

Final NC 2021-2023 Budget Highlights Table

House Proposal	Senate Proposal	Final Budget
<p>School Safety/Threat Assessment Team Changes: funds crisis respite, services to address students in crisis, training for school staff, peer to peer mentoring programs.</p> <p>SRO best practices and training are included but so is the language that changes previously negotiated general statutes around school discipline by lowering the threshold for the definition of serious conduct violations to include disrespectful language, non-compliance, dress code violations, and minor altercations. Threat assessment teams will utilize school personnel are encouraged, but not required to have mental health professionals as part of the assessment.</p>		<p>School Safety: The budget does not contain any changes the Threat Assessment Team or school discipline statutes.</p> <p>The budget modifies the duties of the Center for Safer schools to include training on topics related to school safety, collecting, and analyzing data on school safety, and making recommendations about accountability for school safety measures, among an extensive list of duties. P 86-88 outlines changes to the Centers responsibilities.</p> <p>The budget also Provides funding for School Safety Grants for: Safety Equipment, Students in Crisis, and Safety Training (\$9.7 million NR in each year of the biennium).</p>
<p>ADM and Children with Disabilities Reserve Adds \$40 million to a fund for public schools to use if enrollment of students with special needs exceeds anticipated enrollment. <i>Note that the 12.75% cap on special education funding for school districts remains in place in the Senate’s budget bill and this additional enrollment funding still cannot exceed this cap.</i></p>	<p>Students with Disabilities Enrollment Reserve: Adds \$40 million to a fund for public schools to use if enrollment of students with special needs exceeds anticipated enrollment. <i>Note that the 12.75% cap on special education funding for school districts remains in place in the Senate’s budget bill and this additional enrollment funding still cannot exceed this cap.</i></p>	<p>ADM and Children with Disabilities Reserve Adds \$25 million to a fund for public schools to use if enrollment of students with special needs exceeds anticipated enrollment. <i>Note that the 12.75%/13% cap on special education funding for school districts remains in place in and this additional enrollment funding still cannot exceed this cap.</i></p> <p>FY 2021-2022 Req: \$25,000,000 NR</p>
<p>Increase CAP on local Special Education Funding/Language from HB 249 Children with Disabilities Funding Formula The House budget includes 7.7 million to increase in the cap on the current funding formula for children with disabilities from 12.75% to 13%. (See next item re study recommendations on special education funding)</p>		<p>Increase CAP on local Special Education Funding/Language from HB 249 Children with Disabilities Funding Formula 13.2 million per year to increase in the cap on the current funding formula for children with disabilities from 12.75% to 13%. (See next item re: study recommendations on special education funding)</p> <p>FY 2021-2022 Req: \$13,175,727R</p> <p>FY 2022-2023 Req: \$13,175,727R</p>

<p>Expanded recommendations for special education funding: contracts with outside consultants to expand on the 2010 education funding report regarding the funding needs of students with disabilities. The new report is to look at current per pupil funding for each school system, options for special education funding formulas used by other states, benefits of allocating funding based on disability severity and type, and the use of Medicaid reimbursements. Report due March 2022.</p>		<p>Expanded recommendations for special education funding: Uses \$27,500 in DPI funding to contract with outside consultants to expand on the 2010 education funding report regarding the funding needs of students with disabilities. The new report is to look at current per pupil funding for each school system, options for special education funding formulas used by other states, benefits of allocating funding based on disability severity and type, and the use of Medicaid reimbursements. Final report due March 15, 2022.</p>
<p>Administrative changes to the Schools for the Deaf: amidst the changes in governance of the schools, the special provisions include language around the eligibility of students for attendance at the schools for the deaf that could limit individuals with co-occurring disabilities from qualifying for admission.</p>		<p>Administrative changes to the Schools for the Deaf were not included in the final budget bill.</p>
	<p>Special Education Due Process Hearings: Bill language from SB 593 has been added to the Senate Budget special provisions. The original bill, SB 593 Special Education Due Process Hearings, would change the state’s procedures for special education due process appeals by ending the practice of appealing cases to a special education Review Officer and allowing for parents to file civil cases in state or federal court following the decision of an administrative law judge. Almost no appeals were won by families using the Review Officer process, and this change allows for a more impartial appeals process in court. If this language remains in the budget through the negotiations, it would be enacted when the budget passes.</p>	<p>Special Education Due Process Hearings: Bill language from SB 593 has been added to the final budget special provisions. The original bill, SB 593 Special Education Due Process Hearings, would change the state’s procedures for special education due process appeals by ending the practice of appealing cases to a special education Review Officer and allowing for parents to file civil cases in state or federal court following the decision of an administrative law judge. Almost no appeals were won by families using the Review Officer process, and this change allows for a more impartial appeals process in court. P72-73</p>

