a non-traditional clinical setting and are reimbursed a one time per visit to the facility per date of service amount (approximately \$75) regardless of the number of patients seen. It is somewhat common in the behavioral health field to pay a facility fee per patient. If such a change were feasible, it would encourage dental care providers to serve individuals with special care dentistry needs to who live in long-term care facilities and group homes.

** Sara Kamprath contributed to this summary.
H1692-SMSH-199(e3) v2*

**2009 COMMITTEE REPORT
HOUSE OF REPRESENTATIVES**

The following report(s) from standing committee(s) is/are presented:

By Representative Farmer-Butterfield (Chair) for the Committee on AGING.

☒ Committee Substitute for

HB 1693

A BILL TO BE ENTITLED AN ACT TO DIRECT THE NORTH
CAROLINA AREA HEALTH EDUCATION CENTERS (AHEC) PROGRAM TO
COORDINATE WORKFORCE DEVELOPMENT EFFORTS TO INCREASE THE NUMBER
OF DENTAL CARE PROVIDERS SERVING THE SPECIAL NEEDS POPULATION.

☒ With recommendation that the House concur.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on

_____ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of _____.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

H

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**HOUSE BILL 1693*
Senate Health Care Committee Substitute Adopted 6/23/10**

Short Title: Develop Special Needs Dental Care Workforce.

(Public)

Sponsors:

Referred to:

May 13, 2010

A BILL TO BE ENTITLED

**AN ACT TO DIRECT THE NORTH CAROLINA AREA HEALTH EDUCATION
CENTERS (AHEC) PROGRAM TO COORDINATE WORKFORCE DEVELOPMENT
EFFORTS TO INCREASE THE NUMBER OF DENTAL CARE PROVIDERS SERVING
THE SPECIAL NEEDS POPULATION.**

The General Assembly of North Carolina enacts:

SECTION 1.(a) The North Carolina Area Health Education Centers (AHEC)
Program shall coordinate efforts to increase the number of dental care providers serving the
special needs population. These efforts shall include, but are not limited to, the following:

(1) Working with the dental schools at the University of North Carolina at
Chapel Hill and East Carolina University, the North Carolina Community
College System, and current dental providers serving the special needs
population to identify opportunities to increase the dental care workforce
supply that is available and willing to treat the special needs population.
These opportunities shall include, but are not limited to, options that could
be undertaken without additional funding.

(2) Working with the North Carolina State Board of Dental Examiners to
explore the feasibility of allowing dental students, dental hygiene students,
and assisting students the opportunity to receive training in long-term care
facilities under the direction of nonprofit special care dental organizations.

SECTION 1.(b) The North Carolina Area Health Education Centers (AHEC)
Program shall report its findings and recommendations to the North Carolina Study
Commission on Aging and the Public Health Study Commission on or before August 1, 2011.

SECTION 2. This act is effective when it becomes law.





HOUSE BILL 1693: Develop Special Needs Dental Care Workforce

2009-2010 General Assembly

Committee:	House Aging, if favorable, Health	Date:	June 29, 2010
Introduced by:	Reps. Farmer-Butterfield, England, Weiss, Pierce	Prepared by:	Sara Kamprath Legislative Analyst
Analysis of:	Second Edition		

SUMMARY: *House Bill 1693 directs the North Carolina Area Health Education Centers (AHEC) Program to increase the number of dental care providers serving persons with special needs through workforce development efforts and to report to the Study Commission on Aging and the Public Health Study Commission by August 1, 2011.*

House Bill 1693 is in the House Aging Committee for concurrence.

[As introduced, this bill was identical to S1194, as introduced by Sen. Swindell, which is currently in Senate Health Care.]

BILL STATUS: The House Aging Committee gave a favorable report to the bill on 5/26/10 and the House Health Committee gave a favorable report to the bill on 6/08/10. On 6/23/10, the Senate Health Care Committee gave a favorable report to a PCS which then became the Second Edition of the bill.

Changes to HB1693 in the Senate include:

- Adding the Public Health Study Commission to the reporting requirement
- Removing "AS RECOMMENDED BY THE STUDY COMMISSION ON AGING" from the long title.

