



FISCAL RESEARCH DIVISION

A Staff Agency of the North Carolina General Assembly

2016 ANNOTATED CONFERENCE COMMITTEE REPORT ON THE BASE, EXPANSION, AND CAPITAL BUDGETS

Includes summaries of provisions in S.L. 2016-94, 2016 Appropriations Act (H.B. 1030); S.L. 2016-123, Measurability Assessments/Budget Tech. Corr. (H.B. 805); and other bills and select budget information.

300 N. Salisbury Street, Legislative Office Building Suites 203 & 619
Raleigh, North Carolina 27603-5925
TELEPHONE (919) 733-4910 - FAX (919) 715-3589

<http://www.ncleg.net/FiscalResearch/>

**Health
and
Human Services
Section G**

[This page intentionally blank.]

**Central Management
Budget Code 14410**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|---------------|
| Requirements | \$216,674,084 |
| Receipts | \$86,640,831 |
| Net Appropriation | \$130,033,253 |

Legislative Changes

| | |
|-------------------|--------------|
| Requirements | \$23,653,867 |
| Receipts | \$14,711,098 |
| Net Appropriation | \$8,942,769 |

Revised Budget

| | |
|-------------------|---------------|
| Requirements | \$240,327,951 |
| Receipts | \$101,351,929 |
| Net Appropriation | \$138,976,022 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 745.76 |
| Legislative Changes | 3.00 |
| Revised Budget | 748.76 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Central Management | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|----------------------------|---|----------------------|---------------------|----------------------|---------------------|---------------------|--------------------|----------------------|----------------------|----------------------|
| Budget Code 14410 | | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| Fund Code | Fund Name | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| 1119 | Service Support-Administration | 6,470,066 | 1,480,029 | 4,990,037 | - | - | - | 6,470,066 | 1,480,029 | 4,990,037 |
| 1120 | Service Support-Central Management | 17,958,289 | 3,485,403 | 14,472,886 | 286,430 | 143,215 | 143,215 | 18,244,719 | 3,628,618 | 14,616,101 |
| 1121 | Service Support-Controllers Office | 17,597,670 | 7,845,098 | 9,752,572 | - | - | - | 17,597,670 | 7,845,098 | 9,752,572 |
| 1122 | DIRM-Information Services | 73,231,074 | 50,650,213 | 22,580,861 | 3,503,089 | 334,265 | 3,168,824 | 76,734,163 | 50,984,478 | 25,749,685 |
| 1123 | DIRM-Planning and Development | 454,508 | 396,457 | 58,051 | - | - | - | 454,508 | 396,457 | 58,051 |
| 1124 | NC Council on Developmental Disabilities | 2,312,533 | 2,233,612 | 78,921 | - | - | - | 2,312,533 | 2,233,612 | 78,921 |
| 1125 | Service Support - Medicaid Mgmt Info System | 480,610 | 1,134 | 479,476 | - | - | - | 480,610 | 1,134 | 479,476 |
| 1126 | Central Regional Maintenance - Dix | 9,399,644 | 1,703,636 | 7,696,008 | - | - | - | 9,399,644 | 1,703,636 | 7,696,008 |
| 1161 | Rural Hospital - Assistance | 2,302,301 | 2,302,301 | - | - | - | - | 2,302,301 | 2,302,301 | - |
| 1162 | Rural Health Capacity Building | 4,486,426 | 2,884,384 | 1,602,042 | - | - | - | 4,486,426 | 2,884,384 | 1,602,042 |
| 1163 | Primary Care Safety Net Infrastructure | 7,709,288 | 22,119 | 7,687,169 | - | - | - | 7,709,288 | 22,119 | 7,687,169 |
| 1164 | Rural Health Centers | 3,726,657 | 437,702 | 3,288,955 | - | - | - | 3,726,657 | 437,702 | 3,288,955 |
| 1168 | Telemedicine | 2,054,070 | 48,663 | 2,005,407 | - | - | - | 2,054,070 | 48,663 | 2,005,407 |
| 1320 | Prescription Assistance | 3,386,926 | 859,175 | 2,527,751 | 200,000 | - | 200,000 | 3,586,926 | 859,175 | 2,727,751 |
| 1371 | NC Farmworker Health | 2,442,623 | 2,441,399 | 1,224 | - | - | - | 2,442,623 | 2,441,399 | 1,224 |
| 1372 | Community Care of NC | 4,141,894 | 4,053,165 | 88,729 | - | - | - | 4,141,894 | 4,053,165 | 88,729 |
| 1373 | Services for the Uninsured | 219,025 | 67,242 | 151,783 | - | - | - | 219,025 | 67,242 | 151,783 |
| 1910 | Reserves and Transfers | 56,423,881 | 3,852,500 | 52,571,381 | 4,500,000 | - | 4,500,000 | 60,923,881 | 3,852,500 | 57,071,381 |
| 1991 | Indirect Cost - Reserve | 116,418 | 116,418 | - | - | - | - | 116,418 | 116,418 | - |
| 1992 | Prior Year - Earned Revenue | 1,760,181 | 1,760,181 | - | - | - | - | 1,760,181 | 1,760,181 | - |
| 2411 | DIRM-IT NCFAS | - | - | - | 14,226,272 | 14,226,272 | - | 14,226,272 | 14,226,272 | - |
| Division-wide Items | | - | - | - | - | - | - | - | - | - |
| N/A | CCDF Block Grant | - | - | - | 7,346 | 7,346 | - | 7,346 | 7,346 | - |
| N/A | Reserve for Compensation Increase | - | - | - | - | N/A | - | - | N/A | - |
| N/A | Reserve for Retirement Contributions | - | - | - | 228,442 | N/A | 228,442 | 228,442 | N/A | 228,442 |
| Total | | \$216,674,084 | \$86,640,831 | \$130,033,253 | \$23,653,867 | \$14,711,098 | \$8,942,769 | \$240,327,951 | \$101,351,929 | \$138,976,022 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Central Management | | | | | |
|---------------------------|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14410 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1119 | Service Support-Administration | 66.00 | - | - | 66.00 |
| 1120 | Service Support-Central Management | 101.75 | 3.00 | - | 104.75 |
| 1121 | Service Support-Controllers Office | 245.00 | - | - | 245.00 |
| 1122 | DIRM-Information Services | 235.00 | - | - | 235.00 |
| 1123 | DIRM-Planning and Development | | - | - | - |
| 1124 | NC Council on Developmental Disabilities | 11.00 | - | - | 11.00 |
| 1125 | Service Support - Medicaid Mgnt Info System | | - | - | - |
| 1126 | Central Regional Maintenance - Dix | 108.00 | - | - | 108.00 |
| 1161 | Rural Hospital - Assistance | 1.51 | - | - | 1.51 |
| 1162 | Rural Health Capacity Building | 5.00 | - | - | 5.00 |
| 1163 | Primary Care Safety Net Infrastructure | 1.00 | - | - | 1.00 |
| 1164 | Rural Health Centers | 9.00 | - | - | 9.00 |
| 1168 | Telemedicine | 1.00 | - | - | 1.00 |
| 1320 | Prescription Assistance | 6.00 | - | - | 6.00 |
| 1371 | NC Farmworker Health | 6.00 | - | | 6.00 |
| 1372 | Community Care of NC | 3.50 | - | | 3.50 |
| 1373 | Services for the Uninsured | 3.00 | - | | 3.00 |
| 1910 | Reserves and Transfers | (57.00) | - | | (57.00) |
| 1991 | Indirect Cost - Reserve | - | - | - | - |
| 1992 | Prior Year - Earned Revenue | - | - | - | - |
| | | | | | |
| Total FTE | | 745.76 | 3.00 | - | 748.76 |
| | | | | | |

2016 Annotated Conference Committee Report

Health and Human Services

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 16-17 |
|----------|

Total Budget Enacted 2015 Session

\$130,033,253

Legislative Changes

(1.0) Division of Central Management and Support

1 Compensation Increase Reserve

\$526,716 R

Fund Code: N/A

\$175,572 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S. L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

2 State Retirement Contributions

\$91,377 R

Fund Code: N/A

\$137,065 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

3 Miscellaneous Contractual Services

Fund Code: 1910

(\$3,200,000) NR

Continues a reduction for miscellaneous contracts implemented in FY 2014-15 on a department-wide basis.

4 County Department of Social Services Improve Medicaid Timeliness

\$143,215 R

Fund Code: 1120

3.00

Provides 3 Business System Analyst positions to interpret Medicaid data by combining and analyzing diverse types of data from several data warehouses to extract actionable data discoveries and new trend analytics. These positions will develop performance standards for county departments of social services (DSS) offices, monitor the data to measure performance, and provide better guidance to county DSS offices on how to improve the timeliness and accuracy of Medicaid eligibility determinations. These positions can also assist with training county DSS offices on how to effectively use NC FAST data to manage the Medicaid eligibility determination workload. The revised net appropriation for Fund 1120 Service Support - Central Management is \$14.6 million. (H.B. 1087/S.B. 841; S.L. 2016-94, Sec. 12H.17)

5 NC MedAssist Program**Fund Code:** 1320

\$200,000 NR

Provides funds for a pharmacy program that provides access to prescription medications, patient support, advocacy and related services to indigent and uninsured North Carolina residents. The revised net appropriation for Fund 1320 Prescription Assistance is \$2.7 million.

