

Key Action Related to Aging Issues in 2004 Short Legislative Session

The Division of Aging and Adult Services received an increase in funding of \$3,151,000. Funding was increased as follows:

Senior Centers \$281,000 (R) *note: R means recurring*
 \$1,550,000 (NR) *note: NR means non-recurring*

Increase rate for **adult day care/day health care** providers \$520,000 (R)
Provides funds to increase the daily rate funded by the State Adult Day Care Fund by \$5.00 per day

Home and Community Care Block Grant \$800,000 (R)
Of this amount, \$460,000 is to go toward a \$5.00 per day rate increase for adult day care and adult day health care funded by the Block Grant

Funding for the **State/County Special Assistance Program** continues to be in the budget for the State Division of Social Services. There was a reduction of \$5,100,000 (R) in this budget item to reflect excess state funding realized by maximizing federal funds in the Medicaid Program for Adult Care Home Personal Care Services. There was also an increase of \$3,000,000 (R) in the Division of Social Services budget to provide for an increase in the monthly rate for State/County Special Assistance recipients from \$1,066 per month to \$1,084 per month. Counties will be required to provide a \$3,000,000 match.

The budget for the State Division of Medical Assistance (Medicaid) contains an increase of \$900,000 (R) to expand **Medicaid coverage** for medically necessary **prosthetics and orthotics** for adults over 21.

The budget for the Office of the Secretary received an appropriation of \$250,000 (NR) to fund a contract with a national adult day services center to provide **training and consultation services** and to **study the current reimbursement methodology for adult day services**.

The Office of the Secretary also received \$200,000 (R) and \$250,000 (NR) to implement a system for conducting **criminal records background checks** for potential employees in long-term care facilities. Non-recurring funds are to be transferred to the Department of Justice to upgrade an existing billing system currently used for criminal records checks.

The State Department of Administration's Division of Veteran's Affairs received \$500,000 (NR) in start-up funds for the operation of the 90 bed State **veteran's nursing home** in Salisbury which opened in the spring of 2004.

More details on the State's 2004-05 Continuation, Expansion, and Capital Budgets can be found at:

<http://www.ncga.state.nc.us/html2003/bills/budget/2004/budgetreport7-17.pdf>

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The **Appropriations Act (H.B. 1414)** which can be found at <http://www.ncga.state.nc.us/html2003/bills/AllVersions/House/H1414vr.html> has numerous special provision which relate to our work. Key among these are:

Provisions for the Department of Health and Human Services (begin on page 63)
note: page numbers may vary depending on how this prints on your equipment

Section 10.1 - Centralize Criminal Record Check Functions

Section 10.2 - Study Issues Related to Mentally Ill Residents of Long-Term Care Facilities

Section 10.2B - Automatic Enrollment Medicare Prescription Drug Discount Program (for eligible Senior Care participants)

Section 10.2D - Regulation of Physician Assistants Receiving, Prescribing, or Dispensing Free Prescription Drugs

Section 10.9 - Community Alternative Programs (pertains to spending funds, allocating slots, and eligibility for those eligible for nursing facility care)

Section 10.12 - PACE Pilot Program Funds

Section 10.13 - DHHS Study Medicaid Institutional Bias

Section 10.19 - Long-Term Care Facility Criminal Record Checks

Section 10.21 - Adult Day Services Training and Reimbursement Methodology

Section 10.21A - State/County Special Assistance (pertains to monthly rate increase)

Provisions for the Department of Administration (begins on page 142)

Section 19.2 - State Veterans Cemeteries to Provide Burial Services on Weekends

Section 19.7 - Design and Advance Planning for State Veterans Cemetery (in Jacksonville)

Other relevant provision (on page 182 under personnel items):

Section 31.18 - Retired Teachers Returning to Classroom without Loss of Retirement Benefits/Option Extended

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The **Studies Bill, SB 1152**, (<http://www.ncga.state.nc.us/gascritps/BillLookUp/BillLookUp.pl? Session=2003&BillID=sb1152>) contains a number of studies which will impact our work. These include:

The Legislative Research Commission may study the following:

- Reemployment of retirees (HB 219)
- optional graduated 25 year retirement plan for local governments (HB 1276)
- care and safety of residents of residential care facilities (HB 1431)
- promoting patient safety in the provision of health care (HB 1765)
- meeting IRS request for a defined retirement age
- size/scope of boards and commissions (SJR 924 and HJR 1067)
- Medicaid funding (eliminating county financial participation) (HB 1467)

The North Carolina Building Code Council shall study the Residential Building Code to determine which provisions, if any, are unnecessary, outdated, overly stringent, or otherwise unduly increase the cost of housing.

The Joint Legislative Health Care Oversight Committee may study, among other things,:

- the state cost of prescription drugs (HB 1234)
- nursing shortage (SJR 142 and HB 329)
- reducing prescription drug cost (HB 1234)
- internet sale of prescription drugs

DHHS shall study the financing of mental health, developmental disabilities, and substance abuse services

The N.C. Study Commission on Aging may study:

- long-term care remediation (SB 206)
- mentally ill residents in long-term care facilities (SB 1150 and HB 1490) (there is a special provision in the Appropriations Act to have DHHS study this issue)

The Study Commission on Health Care Workforce shall determine methods to increase the number of people providing health and dental care in this State and to overcome existing barriers contributing to the health care provider shortages.

There is Created a Legislative Study Commission on State Guardianship Laws (HB 1409 and SB 1152). The purpose of this Commission is to review State law pertaining to guardianship as well as its relationship to other pertinent State laws such as the health care power of attorney, the right to a natural death, and durable power of attorney.

The North Carolina Blue Ribbon Commission on Medicaid Reform is continued.

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Other matters:

SB 1148, An Act to Provide Support and Training for Long-Term Care Providers Caring for Residents with Mental Illness (pertains to Geriatric Mental Health Specialty Teams), as Recommended by the N.C. Study Commission on Aging, was ratified on July 15.

It does not appear that any of the bills (HB 1413/HB1470/HB1489/SB1068/SB1146) related to extending the **tax credit for long-term care insurance** passed.

Report prepared by Mary Bethel
NC Division of Aging and Adult Services
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