

Key Provisions of Budget Bill (Senate Bill 257) Related to Aging
(Consult Bill for More Details - <http://www.ncleg.net/Sessions/2017/Budget/2017/S257vccr.pdf>)

PART X. UNIVERSITIES

Section 10.12 (p. 121) – SENIOR CITIZENS MAY AUDIT COURSES AT UNC AND COMMUNITY COLLEGES – Allows senior citizens to audit courses at the constituent institutions of the University of North Carolina and North Carolina Community Colleges for free, provided that they have permission from the instructor and there is space available in the course.

PART XI. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Section 11A. 14 (p. 156) – COMPETITIVE GRANTS/NONPROFIT ORGANIZATIONS
Specifies that of the funds appropriated in this act to the Department of Health and Human Services, Division of Central Management and Support, the sum of \$10,653,911 for each year of the 2017-2019 fiscal biennium, the sum of \$4,524,525 for each year of the 2017-2019 fiscal biennium appropriated in Section 11L.1 of this act in Social Services Block Grant funds, and the sum of \$1,600,000 for each year of 2017-2019 fiscal biennium in Section 11L.1 of this act in Substance Abuse Prevention and Treatment Block Grant funds shall be used to allocate funds for nonprofit organizations that have the capacity to provide services on a statewide basis and that support specified health and wellness initiatives. (note: NC Senior Games, Inc. received funding from this competitive grant source).

SECTION 11C.8 (p. 172) – INCREASE ACCESS TO PUBLIC BENEFITS FOR OLDER DUAL ELIGIBLE 46 SENIORS

Directs the Department of Health and Human Services, Division of Social Services (Division), to continue implementing an evidence-based pilot program to increase access to public benefits for seniors aged 65 and older who are dually enrolled in Medicare and Medicaid to (i) improve the health and independence of seniors and (ii) reduce health care costs. The Division shall continue to partner with a not-for-profit firm for the purposes of engaging in a data-driven campaign to help seniors aged 65 and older who are dually enrolled in Medicare and Medicaid meet their basic social needs. The not-for-profit firm shall have demonstrated experience in assisting with these types of services.

SECTION 11C.12 (p. 174) – FAMILY AND CHILD PROTECTION AND ACCOUNTABILITY ACT

Specified that expenditure of the funds provided for in item number 55 of the Health and Human Services portion of the Committee Report described in Section 39.2 of this act is contingent upon passage of House Bill 630 of the 2017 Regular Session or any other substantially similar legislation adopted by the 2017 General Assembly. (note: House Bill 630, among other things, directs that a plan be developed for the regionalization of county departments of social services).

SECTION 11. C. 13 (P. 175) – TEMPORARY FINANCIAL ASSISTANCE FOR FACILITIES LICENSED TO ACCEPT STATE-COUNTY SPECIAL ASSISTANCE

Authorizes \$5 million non-recurring funding in each year of the biennium to continue the provision of temporary assistance to facilities that serve State-County Special Assistance recipients. Counties and the State will each provide 50% of the funding. Facilities will receive \$34 per month for each resident who receives Special Assistance.

SECTION 11.D.1 (p. 176) – STATE-COUNTY SPECIAL ASSISTANCE

Specifies that for each year of the 2017-2019 fiscal biennium, the maximum monthly rate for residents in adult care home facilities shall be \$1,182 per month per resident and for residents in Alzheimer's/Dementia special care units the maximum monthly rate shall be \$1,515 per month per resident.

SECTION 11D.1A (p. 177) – AUTHORIZATION FOR SECRETARY OF DHHS TO RAISE THE MAXIMUM NUMBER OF STATE-COUNTY SPECIAL ASSISTANCE IN-HOME PAYMENTS

Allows the Secretary of the Department of Health and Human Services to waive the 15% percent cap on the number of Special Assistance in-home payments, as the Secretary deems necessary.

SECTION 11D.2 (p. 177) – ALIGNMENT OF STATE AND FEDERAL AGING PLAN REPORTING DEADLINES

Changes the date that the Division of Aging and Adult Services of the Department of Health and Human Services shall submit a regularly updated plan to the General Assembly from March 1 of every other odd-numbered year to July 1 of every other odd-numbered year. Also makes a technical change of the Division's name from the Division of Aging to the Division of Aging and Adult Services and clarifies the agencies and entities that possess data relating to the elderly who shall cooperate with the Division of Aging and Adult Services in maintaining an inventory of existing data sets regarding the elderly in the state.

SECTION 11D.3 (p. 177) – RECOMMENDATION TO APPOINT A SUBCOMMITTEE ON AGING

States that the co-chairs of the Joint Legislative Oversight Committee on Health and Human Services may consider appointing a subcommittee on aging to examine the state's delivery of services for older adults in order to (1) determine their needs and (2) make recommendations on how to address those needs. If a subcommittee is appointed, it is encouraged to seek input from a variety of stakeholders and interest groups, including the NC Coalition on Aging, and it shall submit an interim report of its findings and recommendations, including any proposed legislation, to the Joint Legislative Oversight Committee on Health and Human Services on or before March 1, 2018, and shall submit a final report of its findings and recommendations, including any proposed legislation, on or before November 1, 2018.

SECTION 11G.3 (p. 206) – MORATORIUM ON SPECIAL CARE UNIT LICENSES

Specifies that for the period beginning July 1, 2017, and ending June 30, 14 2019, the Department of Health and Human Services, Division of Health Service Regulation, shall not issue any licenses for special care units as defined in G.S. 131D-4.6 and 16 G.S. 131E-114 except in situations noted in the provision. The Department is to submit a report to the Joint

Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by March 1, 2019.