6 NC FAST Next Phase**Fund Code:** 2411

Budgets federal receipts of \$12,637,255 and prior year earned revenue of \$1,589,017 for NC FAST to implement client self-service functionality, including secure inbox, document upload, renewals, online appeals, a Quality Assurance Manager, and increased reporting. The revised net appropriation remains unchanged at \$13 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12A.1)

7 Graduate Medical Education

\$7,700,000 R

Fund Code: 1910

Supports the establishment of a residency program at Cape Fear Valley Medical Center that is affiliated with Campbell University Medical School. This appropriation replaces an anticipated loss of Medicare revenue as a result of the hospital's future reclassification as a rural hospital by the Centers for Medicare and Medicaid Services. The amount of the net appropriation is based on a calculation of the actual reduction in Medicare payments due to the reclassification to a rural hospital, less \$3.0 million from private donations. The maximum paid to Cape Fear Valley Hospital shall not exceed \$7.7 million. The revised net appropriation for Graduate Medical Education at Cape Fear Valley Medical Center is \$7.7 million. (S.L. 2016-94, Sec. 12A.8)

8 Health Analytics Pilot**Fund Code:** 1122

\$1,250,000 NR

Provides funds for a pilot to integrate new data sources, such as patient-level Healthcare Effectiveness Data and Information Set (HEDIS) quality measures; automate reporting and analytic capabilities; integrate a tool to construct and analyze claims as clinical episodes of care to fit into reform; and help the State move to value-based purchasing arrangements. The revised net appropriation for the Health Analytics Pilot is \$1.5 million. (S.L. 2016-94, Sec. 12A.7)

9 Data Analytics and Performance Enhancement**Fund Code:** 1122

\$1,918,824 NR

Provides funds to continue the State's investment in its data analytics capabilities. This item replaces current hardware and moves toward an enterprise solution with enhanced performance and technical support. The revised net appropriation for Fund 1122 DIRM - Information System Services is \$25.7 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12A.10)

10 Child Care Development Fund Block Grant**Fund Code:** N/A

Budgets additional Child Care Development Fund (CCDF) block grant federal receipts in the amount of \$7,346. The revised CCDF block grant federal receipts for the Division is \$1.6 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

| | | |
|----------------------------------|----------------------|-----------|
| Total Legislative Changes | \$8,461,308 | R |
| | \$481,461 | NR |
| Total Position Changes | 3.00 | |
| Revised Budget | \$138,976,022 | |

FY 2016-17

2016 Annotated Conference Committee Report

DHHS-CENTRAL MANAGEMENT-IT PROJECTS

Budget Code: 24410

FY 2016-17

Beginning Unreserved Fund Balance

\$10,403,792

Recommended Budget

Requirements

\$42,043,531

Receipts

\$42,181,452

Positions

205.00

Legislative Changes

Requirements:

**Data Collection and Information Management
Information System**

\$0 R

Budgets funds from Budget Code 67425 to implement a Data Collection and Service Management Information System to replace the current legacy system used by the Division of Services for the Deaf and Hard of Hearing. The project shall not proceed until the Business Case has been approved by the State Budget Director and the State Chief Information Officer. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12J.1)

\$750,000 NR
0.00

Subtotal Legislative Changes

\$0 R
\$750,000 NR
0.00

Receipts:

Blind & Deaf/HH Trust Telecommunications

\$0 R

Transfers funds from Budget Code 67425 to the Central Management Services Division to implement a Data Collection and Service Management Information System to replace the current legacy system used by the Division of Services for the Deaf and Hard of Hearing. The

\$750,000 NR

FY 2016-17

project shall not proceed until the Business Case has been approved by the State Budget Officer and the State Chief Information Officer.

Subtotal Legislative Changes

\$0 R

\$750,000 NR

Revised Total Requirements

\$42,793,531

Revised Total Receipts

\$42,931,452

Change in Fund Balance

\$137,921

Total Positions

205.00

Unappropriated Balance Remaining

\$10,541,713

Special Provisions

2016 Session: HB 1030

Division: (1.0) Division of Central Management and Support

Section: 12A.1

Title: **FUNDS FOR NORTH CAROLINA FAMILIES ACCESSING SERVICES THROUGH TECHNOLOGY (NC FAST)**

Summary Amends Section 12A.7, S.L. 2015-241, 2015 Appropriations Act, to increase the amount of nonrecurring funds that may be used to develop and implement specific components of the NC FAST program and adds 1 additional component required by the Centers for Medicare and Medicaid Services (CMS). (H.B. 1140/S.B. 885)

Section: 12A.2

Title: **ELIMINATION OF NC TRACKS ICD-10 IMPLEMENTATION REPORT**

Summary Repeals Section 12 A.6(b), S. L. 2015-241 to eliminate a monthly reporting requirement on the status of a medical classification implementation that is now complete.

Section: 12A.3

Title: **FINAL REPORT ON COMMUNITY PARAMEDICINE PILOT PROGRAM**

Summary Extends the final reporting deadline for the Community Paramedicine Pilot Program authorized in Section 12A.12 of the 2015 Appropriations Act by 4 months to March 1, 2017. (H.B. 1140/S.B.885)

Section: 12A.4

Title: **CONTRACTING SPECIALIST TRAINING PROGRAM**

Summary Requires the UNC School of Government, in collaboration with DHHS, to prepare and submit by August 1, 2016, a proposal for the design of a contracting specialist training program for management-level personnel within DHHS. Requires the School of Government, in collaboration with DHHS, to prepare and submit a proposal for the implementation and administration of that training program during the 2017 Regular Session. (S.B. 775)

Section: 12A.5

Title: **REVISIONS/COMPETITIVE GRANTS/NONPROFIT ORGANIZATIONS**

Summary Amends Section 12A.8, S.L. 2015-241, 2015 Appropriations Act, to allow programs that provide year-round sports training and athletic competition for children and adults with disabilities to compete in the competitive grants process for nonprofits. Initial disbursement of grants must be awarded no later than 30 days after certification of the State budget and funds that have been awarded but not yet disbursed or encumbered will not revert.

(S.L. 2016-123, Sec. 5.9, Measurability Assessments/Budget Tech. Corr., amends this section to clarify that programs that provide year-round sports training and athletic competition for children and adults with disabilities may compete beginning in the 2017-18 fiscal year.)

Section: 12A.7

Title: **FUNDS FOR CONTINUED DEVELOPMENT OF HEALTH ANALYTICS PILOT PROGRAM**

Summary Expands the health analytics pilot program authorized in Section 12A.17 of the 2015 Appropriations Act. The expanded program scope must include: (1) integration of new data sources, such as patient-level quality measures, (2) customized reporting and analytics capabilities, (3) a tool to construct and analyze claims as clinical episodes of care, and (4) operationalization of the pilot program, including an ongoing feed of data sources. The provision also requires DHHS and the Government Data Analytics Center (GDAC) to make a final report on the pilot program by May 31, 2017.

Section: 12A.8

Title: **GRADUATE MEDICAL EDUCATION FUNDING/CAPE FEAR VALLEY MEDICAL CENTER**

Summary Directs the appropriation of funds for a new residency program at Cape Fear Valley (CFV) Medical Center that is affiliated with Campbell University.

Subsection (a) provides a formula for calculating the specific amount of recurring funds to be allocated to the medical center. The formula ensures that the recurring allocation will not exceed the lesser of (1) the amount of lost Medicare revenues attributed to the hospital's reclassification by the federal government as a rural hospital minus \$3 million in private donations, or (2) \$7.7 million.

Subsection (b) conditions the release of funds to CFV Medical Center upon written certification by the Office of State Budget and Management that the following 3 conditions have been met by June 30, 2017: (1) a yearly requirement that CFV has received at least \$3 million in private donations for the residency programs; (2) CFV has received approval from the federal government for reclassification as a rural hospital; and (3) CFV has obtained approval from the Accreditation Council for Graduate Medical Education or the American Osteopathic Association for residency programs with a minimum of 130 additional residency slots.

Subsection (c) specifies how to calculate the initial payment of funds to CFV Medical Center following approval of rural reclassification in order to ensure that the initial payment is retroactive to the application filing date.

Subsection (d) requires CFV Medical Center to report annually on or before April 1st to the Health and Human Services Appropriations Committees regarding its progress in establishing residency programs funded by State appropriations.

Section: 12A.9

Title: **QUALIFICATIONS OF DIRECTOR OF OFFICE OF PROGRAM EVALUATION, REPORTING, AND ACCOUNTABILITY**

Summary Eliminates the requirement that the director have at least 10 years of experience in program evaluation; instead requires at least 3 years of experience at the management level demonstrating increasing levels of responsibility within the field of program evaluation.

Section: 12A.10

Title: **DATA ANALYTICS AND PERFORMANCE ENHANCEMENT**

Summary Continues the requirement that any enhancement of the State's data analytics capabilities utilizing funds appropriated to DHHS to be subject to applicable State laws requiring these analytics to be developed and implemented in collaboration with the Government Data Analytics Center (GDAC).

Section: 12K.1

Title: **DHHS BLOCK GRANTS**

Summary Amends Section 12I.1, S.L. 2015-241, 2015 Appropriations Act, as amended by Section 4.6, S.L. 2015-268, General Government Technical Corrections-AB, to adjust the allocation of over \$900 million in federal block grant funds for FY 2016-17.

Subsections (b) through (f) direct the use of all of the block grants.

Subsections (g) through (i1) direct the use of the Temporary Assistance for Needy Families block grant.

Subsections (j) through (q1) direct the use of the Social Services Block Grant.

Subsections (r) and (s) direct the use of the Low-Income Home Energy Assistance Block Grant.

