

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013**

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**HOUSE BILL 5
Senate Appropriations/Base Budget Committee Substitute Adopted 2/20/13
Third Edition Engrossed 2/21/13**

Short Title: Temporary Funding/Group Homes & SCUs.

(Public)

Sponsors:

Referred to:

January 31, 2013

A BILL TO BE ENTITLED

1 AN ACT REQUIRING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO
2 PROVIDE TEMPORARY, SHORT-TERM FINANCIAL ASSISTANCE TO (1) GROUP
3 HOMES SERVING RESIDENTS DETERMINED NOT TO BE ELIGIBLE FOR
4 MEDICAID-COVERED PERSONAL CARE SERVICES AS A RESULT OF CHANGES
5 TO ELIGIBILITY CRITERIA THAT BECAME EFFECTIVE ON JANUARY 1, 2013,
6 AND (2) SPECIAL CARE UNITS SERVING RESIDENTS WHO QUALIFY FOR
7 MEDICAID-COVERED PERSONAL CARE SERVICES ON OR AFTER JANUARY 1,
8 2013.
9

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.(a)** As used in this act, "group home" means any facility that (i) is
12 licensed under Chapter 122C of the General Statutes, (ii) meets the definition of a supervised
13 living facility under 10A NCAC 27G .5601, and (iii) serves adults whose primary diagnosis is
14 mental illness or a developmental disability but may also have other diagnoses.

15 **SECTION 1.(b)** The Department of Health and Human Services shall provide
16 temporary, short-term financial assistance in the form of a monthly payment to a group home
17 on behalf of a resident who was eligible for Medicaid-covered personal care services (PCS)
18 prior to January 1, 2013, but is determined to be ineligible for PCS on or after January 1, 2013,
19 due to Medicaid State Plan changes in PCS eligibility criteria specified in Section 10.9F of S.L.
20 2012-142, as amended by Section 3.7 of S.L. 2012-145 and Section 70 of S.L. 2012-194.
21 Notwithstanding any other provision of law, the Department shall only be required to make
22 these monthly payments from the thirty-nine million seven hundred thousand dollars
23 (\$39,700,000) appropriated for the 2012-2013 fiscal year and designated in Section 10.23A(f)
24 of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145, and these monthly payments
25 shall be subject to all of the following requirements and limitations:

- 26 (1) The amount of the monthly payments authorized by this section shall not
27 exceed six hundred ninety-four dollars (\$694.00) per month for each resident
28 who becomes ineligible for Medicaid-covered PCS on or after January 1,
29 2013, due to Medicaid State Plan changes in PCS eligibility criteria specified
30 in Section 10.9F of S.L. 2012-142, as amended by Section 3.7 of S.L.
31 2012-145 and Section 70 of S.L. 2012-194, for a period not to exceed three
32 months for each resident. At the expiration of this three-month period, the
33 monthly payment for each resident shall be reduced by twenty-five percent
34 (25%) and shall not exceed five hundred twenty dollars and fifty cents
35 (\$520.50) per month per resident.



- 1 (2) The Department shall make monthly payments authorized by this section to
2 a group home on behalf of a resident only for the period commencing
3 February 1, 2013, and ending June 30, 2013.
- 4 (3) The Department shall make monthly payments authorized by this section
5 only to the extent sufficient funds are available from the thirty-nine million
6 seven hundred thousand dollars (\$39,700,000) appropriated for the
7 2012-2013 fiscal year and designated in Section 10.23A(f) of S.L. 2012-142,
8 as amended by Section 3.6 of S.L. 2012-145.
- 9 (4) The Department shall not make monthly payments authorized by this section
10 to a group home on behalf of a resident during the pendency of an appeal by
11 or on behalf of the resident under G.S. 108A-70.9A.
- 12 (5) The Department shall terminate all monthly payments pursuant to this
13 section on June 30, 2013, or upon depletion of the thirty-nine million seven
14 hundred thousand dollars (\$39,700,000) appropriated for the 2012-2013
15 fiscal year and designated in Section 10.23A(f) of S.L. 2012-142, as
16 amended by Section 3.6 of S.L. 2012-145, whichever is earlier.