SECTION 11H.12 (p. 210) – INCREASE PERSONAL CARE SERVICES RATE

Directs that beginning January 1, 2018, the Department of Health and Human Services, Division of Medical Assistance, shall increase to \$3.90 the rate paid per 15-minute billing unit for personal care services provided pursuant to Clinical Coverage Policy 3L and for in-home aide, respite care in-home aide, and personal care assistance services provided under the Community Alternatives Program for Children (CAP-C) waiver pursuant to Clinical Coverage Policy 3K-1. This equates to an hourly rate of \$15.60.

SECTION 11H.12A (p. 211) – RETROACTIVE PERSONAL CARE SERVICES PAYMENT

Directs the Department of Health and Human Services, Division of Medical Assistance, to amend Section 5.5, Retroactive Prior Approval for PCS, of Clinical Coverage Policy 3L, State Plan Personal Care Services (PCS), to extend the allowable retroactive period for prior approvals for personal care services from 10 days to 30 days upon the same conditions that are currently required for retroactive prior approval of personal care services. This section is not to be construed to require Medicaid reimbursement for personal care services provided within the retroactive period in excess of the number of hours approved through the prior approval process. This becomes effective August 1, 2017, and applies to Requests for Independent Assessment for Personal Care Services Attestation for Medical Need forms received on or after that date.

SECTION 11H.25 (p. 225) – STUDY PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY

Directs the Department of Health and Human Services, Division of Medical Assistance, to conduct a study of the efficacy of the Program of All-Inclusive Care for the Elderly (PACE). In conducting the study, the Department shall engage a variety of stakeholders, including existing PACE organizations, PACE consumers, and the general public. No later than March 1, 2018, the Department is to submit to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice a report containing the information specified by this provision, as well as any recommendations and proposed legislative changes that further the goal of providing the highest quality programs at a low cost to keep aging individuals in their homes.

SUBPART XI-L. DHHS BLOCK GRANTS – Information starts on page 228.

PART XXII. DEPARTMENT OF INSURANCE

SECTION 22.5 (p. 352) – STUDY HEALTH INSURANCE HIGH-RISK POOLS

Stipulates that the Department of Insurance shall study the establishment of a State-based health insurance high-risk pool in the event that the provisions of Public Law 111-148, the Patient Protection and Affordable Care Act, as amended, prohibiting denial of health insurance benefit coverage due to a preexisting condition, are repealed. The Department of Insurance is to report to the Joint Legislative Commission on Governmental Operations no later than March 1, 2018.

PART XXVIII. HOUSING FINANCE AGENCY

SECTION 28.1 (P. 357) – HOUSING FINANCE AGENCY/WORKFORCE HOUSING LOAN PROGRAM ESTABLISHED

Codifies the Workforce Housing Loan Program which was established in FY 2014-15. Also changes the income caps to the following: \$2 million in a low income county, \$1.5 million in a moderate income county, and leaves the high income county cap at \$250,000.

PART XXXIV. DEPARTMENT OF TRANSPORTATION

SECTION 34.18A (p. 380) – DOT/INCREASE CONSOLIDATION AND COORDINATION OF PUBLIC TRANSPORTATION SYSTEMS

Requires DOT to develop and administer funds to qualifying public transportation systems as an incentive to consolidate and coordinate with other public transportation systems in order to maximize resources, gain efficiencies, and increase access to public transportation. The amount allocated under this subsection to a public transportation system shall not exceed \$200,000 annually.

SECTION 34.36 (p. 388) – STUDY/ELIMINATE USE OF NURSES IN MEDICAL REVIEW PROGRAM

Requires the Division of Motor Vehicles to study the feasibility of eliminating the use of nurses in the Division's Medical Review Program. The study shall include an examination of any issues that may arise from using only the recommendation of the applicant's or licensee's examining health care provider as to the ability of the applicant or licensee to operate a motor vehicle. A report of findings of the study, including any legislative recommendations, is due to Joint Legislative Transportation Oversight Committee by December 1, 2017.

PART XXXV. SALARIES AND BENEFITS

SECTION 35.19A (p. 404) – PROVIDE COST-OF-LIVING ADJUSTMENT FOR RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM

Provides a 1% recurring cost-of-living allowance for state retiree. This is a \$44 million recurring appropriation.

SECTION 35.21.(p. 405) – STUDY STATE EMPLOYEE TOTAL COMPENSATION/REDUCE LONG-TERM UNFUNDED HEALTH CARE LIABILITIES

Establishes the State Employee Total Compensation Committee to study the total compensation of State employees. Total compensation includes cash compensation and the value of health care, retirement, leave, and other flexible benefits. A report is to be submitted to the General Assembly by February 1, 2019, which includes any findings and recommendations, including any suggested legislation. This section also contains a provision that eliminates state retiree medical benefits for new hires after January 2021 to reduce long-term unfunded health care liabilities.

PART XXXVIII. FINANCE PROVISIONS

SECTION 38.1 (p. 428) – LOWER PERSONAL INCOME TAX RATE

Reduces the state individual income tax rate from 5.499% to 5.25% for taxable years beginning in 2019.

SECTION 38.2 (p. 428) – INCREASE STANDARD DEDUCTION

Increases the standard deduction for taxable years beginning in 2019 as follows:

Married, filing jointly/surviving spouse – from \$17,500 to \$20,000

Head of Household - from \$14,000 to \$15,000

Single – from \$8,750 to \$10,000

Married, filing separately - form \$8,750 to \$10,000