Subsections (t) and (u) direct the use of the Child Care and Development Fund Block Grant.

Subsection (v) directs the use of the Mental Health Services Block Grant.

Subsections (w) and (w1) direct the use of the Substance Abuse Prevention and Treatment Block Grant.

Subsections (x) through (bb) direct the use of the Maternal and Child Health Block Grant. (H.B. 1140/S.B. 885)

Section: 12I.1

Title: **STUDY ESTABLISHMENT OF OPTOMETRY SCHOOL AT WINGATE UNIVERSITY**

Summary Encourages Wingate University to study the feasibility of establishing an affiliated school of optometry in North Carolina and to report back to House and Senate Appropriations Committees on Health and Human Services and the Joint Legislative Oversight Committee on Health and Human Services by May 1, 2017 on its findings. One of the report requirements is to include a projection of how an appropriation of \$800,000 would impact tuition reimbursement for students.

2016 Session: HB 805

Division: (1.0) Division of Central Management and Support

Section: 5.9

Title: **TECHNICAL CORRECTION: AMENDS EFFECTIVE DATE OF NEW INITIATIVE**

Summary Amends S.L. 2016-94, Sec. 12A.5(b), 2016 Appropriations Act, to clarify that programs that provide year-round sports training and athletic competition for children and adults with disabilities may compete for funds in the competitive block grant funds for non-profits beginning in the 2017-18 fiscal year.

**Division of Aging
Budget Code 14411**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|---------------|
| Requirements | \$105,473,473 |
| Receipts | \$61,658,136 |
| <hr/> | |
| Net Appropriation | \$43,815,337 |

Legislative Changes

| | |
|-------------------|-----------|
| Requirements | \$809,321 |
| Receipts | \$0 |
| <hr/> | |
| Net Appropriation | \$809,321 |

Revised Budget

| | |
|-------------------|---------------|
| Requirements | \$106,282,794 |
| Receipts | \$61,658,136 |
| <hr/> | |
| Net Appropriation | \$44,624,658 |

General Fund FTE

| | |
|----------------------------|-------|
| Enacted Budget | 76.50 |
| Legislative Changes | 2.00 |
| <hr/> | |
| Revised Budget | 78.50 |

Summary of General Fund Appropriations Fiscal Year 2016-17 2016 Legislative Session

| Division of Aging Budget Code 14411 | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|--|---|----------------------|---------------------|---------------------|---------------------|------------|------------------|----------------------|---------------------|---------------------|
| Fund Code | Fund Name | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Appropriation | Requirements | Receipts | Net Appropriation |
| 1110 | Service Support | 2,849,382 | 1,709,350 | 1,140,032 | - | - | - | 2,849,382 | 1,709,350 | 1,140,032 |
| 1160 | Professional Development and Capacity Building | 218,806 | 218,806 | - | - | - | - | 218,806 | 218,806 | - |
| 1167 | Emergency Shelter | 4,803,739 | 4,803,739 | - | - | - | - | 4,803,739 | 4,803,739 | - |
| 1260 | Access Outreach - Aging Adults | 2,405,916 | 1,065,132 | 1,340,784 | - | - | - | 2,405,916 | 1,065,132 | 1,340,784 |
| 1270 | Quality Improvement - Wellness and Health Promotion | 798,384 | 732,012 | 66,372 | - | - | - | 798,384 | 732,012 | 66,372 |
| 1370 | Senior Nutrition/ Fan Programs | 10,733,138 | 10,313,685 | 419,453 | - | - | - | 10,733,138 | 10,313,685 | 419,453 |
| 1410 | Case Management and Counseling | 82,206 | 60,359 | 21,847 | - | - | - | 82,206 | 60,359 | 21,847 |
| 1451 | Community Based Services and Supports | 61,391,239 | 29,200,409 | 32,190,830 | - | - | - | 61,391,239 | 29,200,409 | 32,190,830 |
| 1452 | Alzheimer's and Dementia Support Services Support | 4,581,367 | 3,989,691 | 591,676 | 750,000 | - | 750,000 | 5,331,367 | 3,989,691 | 1,341,676 |
| 1453 | At-Risk Case Management | 82,743 | 52,373 | 30,370 | - | - | - | 82,743 | 52,373 | 30,370 |
| 1454 | Key Program | 6,183,669 | 68,037 | 6,115,632 | - | - | - | 6,183,669 | 68,037 | 6,115,632 |
| 1480 | Senior Community Services Employment Services | 2,437,963 | 2,431,225 | 6,738 | - | - | - | 2,437,963 | 2,431,225 | 6,738 |
| 1510 | Adult Protective Services and Guardianship | 4,441,357 | 3,933,704 | 507,653 | - | - | - | 4,441,357 | 3,933,704 | 507,653 |
| 1550 | Long Term Care - Ombudsman Services | 3,707,706 | 2,622,422 | 1,085,284 | - | - | - | 3,707,706 | 2,622,422 | 1,085,284 |
| 1570 | State/County Special Assistance Administration | 677,552 | 378,886 | 298,666 | - | - | - | 677,552 | 378,886 | 298,666 |
| 1910 | Reserves and Transfers | - | - | - | - | - | - | - | - | - |
| 1991 | Indirect Cost - Reserve | 78,306 | 78,306 | - | - | - | - | 78,306 | 78,306 | - |
| Division-wide Items | | | | | | | | | | |
| N/A | Reserve for Compensation Increase | - | - | - | 44,761 | N/A | 44,761 | 44,761 | N/A | 44,761 |
| N/A | Reserve for Retirement Contributions | - | - | - | 14,560 | N/A | 14,560 | 14,560 | N/A | 14,560 |
| Total | | \$105,473,473 | \$61,658,136 | \$43,815,337 | \$809,321 | \$0 | \$809,321 | \$106,282,794 | \$61,658,136 | \$44,624,658 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Division of Aging | | | | | |
|--------------------------|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14411 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 18.00 | - | - | 18.00 |
| 1160 | Professional Development and Capacity Building | - | - | - | - |
| 1167 | Emergency Shelter | 2.00 | - | - | 2.00 |
| 1260 | Access Outreach - Aging Adults | 3.00 | - | - | 3.00 |
| 1270 | Promotion | 1.00 | - | - | 1.00 |
| 1370 | Senior Nutrition/ Fan Programs | - | - | - | - |
| 1410 | Case Management and Counseling | 1.00 | - | - | 1.00 |
| 1451 | Community Based Services and Supports | 9.50 | - | - | 9.50 |
| 1452 | Alzheimer's and Dementia Support Services Support | 2.00 | 2.00 | - | 4.00 |
| 1453 | At-Risk Case Management | 1.00 | - | - | 1.00 |
| 1454 | Key Program | 11.00 | - | - | 11.00 |
| 1480 | Senior Community Services Employment Services | 1.00 | - | - | 1.00 |
| 1510 | Adult Protective Services and Guardianship | 14.00 | - | - | 14.00 |
| 1550 | Long Term Care - Ombudsman Services | 5.00 | - | - | 5.00 |
| 1570 | State/County Special Assistance Administration | 8.00 | - | - | 8.00 |
| 1910 | Reserves and Transfers | - | - | - | - |
| 1991 | Indirect Cost - Reserve | - | - | - | - |
| Total FTE | | 76.50 | 2.00 | - | 78.50 |

Health and Human Services

GENERAL FUND

FY 16-17

Total Budget Enacted 2015 Session

\$43,815,337

Legislative Changes

(2.0) Division of Aging and Adult Services

11 Compensation Increase Reserve

\$33,571 R

Fund Code: N/A

\$11,190 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S. L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

12 State Retirement Contributions

\$5,824 R

Fund Code: N/A

\$8,736 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

13 Project CARE Support for Alzheimer's Patients and Their Families

\$550,000 R

Fund Code: 1452

Increases funding for Project CARE (Caregiver Alternatives to Running on Empty) effective October 1, 2016, to support families acting as caregivers for family members with Alzheimer's disease. The increased funding will provide vouchers for respite services and 3 additional full-time family consultants for Project CARE. The revised net appropriation for FY 2016-17 for Project CARE is \$850,000. (H.B. 1140/S.B. 885; H.B. 1001/S.B. 735)

14 No Wrong Door to Accessing Benefits Initiative

\$200,000 R

Fund Code: 1452

2.00

Creates 2 full-time equivalent staff positions within the Division of Aging and Adult Services to oversee continued development and implementation of the No Wrong Door to Accessing Benefits initiative. Staff responsibilities will include enhancement of the NC 2-1-1 database and management of Alzheimer's disease and dementia-related stakeholder partnerships. The revised net appropriation for the No Wrong Door To Accessing Benefits Initiative is \$200,000. (H.B. 1001/S.B. 735)

Total Legislative Changes

\$789,395 R

\$19,926 NR

Total Position Changes

2.00

Revised Budget

\$44,624,658

Special Provisions

2016 Session: HB 1030

Division: (2.0) Division of Aging and Adult Services

Section:

Title: **No Special Provisions**

Summary

Division of Child Development and Early Education
Budget Code 14420

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|---------------|
| Requirements | \$671,468,663 |
| Receipts | \$428,434,687 |
| Net Appropriation | \$243,033,976 |

Legislative Changes

| | |
|-------------------|---------------|
| Requirements | \$22,399,326 |
| Receipts | \$29,075,109 |
| Net Appropriation | (\$6,675,783) |