<p>Merger of Special Ed Scholarship Programs and Funding for Children with Disabilities grants/education savings Provides an additional \$15.6 million (recurring) to the Special Education Scholarship for Children with Disabilities, which will be consolidated into the Personal Education Student Accounts for Children with Disabilities Program (PESA) in the second year of the biennium.</p>	<p>Merger of Special Ed Scholarship Programs and Funding for Children with Disabilities grants/education savings Provides an additional \$5.9 million (recurring) to the Special Education Scholarship for Children with Disabilities, which will be consolidated into the Personal Education Student Accounts for Children with Disabilities Program (PESA) in the second year of the biennium.</p>	<p>Merger of Special Ed Scholarship Programs and Funding for Children with Disabilities grants/education savings Provides 5.9 million in recurring increases to the Special Education Scholarship for Children with Disabilities, which will be consolidated into the Personal Education Student Accounts for Children with Disabilities Program (PESA) in the second year of the biennium.</p> <p>The provision also makes a commitment to increase funding annually by 1 million per year over the next ten years.</p> <p>FY 2021-2022 Req: \$2,000,000 R</p> <p>FY 2022-2023 Req: \$5,950,000 R</p>
	<p>Community College I/DD Pilot: adds \$250,000 for an additional 2-year community college program to serve individuals with intellectual and/or developmental disabilities designed to increase their employment and independence.</p>	<p>Community College Program for Students with Intellectual and Developmental Disabilities</p> <p>Pilot program to expand career opportunities for students with IDD. Funds will pay for staff development and a FT time limited position associated with the program.</p> <p>FY 2021-2022 Req: \$250,000 NR</p> <p>FY 2022-2023 Req: \$250,000 NR</p>
<p>Additional Innovations Waiver Slots Provides funding to allow an additional 1,000 individuals with intellectual and developmental disabilities to access services through the State's Medicaid innovations waiver, 800 new slots effective January 1, 2022, and 200 slots effective no later than October 1, 2022. The State share of costs, \$7.8 million in FY 2021-22 and \$25.9 million in FY 2022-23, will be paid from the HCBS Fund.</p>	<p>Additional Innovations Waiver Slots Fund Provides ongoing funding after receipts in the amount of \$7.1 million in the first year and \$25.8 million in year 2 to allow an additional 1,000 individuals with intellectual and developmental disabilities to access services through the State's Medicaid Innovations Waiver, 420 new slots effective October 1, 2021, and 580 slots effective July 1, 2022.</p>	<p>Additional Innovations Waiver Slots Fund Provides funding to allow an additional 1,000 individuals with intellectual and developmental disabilities to access services through the State's Medicaid Innovations waiver, 1000 waiver slots total. 400 new slots effective no later than March 1, 2022, and 600 additional slots no later than July 1, 2022. 200 of those slots (80 and 120) will be distributed on a per capita basis to counties, rather than by the current) distribution formula. More information below.</p>