17 **SECTION 1.(c)** The Department of Health and Human Services shall provide
18 temporary, short-term financial assistance in the form of a supplemental monthly payment to a
19 special care unit licensed under Chapter 131D or Chapter 131E of the General Statutes, on
20 behalf of a resident who was eligible for PCS prior to January 1, 2013, and is determined to be
21 eligible for PCS on or after January 1, 2013, based on the eligibility criteria specified in Section
22 10.9F of S.L. 2012-142, as amended by Section 3.7 of S.L. 2012-145 and Section 70 of S.L.
23 2012-194. Notwithstanding any other provision of law, the Department shall only be required
24 to make these supplemental monthly payments from the thirty-nine million seven hundred
25 thousand dollars (\$39,700,000) appropriated for the 2012-2013 fiscal year and designated in
26 Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145, and these
27 supplemental monthly payments shall be subject to all of the following requirements and
28 limitations:

- 29 (1) The amount of the supplemental monthly payments authorized by this
30 section shall not exceed two hundred sixty-eight dollars (\$268.00) per month
31 for each resident who qualifies for PCS on or after January 1, 2013.
- 32 (2) A special care unit receiving supplemental monthly payments authorized by
33 this section shall not use the supplemental monthly payments to cover any
34 portion of the cost of providing services for which the resident receives
35 Medicaid coverage. A special care unit shall use these supplemental monthly
36 payments only for the continued provision of special care services for which
37 the resident does not otherwise receive Medicaid coverage.
- 38 (3) The Department shall make supplemental monthly payments authorized by
39 this section to a special care unit on behalf of a resident only for the period
40 commencing March 1, 2013, and ending June 30, 2013.
- 41 (4) The Department shall make supplemental monthly payments authorized by
42 this section only to the extent sufficient funds are available from the
43 thirty-nine million seven hundred thousand dollars (\$39,700,000)
44 appropriated for the 2012-2013 fiscal year and designated in Section
45 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145.
- 46 (5) The Department shall not make supplemental monthly payments authorized
47 by this section to a special care unit on behalf of a resident during the
48 pendency of an appeal by or on behalf of the resident under
49 G.S. 108A-70.9A.
- 50 (6) The Department shall terminate all supplemental monthly payments pursuant
51 to this section on June 30, 2013, or upon depletion of the thirty-nine million

1 seven hundred thousand dollars (\$39,700,000) appropriated for the
2 2012-2013 fiscal year and designated in Section 10.23A(f) of S.L. 2012-142,
3 as amended by Section 3.6 of S.L. 2012-145, whichever is earlier.

4 **SECTION 1.(d)** Notwithstanding the provision of Section 10.23A(f) of S.L.
5 2012-142, as amended by Section 3.6 of S.L. 2012-145, that requires residents to complete an
6 independent assessment process prior to December 31, 2012, the Department of Health and
7 Human Services shall provide the temporary, short-term financial assistance authorized in
8 Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145, to an adult
9 care home on behalf of a resident who (i) was eligible for PCS prior to January 1, 2013, (ii)
10 completed an independent assessment process, regardless of whether it was completed prior to
11 December 31, 2012, and (iii) is determined to be ineligible for PCS on or after January 1, 2013,
12 due to Medicaid State Plan changes in PCS eligibility criteria specified in Section 10.9F of S.L.
13 2012-142, as amended by Section 3.7 of S.L. 2012-145 and Section 70 of S.L. 2012-194. This
14 section shall not be construed to waive any of the certification or other requirements imposed
15 on adult care homes under Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of
16 S.L. 2012-145.

17 **SECTION 2.** Notwithstanding any provision of this act or any other provision of
18 law, the Department of Health and Human Services shall not be required to provide any
19 temporary, short-term financial assistance to adult care homes, group homes, or special care
20 units beyond June 30, 2013, or upon depletion of the thirty-nine million seven hundred
21 thousand dollars (\$39,700,000) appropriated for the 2012-2013 fiscal year and designated in
22 Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145, whichever is
23 earlier.

24 **SECTION 3.** In order to ensure compliance with federal Medicaid comparability
25 requirements and the settlement agreement filed on August 23, 2012, between the United States
26 Department of Justice and the State of North Carolina, the General Assembly shall not
27 appropriate State funds for the 2013-2014 fiscal year or the 2014-2015 fiscal year for the
28 purposes specified in Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L.
29 2012-145, or for the purposes specified in Section 1 of this act.

30 **SECTION 4.** Section 1 of this act is effective when it becomes law and expires on
31 June 30, 2013. The remainder of this act is effective when it becomes law.