Revised Budget

| | |
|-------------------|---------------|
| Requirements | \$693,867,989 |
| Receipts | \$457,509,796 |
| Net Appropriation | \$236,358,193 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 298.75 |
| Legislative Changes | 10.00 |
| Revised Budget | 308.75 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Division of Child Development and Early Education | | | | | | | | | |
|---|---|---------------|---------------|---------------------|--------------|--------------|-------------------|---------------|---------------|
| Budget Code 14420 | | | | | | | | | |
| Fund | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
| Code | Fund Name | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts |
| 14A0 | Smart Start - Health Related Activities | 5,527,584 | - | 5,527,584 | - | - | - | 5,527,584 | - |
| 1110 | Service Support | 4,067,011 | 2,175,811 | 1,891,200 | - | - | - | 4,067,011 | 2,175,811 |
| 1151 | Child Care - Regulation | 14,069,271 | 14,069,271 | - | 154,676 | 154,676 | - | 14,223,947 | 14,223,947 |
| 1152 | DHHS - Criminal Record Checks | 1,964,117 | 1,349,480 | 614,637 | 153,109 | 153,109 | - | 2,117,226 | 1,502,589 |
| 1161 | Child Care - Capacity Building | 15,113,882 | 15,076,903 | 36,979 | 80,438 | 80,438 | - | 15,194,320 | 15,157,341 |
| 1162 | Smart Start - Child Care Related Activities | 52,371,075 | - | 52,371,075 | - | - | - | 52,371,075 | - |
| 1271 | Smart Start - Family Support Activities | 18,434,178 | - | 18,434,178 | - | - | - | 18,434,178 | - |
| 1272 | Child Care - Rated License | 2,870,615 | 2,870,615 | - | - | - | - | 2,870,615 | 2,870,615 |
| 1330 | Pre-Kindergarten Program | 144,178,390 | 91,286,091 | 52,892,299 | 1,325,000 | 6,430,899 | (5,105,899) | 145,503,390 | 97,716,990 |
| 1380 | Subsidized Child Care | 342,191,924 | 294,606,516 | 47,585,408 | 5,050,212 | 6,675,212 | (1,625,000) | 347,242,136 | 301,281,728 |
| 1381 | Smart Start - Subsidized Child Care | 70,680,616 | 7,000,000 | 63,680,616 | - | - | - | 70,680,616 | 7,000,000 |
| Division-wide Items | | | | | | | | | |
| N/A | CCDF Block Grant | - | - | - | 15,580,775 | 15,580,775 | - | 15,580,775 | 15,580,775 |
| N/A | Reserve for Compensation Increase | - | - | - | 41,588 | NA | 41,588 | 41,588 | NA |
| N/A | Reserve for Retirement Contributions | - | - | - | 13,528 | NA | 13,528 | 13,528 | NA |
| Total | | \$671,468,663 | \$428,434,687 | \$243,033,976 | \$22,399,326 | \$29,075,109 | (\$6,675,783) | \$693,867,989 | \$457,509,796 |
| | | | | | | | | | \$236,358,193 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Division of Child Development and Early Education | | | | | |
|--|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14420 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 14A0 | Smart Start - Health Related Activities | - | - | - | - |
| 1110 | Service Support | 34.00 | - | - | 34.00 |
| 1151 | Child Care - Regulation | 202.75 | - | 2.00 | 204.75 |
| 1152 | DHHS - Criminal Record Checks | 18.00 | - | 3.00 | 21.00 |
| 1161 | Child Care - Capacity Building | 12.00 | - | 1.00 | 13.00 |
| 1162 | Smart Start - Child Care Related Activities | - | - | - | - |
| 1271 | Smart Start - Family Support Activities | - | - | - | - |
| 1272 | Child Care - Rated License | - | - | - | - |
| 1330 | Pre-Kindergarten Program | 8.00 | - | - | 8.00 |
| 1380 | Subsidized Child Care | 24.00 | - | 4.00 | 28.00 |
| 1381 | Smart Start - Subsidized Child Care | - | - | - | - |
| | | | | | |
| Total FTE | | 298.75 | - | 10.00 | 308.75 |

Health and Human Services

GENERAL FUND

FY 16-17

Total Budget Enacted 2015 Session

\$243,033,976

Legislative Changes

(3.0) Division of Child Development and Early Education

15 Compensation Increase Reserve

\$31,191 R

Fund Code: N/A

\$10,397 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S. L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

16 State Retirement Contributions

\$5,411 R

Fund Code: N/A

\$8,117 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

17 Child Care Subsidy Federal Funds**Fund Code:** 1380

(\$6,400,000) NR

Budgets Temporary Assistance for Needy Families block grant receipts of \$3.6 million and Child Care Development Funds block grant receipts of \$2.8 million on a nonrecurring basis for the Child Care Subsidy program, and accordingly reduces the revised net appropriation by the same amount. The revised net appropriation from all actions in this report for the Child Care Subsidy Program is \$46 million. (S.L. 2016-94, Sec. 12K.1)

18 NC Pre-K Federal Funds**Fund Code:** 1330

(\$6,430,899) NR

Budgets Temporary Assistance for Needy Families block grant receipts on a nonrecurring basis for NC Pre-K, and accordingly reduces the revised net appropriation by the same amount. The requirements for NC Pre-K remain unchanged at \$144.2 million. The revised net appropriation for NC Pre-K is \$47.8 million. (S.L. 2016-94, Sec. 12K.1)

19 NC Pre-K Increase Children Served

\$1,325,000 R

Fund Code: 1330

Provides funding to serve an additional 260 children in NC Pre-K, bringing the total number of slots to 29,400. The revised net appropriation from all actions in this report for NC Pre-K is \$47.8 million. (H.B. 1140/S.B. 885)

20 Child Care Subsidy Increase Children Served

\$1,325,000 R

Fund Code: 1380

Provides funding to serve an additional 260 children in the Child Care Subsidy program. The revised net appropriation for Child Care Subsidy from all actions in this report is \$46 million.

21 Child Care Subsidy Market Rate Increase

\$3,450,000 R

Fund Code: 1380

Increases the Child Care Subsidy market rate effective October 1, 2016, for children age 3-5 in Tier 1 and 2 counties to the recommended rate in the 2015 Market Rate Study. The annualized net appropriation is \$4.6 million. The revised net appropriation for Child Care Subsidy from all actions in this report for FY 2016-17 is \$46 million. (S.L. 2016-94, Sec. 12B.3)

22 Child Care Quality Improvement**Fund Code:** 1151, 1152, 1161, 1380

Provides funds for quality enhancements in child care through additional Child Care Development Fund (CCDF) block grant requirements and receipts in the amount of \$663,435. These funds will be used for criminal background checks, enhanced training, and improved fraud prevention and detection. These funds will support 10 receipt supported positions: 1 Human Services Planner/Evaluator III, 1 Child Day Care Program Manager, 1 Administrative Assistant I, 2 Processing Assistant V, 1 Human Services Planner/Evaluation IV, and 4 Administrative Officer II's. The revised net appropriation remains unchanged for child care regulation at \$0, criminal record checks at \$614,637 and for child care capacity building at \$36,979. The revised net appropriation for the Child Care Subsidy Program from all actions in this report for FY 2016-17 is \$46 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

23 Child Care Development Block Grant**Fund Code:** N/A

Budgets additional CCDF block grant federal receipts in the amount of \$15,580,775. The revised CCDF block grant federal receipts for the Division are \$204 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

| | | |
|----------------------------------|-----------------------|-----------|
| Total Legislative Changes | \$6,136,602 | R |
| | (\$12,812,385) | NR |
| Total Position Changes | | |
| Revised Budget | \$236,358,193 | |

Special Provisions

2016 Session: HB 1030

Division: (3.0) Division of Child Development and Early Education

Section: 12B.1

Title: NC PRE-K/CLARIFY BUILDING STANDARDS

Summary Amends Section 12B.1, S.L. 2015-241, 2015 Appropriations Act, to allow private child care facilities and public schools with NC Pre-K classrooms to meet building standards for preschool students as required by G.S. 115C-521.1, which are the building standards for preschool students in public schools.

Section: 12B.2

Title: STUDY CHILD CARE SUBSIDY RATE SETTING

Summary Directs the Division of Child Development and Early Education to study how rates are set for child care subsidy by reviewing market rate studies and any other relevant rate-setting methodologies. A report on recommendations, suggested methodology, and timeframes for implementation must be submitted to the House Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division by March 1, 2017.

Section: 12B.3

Title: ADDITIONAL CHILD CARE SUBSIDY MARKET RATE INCREASES/CERTAIN AGE GROUPS AND COUNTIES

Summary Amends Section 12B.2A, S.L. 2015-241, 2015 Appropriations Act, to require the Division of Child Development and Early Education increase child care subsidy market rates beginning October 1, 2016, to the rates recommended in the 2015 Market Rate Study for ages 3 through 5 in 3-, 4-, and 5-star-rated centers and homes in Tier 1 and Tier 2 counties.

Section: 12B.4

Title: STUDY COSTS AND EFFECTIVENESS ASSOCIATED WITH NC PRE-K SLOTS

Summary Directs the Division of Child Development and Early Education to study the costs and effectiveness of funding NC Pre-K slots. The report on findings and recommendations must be submitted to the chairs of the House Appropriations Committee on Health and Human Services and the Senate Appropriations Committee on Health and Human Services and the Fiscal Research Division by February 1, 2017. (H.B. 1040/S.B. 800)

(S.L. 2016-123, Sec. 5.4, Measurability Assessments/Budget Tech. Corr., amends this section to clarify that the Division of Child Development and Early Education shall consult with the Department of Public Instruction in conducting the study of NC Pre-K.)