	<p>Waiver Flexibility to the Division of Health Benefits (DHB): The waiver special provision also gives flexibility to state DHB (Medicaid) to come up with new ways to serve individuals on the registry including new waivers or a tiered waiver system, within the available Innovations waiver funding.</p>	<p>Waiver Flexibility to the Division of Health Benefits (DHB): The waiver special provision also gives flexibility to state Division of Health Benefits (DHB) (Medicaid) to come up with new ways to serve individuals on the registry including new waivers or a tiered waiver system, within the available Innovations waiver funding.</p> <p>State share of funding \$3.9 million and \$25.9 million FY22-23 will be transferred from HCBS fund.</p> <p>FY 2021-2022 Req: \$16,000,000 R Rec: \$10,824,000 R \$5,176,000 NR</p> <p>FY 2022-2023 Req: \$80,000,000 R Rec: \$54,120,000 R \$25,880,000 NR</p> <p>*Adjustment in funding for FY 2021-2022 reflects delay in budget process and limit to open first round of slots.</p>
		<p>Additional slots for HCBS waiver services</p> <p>Provides funding to the Division of Health Benefits to provide additional slots in Innovations, CAP/community alternative programs, and TBI waiver services (beyond those mentioned in other provisions)</p> <p>State share of funding \$4.3 million and \$6.5 million FY22-23 will be transferred from HCBS fund.</p> <p>FY 2021-2022 Req: \$20,000,000 R Rec: \$13,530,000 R \$6,470,000 NR</p> <p>FY 2022-2023 Req: \$20,000,000 R Rec: \$13,514,000 R \$6,486,000 NR</p>

	<p>Adjustments to Innovations Waiver Distribution: The budget special provisions earmark 280 slots to be distributed on a per capita basis using each Local Management Entity/Managed Care Organization (LME MCO's) catchment area population. The remaining slots would be distributed based on the current formula, which has created longer waits for waiver services in some counties.</p>	<p>Adjustments to Innovation Waiver Distribution: 200 of the 1000 slots discussed above (80 and 120) will be distributed on a per capita basis to LME MCOs based on county per capita population. The remaining slots would be distributed based on the current formula, which has created longer waits for waiver services in some counties due to its distribution based in part on poverty levels, per capital and historical formulas leading to significant inequity among those in the waitlist based on their geographic location.</p>
<p>Plan For Adequate Provider Supply for Services Provided Through the Innovations Waiver Requires NC DHHS to plan for additional Innovations Waiver slots that could be added in the future. "No later than March 1, 2022, DHB shall submit a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice that outlines the plans for adding a minimum of 1,000 waiver slots in the 2023-2025 fiscal biennium and that contains recommendations for ensuring that there would be adequate health care providers to support the needs of the additional individuals served under the waiver should the number of slots be increased in the future."</p>		<p>Plan For Adequate Provider Supply for Services Provided Through the Innovations Waiver Requires NC DHHS to plan for additional Innovations Waiver slots that could be added in the future. "No later than March 1, 2022, DHB shall submit a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice that outlines the plans for adding a minimum of 1,000 waiver slots in the 2023-2025 fiscal biennium and that contains recommendations for ensuring that there would be adequate health care providers to support the needs of the additional individuals served under the waiver should the number of slots be increased in the future."</p>
<p>HCBS Direct Care Worker Wages Provides funding to increase Medicaid reimbursement rates for the purpose of increasing direct care worker wages among HCBS providers. The State share of funding, \$33.9 million in FY 2021-22 and \$68.1 million in FY 2022-23, will be transferred from the HCBS Fund. These state funds will be used to match federal funds for a total of 157.5/210 million in funding. This issue was outlined in HB 914, Support Our Direct Care Workforce. This increase is KEY to having viable community-based services like those provided in Innovations waivers.</p>		<p>HCBS Direct Care Worker Wages Provides recurring and non-recurring funding to increase Medicaid reimbursement rates for the purpose of increasing direct care worker wages among HCBS providers. State share: \$33.9 million and \$68.1 million transferred from HCBS fund.</p> <p>FY 2021-2022 Req: \$157,500,000 R Rec: \$106,549,000 R App: \$50,951,000NR</p> <p>FY 2022-2023 Req: \$210,000,000 R Rec: \$141,892,000 R App: \$68,108,000 NR</p>

