

Old North State Report



June 14, 2019

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Budget Update

Budget negotiations between the House and Senate are officially underway, but leaders from both chambers caution against expectations of a speedy process. The differences in spending plans proposed by the two bodies are significant, and it could be the end of the month before a final budget is ready to be presented. One matter of contention centers around the issue of state funding for salaries – the House is focusing more on teachers, while the Senate is attempting to do more for state employees. How best to allocate funds for Health and Human Services will be a challenge for budget conferees. Priorities for the Senate include CON (Certificate of Need) reform, increased funding for innovation waiver slots, and more spending for foster care. The House remains adamantly opposed to CON repeal and/or reform, and they place a higher focus on seniors by way of increased spending for group homes and the Home and Community Care Block Grant. Also to be worked through - what to do about single-stream funding for the state's seven LME/MCO's. With \$7 million off rebase, it's expected that budget conferees will agree to split the figure down the middle. In total, there was a difference of \$34 million between the House and Senate HHS budget proposals at the beginning of the conference process.

Update: Health Care Expansion Act of 2019

SB361, the “Health Care Expansion Act of 2019,” passed two Senate committees this week – Senate Health Care and Senate Finance. The bill will be heard in Senate Rules early next week, where it is expected to pass and be referred to the full Senate for vote. During bill consideration in Senate Health Care, the proposed legislation sponsored by Sen. Joyce Krawiec (R-Forsyth) received lengthy debate around a provision concerning CON (Certificate of Need) reform. The amended legislation matches a CON provision already included in the Senate’s proposed budget that removes requirements for psychiatric facilities, dialysis centers, ambulatory surgical facilities, intermediate care facilities, diagnostic centers and chemical dependency treatment facilities. The PCS removes a section that adds funding to reduce the I/DD Medicaid program’s years-long waitlist, as that funding is included in the Senate budget, and it removes a section that tweaks regulatory rules for adult care and assisted living facilities. Representatives from the NC Healthcare Association, NC Eye Physicians and Surgeons, and independent dental clinics spoke against the bill, while the liaison from SEANC (State Employees) spoke in support.

<https://www.ncleg.gov/Sessions/2019/Bills/Senate/PDF/S361v2.pdf>

Child Well-Being Transformation Council

Today marks the third meeting of the Child Well-Being Transformation Council, or “Children’s Council,” an advisory body created last year with the passage of HB360 – Rylan’s Law/Family & Child Protection and Accountability Act. The Council is intended to provide oversight and framework for changes to improve the lives for kids in the foster care system. The body is an extension of the Social Services Working Group that sun-setted in February. The SSWG spent a year bringing together different agencies and stakeholders to determine ways to get social service agencies more oversight and grant them the latitude to try different solutions to their problems. Legislation mandated a paid staff position to coordinate the activities of the Council, but instead of working with the Department of Health and Human Services, the staffer will work with the General Assembly as part of the non-partisan Program Evaluation Division. Vaughn Crawford has been hired to fill that position. At the first meeting of the Council, Vaughn told members that her charge was “to look across the complicated web of child welfare, social service and mental health systems that play different parts in the lives of foster kids to find ways that they clash and places where they can act together to create better outcomes.” The focus of today’s meeting is “system failures,” within the foster care system – discussing the “why” behind the failures and taking a hard look at the individual systems in which foster kids live.

<https://www.ncleg.gov/documentsites/committees/BCCI-6724/Homepage/index.html>

View on Website

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