Section: 12B.5

Title: **STATE AGENCY COLLABORATION ON EARLY CHILDHOOD EDUCATION/TRANSITION FROM PRESCHOOL TO KINDERGARTEN**

Summary Requires the Department of Health and Human Services (DHHS), in consultation with the Department of Public Instruction (DPI) and other agencies that administer, support, or study early childhood education, to collaborate on an ongoing basis in the development and implementation of a statewide vision for early childhood education.

Subsection (b) requires the entities named in subsection (a) to report on their initial findings and recommendations to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Education Oversight Committee on or before January 1, 2017, and to submit a follow up report to those same committees on or before January 1, 2018. The entities may make any subsequent reports, annually, on or before January 1, as needed to those same committees.

Subsection (c) requires DHHS and DPI to promote successful transition of children who receive NC Pre-K and Child Care subsidy services from prekindergarten to kindergarten by developing a transition plan.

Subsection (d) requires DHHS to report on the implementation of the transition plan required in subsection (c) to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Education Oversight Committee on or before December 15, 2016.

Subsection (e) requires DHHS and DPI to develop and implement a standardized program to transition children from preschool to kindergarten and requires that a specific list of components be identified in the program.

Subsection (f) requires DHHS to report on the development of the standardized transition program to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Education Oversight Committee on or before January 1, 2018. (H.B. 1026/S.B.740)

2016 Session: HB 805

Division: (3.0) Division of Child Development and Early Education

Section: 5.4

Title: **TECHNICAL CHANGE: CONSULT WITH DEPARTMENT OF PUBLIC INSTRUCTION ON NC PRE-K STUDY**

Summary Amends S.L. 2016-94, Sec. 12B.4(a), Appropriations Act of 2016, to require the Division of Child Development and Early Education to consult with the Department of Public Instruction in conducting the study of NC Pre-K.

**Division of Social Services
Budget Code 14440**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|-----------------|
| Requirements | \$1,726,742,478 |
| Receipts | \$1,541,209,215 |
| Net Appropriation | \$185,533,263 |

Legislative Changes

| | |
|-------------------|--------------|
| Requirements | \$13,944,597 |
| Receipts | (\$425,616) |
| Net Appropriation | \$14,370,213 |

Revised Budget

| | |
|-------------------|-----------------|
| Requirements | \$1,740,687,075 |
| Receipts | \$1,540,783,599 |
| Net Appropriation | \$199,903,476 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 397.00 |
| Legislative Changes | 25.00 |
| Revised Budget | 422.00 |

Summary of General Fund Appropriations Fiscal Year 2016-17 2016 Legislative Session

| Division of Social Services | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|-----------------------------|--|-----------------|-----------------|-------------------|---------------------|-------------|-------------------|-----------------|-----------------|-------------------|
| Budget Code 14440 | Fund | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| 1110 | Service Support | 16,930,306 | 11,144,964 | 5,785,342 | 519,402 | 193,063 | 326,339 | 17,449,708 | 11,338,027 | 6,111,681 |
| 1160 | Child Welfare Training | 7,141,587 | 6,423,965 | 717,622 | 4,295,203 | 2,180,233 | 2,114,970 | 11,436,790 | 8,604,198 | 2,832,592 |
| 1261 | Food and Nutrition Education | 1,551,695 | 1,551,695 | - | - | - | - | 1,551,695 | 1,551,695 | - |
| 1331 | Family Preservation and Support | 28,987,793 | 27,754,963 | 1,232,830 | 8,317,544 | - | 8,317,544 | 37,305,337 | 27,754,963 | 9,550,374 |
| 1371 | Child Support Enforcement | 157,495,485 | 157,072,177 | 423,308 | - | - | - | 157,495,485 | 157,072,177 | 423,308 |
| 1372 | Food and Nutrition Services | 159,064,170 | 157,697,803 | 1,366,367 | 1,200,000 | 600,000 | 600,000 | 160,264,170 | 158,297,803 | 1,966,367 |
| 1373 | LIEAP | 70,131,491 | 70,126,491 | 5,000 | - | - | - | 70,131,491 | 70,126,491 | 5,000 |
| 1374 | Refugee Medical Assistance | 23,979 | 23,979 | - | - | - | - | 23,979 | 23,979 | - |
| 1375 | TANF - Domestic Violence | 12,822 | 12,822 | - | - | - | - | 12,822 | 12,822 | - |
| 1376 | Medicaid Eligibility | 250,342,078 | 248,711,322 | 1,630,756 | - | - | - | 250,342,078 | 248,711,322 | 1,630,756 |
| 1381 | Refugee Cash and Social Services | 4,883,149 | 4,883,147 | 2 | - | - | - | 4,883,149 | 4,883,147 | 2 |
| 1382 | Employment Benefits - Work First Family Assistance | 80,618,857 | 79,603,888 | 1,014,969 | - | - | - | 80,618,857 | 79,603,888 | 1,014,969 |
| 1383 | Subsidized Child Care Administration | 23,532,075 | 23,532,075 | - | - | - | - | 23,532,075 | 23,532,075 | - |
| 1384 | Employment Benefits | 26,721,961 | 26,718,961 | 3,000 | 300,000 | - | 300,000 | 27,021,961 | 26,718,961 | 303,000 |
| 1411 | Case Management and Counseling | 20,505,202 | 20,103,571 | 401,631 | - | - | - | 20,505,202 | 20,103,571 | 401,631 |
| 1430 | DX Child Home Support - Child Protective Services | 181,898,844 | 161,261,852 | 20,636,992 | 568,761 | 237,715 | 331,046 | 182,467,605 | 161,499,567 | 20,968,038 |
| 1451 | Adult Home Support - Community Based Services | 37,471,882 | 35,358,737 | 2,113,145 | - | - | - | 37,471,882 | 35,358,737 | 2,113,145 |
| 1453 | Adult Home Support - At Risk Case Management (Adult) | 9,836,420 | 8,837,118 | 999,302 | - | - | - | 9,836,420 | 8,837,118 | 999,302 |
| 1481 | ID Family Employment - Work First Employment Services | 45,276,014 | 44,941,246 | 334,768 | - | - | - | 45,276,014 | 44,941,246 | 334,768 |
| 1482 | ID Family Employment - Food Nutrition Employment/Training | 2,309,149 | 2,285,630 | 23,519 | - | - | - | 2,309,149 | 2,285,630 | 23,519 |
| 1491 | ID Family Emergency - Emergency Energy Assistance | 40,158,732 | 40,158,732 | - | - | - | - | 40,158,732 | 40,158,732 | - |
| 1492 | ID Family Emergency - Family Violence Prevention | 2,099,624 | 2,098,858 | 766 | - | - | - | 2,099,624 | 2,098,858 | 766 |
| 1510 | Protection and Adult Support - Protection and Guardianship | 35,279,352 | 33,910,963 | 1,368,389 | - | - | - | 35,279,352 | 33,910,963 | 1,368,389 |
| 1531 | OOH Child Support - Adoption | 133,120,446 | 87,795,551 | 45,324,895 | (1,333,333) | (333,333) | (1,000,000) | 131,787,113 | 87,462,218 | 44,324,895 |
| 1532 | OOH Child Support - Foster Care | 229,450,827 | 185,672,176 | 43,778,651 | 371,461 | 166,096 | 205,365 | 229,822,288 | 185,838,272 | 43,984,016 |
| 1570 | OOH Economic Support - State and County Special Assistance | 122,340,010 | 63,970,003 | 58,370,007 | (2,000,000) | (1,000,000) | (1,000,000) | 120,340,010 | 62,970,003 | 57,370,007 |
| 1701 | Local/County Operations | 39,016,401 | 39,014,399 | 2,002 | - | - | - | 39,016,401 | 39,014,399 | 2,002 |
| 1900 | Reserves and Transfers | 30,817 | 30,817 | - | 7,600,000 | 3,750,000 | 3,850,000 | 7,630,817 | 3,780,817 | 3,850,000 |
| 1991 | Federal Indirect Reserve | 280,859 | 280,859 | - | - | - | - | 280,859 | 280,859 | - |
| 1992 | Prior Year - Earned Revenue | 230,451 | 230,451 | - | - | - | - | 230,451 | 230,451 | - |
| Division-wide Items | | | | | | | | | | |
| N/A | TANF Block Grants | - | - | - | 772,128 | 772,128 | - | 772,128 | 772,128 | - |
| N/A | SSBG Block Grant | - | - | - | (607,822) | (607,822) | - | (607,822) | (607,822) | - |
| N/A | LIHEAP Block Grant | - | - | - | (5,694,917) | (5,694,917) | - | (5,694,917) | (5,694,917) | - |
| N/A | CCDF Block Grant | - | - | - | 1,217,632 | 1,217,632 | - | 1,217,632 | 1,217,632 | - |
| N/A | CSBG Block Grant | - | - | - | (2,909,991) | (2,909,991) | - | (2,909,991) | (2,909,991) | - |
| N/A | TANF Cont Block Grant | - | - | - | 1,003,580 | 1,003,580 | - | 1,003,580 | 1,003,580 | - |
| N/A | Reserve for Compensation Increase | - | - | - | 245,192 | N/A | 245,192 | 245,192 | N/A | 245,192 |
| N/A | Reserve for Retirement Contributions | - | - | - | 79,757 | N/A | 79,757 | 79,757 | N/A | 79,757 |
| Total | | \$1,726,742,478 | \$1,541,209,215 | \$185,533,263 | \$13,944,597 | (\$425,616) | \$14,370,213 | \$1,740,687,075 | \$1,540,783,599 | \$199,903,476 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Division of Social Services | | | | | |
|------------------------------------|--|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14440 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 82.00 | 7.00 | - | 89.00 |
| 1160 | Child Welfare Training | 18.00 | 7.00 | - | 25.00 |
| 1261 | Food and Nutrition Education | - | - | - | - |
| 1331 | Family Preservation and Support | 6.00 | - | - | 6.00 |
| 1371 | Child Support Enforcement | 127.00 | - | - | 127.00 |
| 1372 | Food and Nutrition Services | 62.00 | - | - | 62.00 |
| 1373 | LIEAP | - | - | - | - |
| 1374 | Refugee Medical Assistance | - | - | - | - |
| 1375 | TANF - Domestic Violence | - | - | - | - |
| 1376 | Medicaid Eligibility | - | - | - | - |
| 1381 | Refugee Cash and Social Services | 4.00 | - | - | 4.00 |
| 1382 | Employment Benefits - Work First Family Assistance | - | - | - | - |
| 1383 | Subsidized Child Care Administration | - | - | - | - |
| 1384 | Employment Benefits | 10.00 | - | - | 10.00 |
| 1411 | Case Management and Counseling | - | - | - | - |
| 1430 | Dx Child Home Support - Child Protective Services | 27.00 | 7.00 | - | 34.00 |
| 1451 | Adult Home Support - Community Based Services | - | - | - | - |
| 1453 | (Adult) | - | - | - | - |
| 1481 | Services | 11.00 | - | - | 11.00 |
| 1482 | Employment/Training | 2.00 | - | - | 2.00 |
| 1491 | Assistance | - | - | - | - |
| 1492 | ID Family Emergency - Family Violence Prevention | 1.00 | - | - | 1.00 |
| 1510 | Guardianship | - | - | - | - |
| 1531 | OOH Child Support - Adoption | 14.00 | - | - | 14.00 |
| 1532 | OOH Child Support - Foster Care | 33.00 | 4.00 | - | 37.00 |
| 1570 | Assistance | - | - | - | - |
| 1701 | Local/County Operations | - | - | - | - |
| 1900 | Reserves and Transfers | - | - | - | - |
| 1991 | Federal Indirect Reserve | - | - | - | - |
| 1992 | Prior Year - Earned Revenue | - | - | - | - |
| | | | | | |
| Total FTE | | 397.00 | 25.00 | - | 422.00 |

