

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: Senate Bill 359 Enhance Child Welfare Services/AB

SHORT TITLE: Enhance Child Welfare Services/AB

SPONSOR(S): Senator Jim Phillips

FISCAL IMPACT

	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>	<u>FY 2002-03</u>	<u>FY 2003-04</u>
REVENUES	108,049	284,703	375,193	494,708	652,767
EXPENDITURES	197,759	347,910	459,121	606,201	800,836
NET APPROP	\$89,710	\$63,208	\$83,928	\$111,492	\$148,068

POSITIONS: N/A

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Department of Health and Human Services, Division of Social Services, and Division of Medical Assistance

EFFECTIVE DATE: When the bill becomes law except for Section 5, which is effective October 1, 1999.

BILL SUMMARY: Senate Bill 359 would amend Chapter 7B of the General Statutes to add a new Article which would allow North Carolina to join the Interstate Compact on Adopted Children with Special Needs. The Compact was established in an effort to provide assistance for children with special needs who are adopted and initially reside in one state but whose parents subsequently move to another state. Currently Medicaid coverage is provided for children with special needs who have been adopted by residents of the state. However, there is no provision for Medicaid coverage for children adopted in another state who subsequently relocate to North Carolina. The bill would mandate Medicaid coverage for adoptive children with special needs who relocate to North Carolina.

ASSUMPTIONS AND METHODOLOGY: The State does not collect data on children adopted in other states who subsequently relocate to the North Carolina. However, the DHHS

estimates that as many as 35 children could benefit by enacting Senate Bill 359. Thus the following assumptions were used:

- 1) Approximately 35 children will benefit from this agreement during FY99/00;
- 2) The average number of eligible children will grow by 28% each year;
- 3) Costs for special needs children will average \$5,560 per child each year;
- 4) Medical costs will grow approximately 32% each year (this estimate is based on actual expenditure experience with other special needs children); and
- 5) Medicaid will cover approximately 62.9% of the total medical assistance costs (some services may be covered at 100% or 90% federal funds).

TECHNICAL CONSIDERATIONS: None

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DATE: Tuesday, May 25, 1999



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