		<p>This issue was outlined in HB 914, Support Our Direct Care Workforce. This increase is KEY to having viable community-based services like those provided in Innovations waivers.</p> <p>ASNC and other community providers will not know for several months what the rate increases will be or how that will translate into a specific dollar figure for increased wages.</p>
<p>Direct Care Workforce Bonus Pay Uses \$133 million in ARPA (federal) funds to pay a \$2,000 bonus for eligible direct care workers employed by eligible providers enrolled in Medicaid or NC Health Choice Program.</p>	<p>Direct Care Workforce Bonus Pay Uses \$100 million in ARPA (federal) funds to pay a \$1,500 bonus for eligible direct care workers employed by eligible providers enrolled in Medicaid or NC Health Choice Program.</p>	<p>Direct Care Workforce Bonus Pay Uses \$133 million in ARPA (federal) funds to pay a \$2,000 bonus for eligible direct care workers employed by eligible providers enrolled in Medicaid or NC Health Choice Program. FY 2021-2022 Req: \$133,000,000 NR Rec: \$133,000,000 ARPA Funds.</p>
<p>Wage Increase for Direct Care Workers in Intermediate Care Facilities Provides funding for a wage increase for direct care workers employed by intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs). Capitation rates for local management entities/managed care organizations will be increased to enable higher reimbursement rates for ICF/IIDs, and 80% of the rate increases must be used to enhance the rate of pay for direct care workers at the facilities.</p>	<p>Wage Increase for Direct Support Personnel Provides ongoing funding after receipts in the amount of \$17,500,000 in the second year for a wage increase for direct support personnel employed by Medicaid providers, effective July 1, 2022. Requires 80% of funding to be used by providers for wage increases.</p>	<p>Wage Increase for Direct Care Workers in Intermediate Care Facilities Provides funding for a wage increase for direct care workers employed by intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs). Capitation rates for local management entities/managed care organizations will be increased to enable higher reimbursement rates for ICF/IIDs, and 80% of the rate increases must be used to enhance the rate of pay for direct care workers at the facilities.</p> <p>FY 2021-2022 Req: \$31, 500,000 R Req: \$21, 500,000 R App: \$10,000,000 R</p> <p>FY 2022-2023 Req: \$67,200,000 R Req: \$45,400,000 R App: \$21,800,000 R</p>
<p>Home and Community Based Services Fund</p>		<p>Home and Community Based Services Fund</p>

<p>Uses the \$274 million in savings from increased federal share of Medicaid funding to create a home and community-based services reserve to be used to fund expanded access to HCBS Req: \$274,800,000</p> <p>Most of the funds are allocated in the budget, but this House provision leaves 88 million remaining in the fund, potentially to be used for additional HCBS services.</p>		<p>Uses the \$274 million in savings from increased federal share of Medicaid funding to create a home and community-based services reserve to be used to fund expanded access to HCBS FY 2021-2022 Req: \$274,800,000</p> <p>Not Recurring. ARPA Projected Savings.</p>
<p>Medicaid and NC Health Choice Rebase Provides funding for projected changes in Medicaid enrollment, enrollment mix, utilization, prices, and federal match rate, as well as the move to managed care on July 1, 2021. \$33,378,242 in the first year and \$562,551,566 in the second.</p>	<p>Medicaid and NC Health Choice Rebase Provides funding for projected changes in Medicaid enrollment, enrollment mix, utilization, prices, and federal match rate, as well as the move to managed care on July 1, 2021. \$33,378,242 in the first year and \$562,551,566 in the second.</p>	<p>Medicaid and NC Health Choice Rebase Provides funding for projected changes in Medicaid enrollment, enrollment mix, utilization, prices, and federal match rate, as well as the move to managed care on July 1, 2021. \$33,378,242 in the first year and \$562,551,566 in the second.</p> <p>FY 2021-2022 Req: \$1,792,983,893 R \$1,692,107,021 NR Rec: \$1,537,039,145 R \$1,914,673,527 NR App: \$33,378,242</p> <p>FY 2022-2023 Req: \$2,725,211,495R Rec: \$2,162,659,929R App: \$562,551,566</p>
<p>No Medicaid Expansion Budget does not provide for expansion of Medicaid to close the health insurance gap for low-income adults without access to Health Care Marketplace tax credits.</p>	<p>No Medicaid Expansion Budget does not provide for expansion of Medicaid to close the health insurance gap for low-income adults without access to Health Care Marketplace tax credits.</p>	<p>No Medicaid Expansion *Special Provision establishing Medicaid Expansion Committee. **Medicaid Benefits extended to low-income post-partum women for 12 months **Medicaid benefits extended to eligible parents with children in DSS custody as part of family reunification</p>
<p>Transformation Projects and Programs</p>	<p>Transformation Projects and Programs</p>	<p>Transformation Projects and Programs</p>