2016 Annotated Conference Committee Report

Health and Human Services

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 16-17 |
|----------|

Total Budget Enacted 2015 Session

\$185,533,263

Legislative Changes

(4.0) Division of Social Services

24 Compensation Increase Reserve

\$183,894 R

Fund Code: N/A

\$61,298 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S. L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

25 State Retirement Contributions

\$31,903 R

Fund Code: N/A

\$47,854 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

26 State-County Special Assistance Caseload Adjustment

(\$1,000,000) R

Fund Code: 1570

Reduces State-County Special Assistance due to a decline in the number of individuals participating in the program. The revised net appropriation for State-County Special Assistance for FY 2016-17 is \$57.4 million.

27 Adoption Assistance

(\$1,000,000) R

Fund Code: 1531

Adjusts the Adoption Assistance budget based on projected enrollment. The revised net appropriation for Adoption Services is \$44.3 million.

28 County Child Welfare Services Oversight and Accountability

\$691,965 R

Fund Code: 1160, 1430, 1532

\$11,614 NR

15.00

Provides funding to enhance the State's capacity to ensure a competent and well-trained county-based child welfare workforce by increasing the availability of localized, mobile training tailored to specific needs. Additional positions are authorized to provide technical assistance to counties in the development and implementation of their performance improvement plan, track and measure these improvements, and quantify county outcomes to ensure consistency across counties. The positions will also develop a statewide recruitment plan for foster care parents and work to improve the foster care licensing process. The revised net appropriation from all actions in this report for Fund 1160, Child Welfare Training, is \$2.8 million. The revised net appropriation from all actions in this report for Fund 1430, Child Home Support - Child Protective Services is \$21 million. The revised net appropriation for Fund 1532, Child Support - Foster Care is \$43.8 million. (H.B. 1140/S.B. 885, S.B. 785; S.L. 2016-94, Sec. 12C.1)

29 Child Welfare Program Improvement Plan

\$167,083 R

Fund Code: 1110, 1160, 1331

\$8,372,917 NR

3.00

Provides additional resources to implement the Program Improvement Plan as a result of the recent Child and Family Services Review (CFSR). The plan will establish professional development opportunities and ongoing specific training regarding child welfare issues. Training for supervisors and leaders who support the field social workers will be provided. Additionally, 3 positions are provided to analyze program performance data. In-Home services are expanded to support children's safety while keeping families together and reducing the likelihood of children entering into foster care. The revised net appropriation from all actions in this report for Fund 1110, Service Support is \$6.1 million. The revised net appropriation from all actions in this report for Fund 1160, Child Welfare Training, is \$2.8 million. The revised net appropriation for Fund 1331, Family Preservation and Support is \$9.6 million. (H.B. 1140/S.B. 885, S.B. 785; S.L. 2016-94, Sec. 12C.1)

30 Child Welfare Native American Services**Fund Code:** 1331

\$60,000 NR

Provides funding for the establishment of a grant program for which North Carolina State-recognized tribes may apply. The grants is to assist in recruiting foster parents, increasing the number of foster homes for children who are members of a North Carolina State-recognized tribe, and providing training for staff of county departments of social services to ensure culturally appropriate services for children who are members of a North Carolina State-recognized tribe. The revised net appropriation for Fund 1331, Family Preservation and Support is \$9.6 million. (S.L. 2016-94, Sec. 12C.1)

31 Child Fatality Reviews

\$59,150 R

Fund Code: 1430

\$750 NR

3.00

Funds 3 additional positions to ensure timely review of child fatalities in accordance with G.S.143B-150.20. These positions will also develop the system capacity to effectively utilize the results and implement the recommendations as a result of the reviews. The revised net appropriation from all actions in this report for Fund 1430, Child Home Support- Child Protective Services is \$21 million. (H.B. 1140/S.B. 885)

32 Child Advocacy Centers

\$400,000 R

Fund Code: 1331

Provides funding for Child Advocacy Centers to bring their funding for FY 2016-17 to their FY 2015-16 funding level. The revised net appropriation for Child Advocacy Centers is \$793,000.

33 Temporary Assistance for Facilities that Serve Special Assistance Recipient

\$3,750,000 NR

Fund Code: 1900

Provides funding, effective October 1, 2016, on a temporary basis for facilities that serve recipients of Special Assistance. Total funding is \$7.5 million with 50% of the funding provided by the appropriate county. The net revised appropriation for temporary assistance for facilities that serve Special Assistance recipients is \$3.8 million. (S.L. 2016-94, 12C.7)

34 Food and Nutrition Services Outreach for Medicaid/Medicare Dual Eligibles

\$600,000 NR

Fund Code: 1372

Provides funds for the Department to establish a pilot program to increase access to Food and Nutrition Services benefits for individuals who are dually eligible for Medicare and Medicaid through outreach and assistance with completion of the Food and Nutrition Services applications. The total requirements for the Food and Nutrition Services Outreach Pilot program are \$1.2 million and the revised net appropriation is \$600,000. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12C.3)

35 Eckerd Kids and Caring for Children's Angels Watch Program

\$1,100,000 NR

Fund Code: 1331

Expands Angels Watch to additional counties, a foster care program for children who are age 0-6 (with siblings up to age 10) who are not in the custody of the Department of Social Services and whose families are temporarily unable to care for them because of a crisis. Children are placed in licensed Angel Care foster homes for up to 90 days while the family attempts to resolve the issues that keep them from safely caring for their children. Parents are provided mentoring and links to community resources by program managers and foster parents. The revised net appropriation for Angels Watch is \$1.1 million. (S.L. 2016-94, Sec. 12C.6)

36 County Department of Social Services Improve Medicaid Timeliness

\$156,785 R

Fund Code: 1110

4.00

Provides funding for 4 Human Services Evaluator/Planner positions to assist county department of social services offices in using the Client Services Data Warehouse (CSDW) to analyze NC FAST eligibility data for Medicaid and other economic services programs. These staff will develop internal queries and reports to assist DHHS with monitoring county DSS office performance, and provide CSDW training to county DSS offices and develop NC FAST or other data queries for use by the counties. The revised net appropriation from all actions in this report for Fund 1110 Service Support is \$6.1 million. (H.B. 1087/S.B.841; S.L. 2016-94, Sec 12H.17)

37 Supportive Employment Opportunities**Fund Code:** 1384

\$300,000 NR

Establishes a grant to Marketing Association for Rehabilitation Centers (MARC), Inc., to provide funding for staffing and positions to focus on business development leadership and technical support for advanced manufacturing. New job opportunities will be created for people who are chronically unemployed. The revised net appropriation for a job creation grant to MARC Inc. is \$300,000.

38 Boys and Girls Clubs**Fund Code:** 1331

\$125,000 NR

Provides funds to support the following Boys and Girls Clubs:

Central Asheboro Boys and Girls Club \$25,000
 Community Boys and Girls Club of Wilmington \$50,000
 The Salvation Army Boys and Girls Club in Burlington \$50,000

The revised net appropriation for Boys and Girls Clubs is \$2.6 million.