HB1693 is now back for concurrence with the above changes.

BILL ANALYSIS: House Bill 1693 directs AHEC to coordinate efforts to increase the number of dental care providers for the special needs population. Efforts must include, but are not limited to:

- Identifying opportunities to increase the available dental care workforce to treat the special needs population by working with the State's dental schools, the Community College System, and current dental providers serving special needs individuals. These opportunities must include, but are not limited to, options that could be undertaken without additional funding.
- Working with the North Carolina State Board of Dental Examiners to explore the feasibility of allowing dental students, dental hygiene students, and assisting students to receive training in long-term care facilities under the direction of nonprofit special care dental organizations.

The bill requires AHEC to report findings and recommendations to the North Carolina Study Commission on Aging and the Public Health Study Commission by August 1, 2011. The bill would become effective when it becomes law.

BACKGROUND: The Study Commission on Aging recommended this bill in response to the report required by S.L. 2009-100 on dental care options for special care populations. The report estimated that NC may be home to 450,000 individuals requiring special care dentistry services. This figure includes individuals with intellectual and/or other developmental disabilities, those with long term needs due to a Traumatic Brain Injury, and older adults living with Alzheimer's disease or other types of dementia. However, the report estimates there are only a small number of dental facilities and practices that employ providers with the skills and abilities to safely serve dental patients with special health care needs. Barriers to care may include access to care, financial dependency, limited capacity, limited professional training, limited financial compensation, and no special care dentistry infrastructure.

House Bill 1693

Page 2

The opening of the ECU School of Dentistry and an increase in UNC-CH dental graduates are expected to expand the dental care workforce. However, this expansion will not guarantee an increase in the number of providers that treat patients with special needs. The report points to research indicating that dental school graduates are more likely to treat individuals with special needs if they gained experience caring for these patients while in dental school.

The report also recommends, "The North Carolina AHEC system, collaborating with community partners, should develop continuing education programs for dental health professionals and staff and investigate the most appropriate ways to expand delivery of these programs. Community partners would include private practices, hospitals, dental schools, disability service and advocacy organizations, and state agencies. Delivery methods to be considered would include live in-person sessions, webinars, and online materials." The AHEC Program's mission is to "meet the state's health and health workforce needs by providing educational programs in partnership with academic institutions, health care agencies, and other organizations committed to improving the health of the people of North Carolina."

**Sara Kamprath contributed to this summary.*

H1693-SMRJ-125(e2) v1

ATTENDANCE

Aging – 2010 Session

* Six or more members = Quorum

DATES	June 30, 2010											
Rep. Jean Farmer-Butterfield, Chair (excused)	X											
Rep. Garland Pierce, Vice-Chair	E											
Rep. Ruth Samuleson, Vice-Chair	X											
Rep. Jennifer Weiss, Vice-Chair	E											
Rep. Alma Adams (excused)	X											
Rep. James L. Boles, Jr.	E											
Rep. Alice Bordsen	X											
Rep. Pearl Burris-Floyd	A											
Rep. Beverly Earle	A											
Rep. Darren Jackson	E											
Rep. Earl Jones	E											
Rep. Darrell G. McCormick	X											
Rep. Grey Mills	X											
Rep. Annie Mobley	X											
Rep. Efton M. Sager	X											
Wanda Kay, Committee Clerk	X											
Theresa Matula, Research Staff	X											
Sarah Kamprath, Research Staff	X											

- “A” – indicates absent
- “E” - indicates excused absence
- “X” – indicates present

VISITOR REGISTRATION SHEET

Committee on Aging
Name of Committee

June 29, 2010
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Geoffrey Wooden	Governor's Office
Snayha Nath	"
Brice Hamby	Randolph Cloud and Assoc.
Sheria Reid	SOL
Mary Edwards	DAAG
BRIAN DEMPSEY	MWC
Andrew Cagle	DLC + Assoc.
Iron Piercy	Pagedale Liggett
Kristi Huff	NCHCFA
Ashley Shope	MSW Student
Mary Bethae	AARP NC