

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013**

**HOUSE BILL 5
RATIFIED BILL**

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

The General Assembly of North Carolina enacts:

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

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

- (1) The amount of the monthly payments authorized by this section shall not exceed six hundred ninety-four dollars (\$694.00) per month for each resident who becomes ineligible for Medicaid-covered PCS on or after January 1, 2013, due to Medicaid State Plan changes in PCS eligibility criteria specified in Section 10.9F of S.L. 2012-142, as amended by Section 3.7 of S.L. 2012-145 and Section 70 of S.L. 2012-194, for a period not to exceed three months for each resident. At the expiration of this three-month period, the monthly payment for each resident shall be reduced by twenty-five percent (25%) and shall not exceed five hundred twenty dollars and fifty cents (\$520.50) per month per resident.
- (2) The Department shall make monthly payments authorized by this section to a group home on behalf of a resident only for the period commencing February 1, 2013, and ending June 30, 2013.
- (3) The Department shall make monthly payments authorized by this section only to the extent sufficient funds are available from the thirty-nine million seven hundred thousand dollars (\$39,700,000) appropriated for the 2012-2013 fiscal year and designated in Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145.
- (4) The Department shall not make monthly payments authorized by this section to a group home on behalf of a resident during the pendency of an appeal by or on behalf of the resident under G.S. 108A-70.9A.



- (5) The Department shall terminate all monthly payments pursuant to this section on June 30, 2013, or upon depletion of the thirty-nine million seven hundred thousand dollars (\$39,700,000) appropriated for the 2012-2013 fiscal year and designated in Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145, whichever is earlier.

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

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

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

SECTION 2. Notwithstanding any provision of this act or any other provision of law, the Department of Health and Human Services shall not be required to provide any temporary, short-term financial assistance to adult care homes, group homes, or special care

units beyond June 30, 2013, or upon depletion of the thirty-nine million seven hundred thousand dollars (\$39,700,000) appropriated for the 2012-2013 fiscal year and designated in Section 10.23A(f) of S.L. 2012-142, as amended by Section 3.6 of S.L. 2012-145, whichever is earlier.

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

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

In the General Assembly read three times and ratified this the 27th day of February, 2013.

s/ Daniel J. Forest
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

Pat McCrory
Governor

Approved _____m. this _____ day of _____, 2013