39 South Davidson Family Resource Center**Fund Code:** 1900

\$100,000 NR

Provides funding to the South Davidson Family Resource Center. The Center provides services and resources to the disadvantaged population and families in crisis in southern Davidson County. The revised net appropriation for the South Davidson Family Resource Center is \$100,000.

40 Children's Homes**Fund Code:** 1532

\$150,000 NR

Provides funding to the following Children's Homes:

American Children's Home, Lexington \$50,000
 Mills Home in Thomasville \$100,000

The revised net appropriation for this action is \$150,000.

41 Temporary Assistance for Needy Families Block Grant**Fund Code:** N/A

Budgets additional Temporary Assistance for Needy Families (TANF) block grant federal receipts in the amount of \$772,128. The revised TANF block grant federal receipts for the Division are \$164.8 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

42 TANF Contingency Block Grant**Fund Code:** N/A

Budgets TANF Contingency block grant federal receipts in the amount of \$1,003,580. The revised TANF Contingency block grant federal receipts for the Division are \$1 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

43 Social Services Block Grant**Fund Code:** N/A

Reduces Social Services block grant (SSBG) federal receipts in the amount of \$607,822. The revised SSBG block grant federal receipts for the Division are \$31.7 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

44 Low Income Energy Assistance Program**Fund Code:** N/A

Reduces Low Income Energy Assistance Program (LIEAP) federal receipts in the amount of \$5,694,917. The revised LIEAP block grant federal receipts for the Division are \$98.6 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

45 Child Care Development Fund Block Grant**Fund Code:** N/A

Budgets additional CCDF federal receipts in the amount of \$1,217,632. The revised CCDF block grant federal receipts for the Division are \$17.1 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

46 Community Services Block Grant**Fund Code:** N/A

Reduces the Community Services Block Grant (CSBG) federal receipts in the amount of \$2,909,991. The revised CSBG block grant federal receipts for the Division are \$23.8 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

| | | |
|----------------------------------|----------------------|-----------|
| Total Legislative Changes | (\$309,220) | R |
| | \$14,679,433 | NR |
| Total Position Changes | 25.00 | |
| Revised Budget | \$199,903,476 | |

Special Provisions

2016 Session: HB 1030

Division: (4.0) Division of Social Services

Section: 12C.1

Title: **CHILD WELFARE SYSTEM CHANGES**

Summary Directs the Division of Social Services (DSS) to implement the federal Program Improvement Plan to bring North Carolina into compliance with national standards on child welfare policy and practices. DSS must submit a progress report to the Joint Legislative Oversight Committee on Health and Human Services semiannually on February 1 and August 1 of each year until the plan is fully implemented. The first report is due August 1, 2016, and the final report is due February 1, 2019.

Subsection (b) directs DSS to develop a statewide strategic plan that complements the federal Program Improvement Plan and addresses, at a minimum, findings from the State Child Protective Services evaluation. DSS must submit the plan to the Joint Legislative Oversight Committee on Health and Human Services by December 1, 2016.

Subsection (c) directs DSS to continue toward completion of the Child Protective Services (CPS) component of NC FAST, with the General Assembly's intent of having the CPS component operational by December 31, 2017. DSS must submit a report on development, implementation and outcomes to the Joint Legislative Oversight Committee on Health and Human Services quarterly beginning October 1, 2016, through February 1, 2018.

Subsection (d) amends G.S. 7B-101(3) to include under the definition of caretaker who is responsible for the health and welfare of a juvenile, a potential adoptive parent during a visit or trial placement with a juvenile in the custody of the local county department of social services.

Subsection (e) amends G.S. 7B-302 (a1)(1) to allow private child placing or adoption agencies licensed by DHHS to be able to receive information otherwise deemed confidential in order to protect a juvenile from abuse or neglect.

Subsection (f) amends G.S. 7B-401.1(h) to remove caretaker from the list of parties that may intervene in an abuse, neglect, or dependency proceeding.

Subsection (f1) amends G.S. 7B-505.1(c) to correct the reference from obtaining "consent" to obtaining "authorization" from a juvenile's parents, guardian, or custodian regarding all medical care and treatment for a juvenile.

Subsection (g) amends G.S. 7B-901(c), to require at the initial dispositional hearing, the court to conclude by compelling evidence that continuation of reunification efforts are warranted in certain circumstances.

Subsection (g1) amends G.S. 7B-906.1(d)93) to use more accurate procedural terms.

Subsection (h) amends G.S. 7B-906.2 to require that concurrent planning continues until a permanent plan has been achieved. (H.B. 1140/S.B. 885, S.B. 785)

Section: 12C.2

Title: **REVISE REPORT DATE/EBCI ASSUMPTION OF SERVICES**

Summary Amends Section 12C.10 of S.L. 2015-241, 2015 Appropriations Act, to require that when an Advance Planning Document Update (APDU) is required, the Department of Health and Human Services must submit an APDU within 30 days after approval of the State Plan amendment by the Centers for Medicare and Medicaid Services.

This provision amends the effective date of when the Eastern Band of Cherokee Indians may assume responsibility for certain services from October 1, 2016 to April 1, 2017. (H.B. 1140/S.B. 885)

Section: 12C.3

Title: **PILOT PROGRAM/INCREASE ACCESS TO PUBLIC BENEFITS FOR OLDER DUAL ELIGIBLE SENIORS**

Summary Directs DSS to establish a pilot program to increase access to the Supplemental Nutrition Assistance Program for seniors aged 65 and older who are enrolled in Medicare and Medicaid. DSS is required to partner with a not-for-profit organization to provide these services.

Subsection (b) requires DSS to report on specific criteria by February 1 following each year the program is in place to the House Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division.

Subsection (c) allows DSS to expand the pilot to other public benefits programs if funding and capacity exist. (H.B. 1140/S.B. 885)

Section: 12C.5

Title: **UPDATE DATES/TANF BENEFIT IMPLEMENTATION PLAN**

Summary Amends Section 12C.1 of S.L. 2015-241, 2015 Appropriations Act, to set an expiration date of September 30, 2016 for that section.

The section also approves the Temporary Assistance for Needy Families (TANF) 2016-2019 State plan, and designates the Electing Counties for fiscal years 2016-19.

Section: 12C.6

Title: **REPORTING REQUIREMENTS/ECKERD KIDS AND CARING FOR CHILDREN'S ANGEL WATCH PROGRAM**

Summary Requires DSS to report on the use of funds provided in the budget for expansion of the Eckerd Kids and Caring for Children's Angel Watch program pursuant to the list of items to be included in the report.

Subsection (b) requires an interim report to the House of Representatives Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division by March 1, 2017, and a final report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by September 1, 2017.

Section: 12C.7

Title: **TEMPORARY FINANCIAL ASSISTANCE FOR FACILITIES LICENSED TO ACCEPT STATE-COUNTY SPECIAL ASSISTANCE PAYMENTS**

Summary Provides temporary financial assistance for facilities licensed to accept State-County Special Assistance (SA) payments.

Subsections (a) through (d) provide temporary financial assistance of \$34 per month per resident for facilities licensed to accept SA payments for the period beginning October 1, 2016, and ending June 30, 2017. Counties are required to pay 50% of payment costs. Payments must terminate upon the earlier of June 30, 2017, or upon depletion of State and county funds allocated for this purpose.

Subsection (e) requires the Division of Social Services to report to House Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division a detailed plan for a long-term solution to ensure adequate reimbursement to facilities for serving SA recipients without increasing the Medicaid eligibility income limit for SA recipients and thereby expanding Medicaid.

Subsection (f) provides that nothing in this section shall be construed as an obligation by the General Assembly to appropriate funds for the purpose of this section, or as an entitlement for any facility or resident of a facility.

(S.L. 2016-123, Sec. 5.3, Measurability Assessments/Budget Tech. Corr., amends this section to revise the entity responsible for the report in Subsection (e) from the Division of Social Services to the Department of Health and Human Services.)

2016 Session: HB 805

Division: (4.0) Division of Social Services

Section: 5.3

Title: **TECHNICAL CHANGE: REPORTING AGENCY CORRECTION**

Summary Amends S.L. 2016-94, Sec. 12C.7.(e), 2016 Appropriations Act, to revise the agency responsible for reporting from the Division of Social Services to the Department of Health and Human Services.