<p>Provides funds to support the transition to Medicaid managed care and the Healthy Opportunities pilot program. The State share of costs, \$142.9 million in FY 2021-22 and \$128.8 million in FY 2022-23, will be transferred from the Medicaid Transformation Fund.</p>	<p>Provides funds to support the transition to Medicaid managed care and the Healthy Opportunities pilot program. The State share of costs, \$133.1 million in FY 2021-22 and \$119.0 million in FY 2022-23, will be transferred from the Medicaid Transformation Fund.</p>	<p>Provides funds to support the transition to Medicaid managed care and the Healthy Opportunities pilot program. The State share of costs, \$133.1 million in FY 2021-22 and \$119.0 million in FY 2022-23, will be transferred from the Medicaid Transformation Fund.</p>
<p>Temporary Funding Assistance for ICF/IIDs Provides \$12,600,000 in the first year (non-recurring) from the State Fiscal Recovery Fund to LME/MCOs for temporary funding assistance for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IIDs) services on a per diem basis.</p>	<p>Temporary Funding Assistance for ICFs/IIDs Provides \$12,600,000 in the first year (non-recurring) from the State Fiscal Recovery Fund to LME/MCOs for temporary funding assistance for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) services on a per diem basis.</p>	<p>Temporary Funding Assistance for ICFs/IIDs Provides \$12,600,000 in the first year from the State Fiscal Recovery Fund to LME/MCOs for temporary (one-time) funding assistance for Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs/IID) services on a per diem basis. FY 2021-2022 Req: \$12,600,000 Rec: \$12,600,000 Nonrecurring funding.</p>
<p>Group Home Temporary Funding \$1.8 million in short term assistance to group homes to address long standing problems with the loss of Medicaid funds a decade ago.</p>	<p>Group Home Temporary Funding \$1.8 million in short term assistance to group homes to address long standing problems with the loss of Medicaid funds a decade ago.</p>	<p>Group Home Temporary Funding \$1.8 million in short term assistance to group homes to address long standing problems with the loss of Medicaid funds a decade ago.</p>
<p>Group Home Stabilization Funds \$15 million in both years for development of new rate models and methodologies and to continue a sustainable model for group home rates.</p>		<p>Group Home Stabilization Funds \$10 million in both years for development of new rate models and methodologies and to continue a sustainable model for group home rates. FY 2021-2022 Req: \$10,000,000 R App: \$10,000,000 R FY 2022-2023 Req: \$10,000,000 R App: \$10,000,000 R</p>
	<p>LME/MCOs Retain Funding: LME/MCOs would retain \$30 million in single stream (non-Medicaid) funds that in previous budget years have been transferred to Medicaid Reserves or the General Fund. This</p>	<p>LME/MCOs Retain Funding: LME/MCOs would retain \$30 million in single stream (non-Medicaid) funds that in previous budget years have been transferred to Medicaid Reserves or the General Fund. This provision begins to restore \$500+ million in single stream funding, aka funds</p>

	<p>provision begins to restore \$500+ million in single stream funding that was removed from the LME/MCO system over the last decade.</p>	<p>for non-Medicaid covered services that was removed from the LME/MCO system over the last decade.</p>
<p>Special Assistance Personal Needs Increase: The state special assistance personal needs allowance will be raised from \$46 per month to \$70 per month.</p>	<p>Special Assistance Personal Needs Increase: The state special assistance personal needs allowance will be raised from \$46 per month to \$70 per month.</p>	<p>Special Assistance Changes: Increases the personal needs allowance for SA recipients from \$46 to \$70 a month, effective January 1, 2022 (\$2.0 million R in FY 2021-22 and \$2.7 million R in FY 2022-23).</p> <p>Expands the State-County Special Assistance (SA) In-Home program by establishing the SA In-Home program as a state entitlement and increasing the SA In-Home income eligibility limit to match the SA Adult Care Home (ACH) income eligibility limit. This program change is intended to create parity between the SA ACH program and the SA In-Home program, removing the institutional bias.</p>