**Public Health
Budget Code 14430**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|---------------|
| Requirements | \$837,742,111 |
| Receipts | \$689,443,683 |
| <hr/> | |
| Net Appropriation | \$148,298,428 |

Legislative Changes

| | |
|-------------------|--------------|
| Requirements | \$21,485,001 |
| Receipts | \$1,846,775 |
| <hr/> | |
| Net Appropriation | \$19,638,226 |

Revised Budget

| | |
|-------------------|---------------|
| Requirements | \$859,227,112 |
| Receipts | \$691,290,458 |
| <hr/> | |
| Net Appropriation | \$167,936,654 |

General Fund FTE

| | |
|----------------------------|----------|
| Enacted Budget | 1,916.11 |
| Legislative Changes | 5.00 |
| <hr/> | |
| Revised Budget | 1,921.11 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Public Health | | Enacted Budget | | | | Legislative Changes | | | | Revised Budget | | | |
|---------------------|---|----------------|---------------|--------------|-------------|---------------------|--------------|---------------|---------------|----------------|-------------|-------------------|-----|
| Budget Code 14430 | | Requirements | | Receipts | | Net Appropriation | | Requirements | | Receipts | | Net Appropriation | |
| Fund | Fund Name | Requirements | Receipts | Requirements | Receipts | Net Appropriation | Net | Requirements | Receipts | Requirements | Receipts | Requirements | Net |
| 1110 | Service Support | 18,905,855 | 9,907,433 | - | - | 8,998,422 | - | 18,905,855 | - | 18,905,855 | 9,907,433 | 8,998,422 | - |
| 1151 | Forensic Tests for Alcohol | 3,363,551 | 3,362,183 | - | - | 1,368 | - | 3,363,551 | - | 3,363,551 | 3,362,183 | 1,368 | - |
| 1152 | Asbestos and Lead-based Paint - Hazard Mgmt | 1,945,190 | 1,684,452 | - | - | 260,738 | - | 1,945,190 | - | 1,684,452 | 1,684,452 | 260,738 | - |
| 1153 | Environmental Health Regulation | 7,728,522 | 4,460,559 | - | - | 3,267,963 | - | 7,728,522 | - | 7,906,022 | 4,460,559 | 3,445,463 | - |
| 1161 | Public Health - Capacity Building | 14,733,037 | 1,692,635 | - | - | 13,040,402 | - | 177,500 | - | 16,992,635 | 1,692,635 | 27,890,402 | - |
| 1171 | State Center for Health Statistics | 5,388,639 | 2,603,972 | - | - | 2,784,667 | - | 14,850,000 | - | 5,388,639 | 2,603,972 | 2,784,667 | - |
| 1172 | Office of Chief Medical Examiner | 15,626,668 | 2,698,676 | - | - | 12,927,992 | - | - | - | 15,626,668 | 2,698,676 | 12,927,992 | - |
| 1173 | Vital Records | 5,847,760 | 3,405,752 | - | - | 2,442,008 | - | - | - | 5,847,760 | 3,405,752 | 2,442,008 | - |
| 1174 | Public Health - Lab | 24,116,316 | 20,743,824 | - | - | 3,372,492 | - | 2,511,130 | 1,400,000 | 26,627,446 | 22,143,824 | 4,483,622 | - |
| 1175 | Public Health - Surveillance | 8,997,387 | 7,029,506 | - | - | 1,967,881 | - | 188,870 | - | 9,186,257 | 7,029,506 | 2,156,751 | - |
| 1261 | Public Health - Promotion | 10,045,042 | 9,034,861 | - | - | 1,010,181 | - | - | - | 10,045,042 | 9,034,861 | 1,010,181 | - |
| 1262 | Health Disparities | 3,299,576 | 155,468 | - | - | 3,144,108 | - | 3,299,576 | - | 3,299,576 | 155,468 | 3,144,108 | - |
| 1264 | Public Health - Preparedness and Response | 10,606,362 | 8,497,854 | - | - | 2,108,508 | - | - | - | 10,606,362 | 8,497,854 | 2,108,508 | - |
| 126C | Access Outreach - Chronic Disease | 2,358,947 | 1,520,126 | - | - | 838,821 | - | 100,000 | - | 2,458,947 | 1,520,126 | 938,821 | - |
| 1271 | Children and Adult Health Prevention | 28,192,906 | 19,123,767 | - | - | 9,069,139 | - | 305,825 | 305,825 | 28,498,731 | 19,429,592 | 9,069,139 | - |
| 1272 | Child and Adult Nutrition Services | 98,416,088 | 98,415,781 | - | - | 307 | - | - | - | 98,416,088 | 98,415,781 | 307 | - |
| 1273 | Race to the Top - Early Learning Challenge | 2,458,334 | 2,458,334 | - | - | - | - | - | - | 2,458,334 | 2,458,334 | - | - |
| 1311 | HIV/STD Prevention Activities | 19,601,354 | 15,552,678 | - | - | 4,048,676 | - | 19,601,354 | - | 15,552,678 | 4,048,676 | - | - |
| 1312 | Medical Evaluation and Risk Assessment | 1,143,785 | 554,356 | - | - | 589,429 | - | - | - | 1,143,785 | 554,356 | 589,429 | - |
| 1313 | Wisewoman | 1,137,191 | 1,137,191 | - | - | - | - | 1,137,191 | - | 1,137,191 | - | - | - |
| 1320 | Breast and Cervical Cancer Control | 4,756,984 | 3,149,626 | - | - | 1,607,358 | - | 4,756,984 | - | 3,149,626 | 1,607,358 | - | - |
| 1331 | Immunization | 8,535,912 | 7,403,221 | - | - | 1,132,691 | - | 8,535,912 | - | 7,403,221 | 1,132,691 | - | - |
| 1332 | Children's Health Services | 26,263,397 | 8,160,793 | - | - | 18,102,604 | - | - | - | 26,263,397 | 8,160,793 | 18,102,604 | - |
| 1370 | Refugee Health Assessment | 373,718 | 373,718 | - | - | - | - | 373,718 | - | 373,718 | - | - | - |
| 13A1 | Maternal and Infant Health | 53,799,323 | 41,358,120 | - | - | 12,441,203 | - | 791,772 | 41,772 | 54,591,095 | 41,399,892 | 13,191,203 | - |
| 13A2 | Women, Infants and Children (WIC) | 296,330,121 | 295,972,660 | - | - | 357,461 | - | - | - | 296,330,121 | 295,972,660 | 357,461 | - |
| 13B0 | Oral Health Preventive Services | 4,540,573 | 1,508,668 | - | - | 3,031,915 | - | - | - | 4,540,573 | 1,508,668 | 3,031,915 | - |
| 1421 | Sickle Cell Adult Treatment | 1,594,827 | 545,678 | - | - | 1,049,149 | - | - | - | 1,594,827 | 545,678 | 1,049,149 | - |
| 1441 | Early Intervention | 67,563,697 | 46,446,740 | - | - | 21,116,957 | - | - | (1,250,000) | 67,563,697 | 45,196,740 | 22,366,957 | - |
| 1460 | Communicable Disease (HIV/AIDS and TB) | 77,403,768 | 60,423,621 | - | - | 16,980,147 | - | - | - | 77,403,768 | 60,423,621 | 16,980,147 | - |
| 14A0 | Sickle Cell Support - Children | 2,949,668 | 343,817 | - | - | 2,605,841 | - | - | - | 2,949,668 | 343,817 | 2,605,841 | - |
| 1910 | Reserves and Transfers | - | - | - | - | - | - | - | - | - | - | - | - |
| 1991 | Federal Indirect Reserve | 2,280,159 | 2,280,159 | - | - | - | - | 2,280,159 | - | 2,280,159 | - | - | - |
| 1992 | Prior Year - Earned Revenue | 7,437,464 | 7,437,464 | - | - | - | - | 7,437,464 | - | 7,437,464 | - | - | - |
| Division-wide Items | | | | | | | | | | | | | |
| N/A | Preventative Health Block Grant | - | - | 44,477 | 44,477 | - | - | - | - | 44,477 | 44,477 | - | - |
| N/A | Substance Abuse Block Grant | - | - | 658,156 | 658,156 | - | - | 658,156 | - | 658,156 | 658,156 | - | - |
| N/A | Maternal Health Block Grant | - | - | 646,545 | 646,545 | - | - | 646,545 | - | 646,545 | 646,545 | - | - |
| N/A | Reserve for Compensation Increase | - | - | 913,561 | N/A | - | 913,561 | 913,561 | N/A | 913,561 | N/A | 913,561 | - |
| N/A | Reserve for Retirement Contributions | - | - | 297,165 | N/A | - | 297,165 | 297,165 | N/A | 297,165 | N/A | 297,165 | - |
| Total | | \$837,742,111 | \$689,443,683 | \$21,485,001 | \$1,846,775 | \$148,298,428 | \$19,638,226 | \$859,227,112 | \$691,290,458 | \$167,936,654 | | | |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Public Health | | | | | |
|--------------------------|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14430 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 124.00 | - | - | 124.00 |
| 1151 | Forensic Tests for Alcohol | 29.00 | - | - | 29.00 |
| 1152 | Asbestos and Lead-based Paint - Hazard Mgmt | 23.00 | - | - | 23.00 |
| 1153 | Environmental Health Regulation | 57.00 | - | - | 57.00 |
| 1161 | Public Health - Capacity Building | 27.00 | - | - | 27.00 |
| 1171 | State Center for Health Statistics | 56.50 | - | - | 56.50 |
| 1172 | Office of Chief Medical Examiner | 52.50 | - | - | 52.50 |
| 1173 | Vital Records | 71.00 | - | - | 71.00 |
| 1174 | Public Health - Lab | 219.00 | 1.00 | - | 220.00 |
| 1175 | Public Health - Surveillance | 33.00 | 2.00 | - | 35.00 |
| 1261 | Public Health - Promotion | 14.00 | - | - | 14.00 |
| 1262 | Health Disparities | 5.50 | - | - | 5.50 |
| 1264 | Public Health - Preparedness and Response | 36.00 | - | - | 36.00 |
| 126C | Access Outreach - Chronic Disease | 14.90 | - | - | 14.90 |
| 1271 | Children and Adult Health Prevention | 55.75 | - | 1.00 | 56.75 |
| 1272 | Child and Adult Nutrition Services | 27.00 | - | - | 27.00 |
| 1273 | Race to the Top - Early Learning Challenge | - | - | - | - |
| 1311 | HIV/STD Prevention Activities | 117.00 | - | - | 117.00 |
| 1312 | Medical Evaluation and Risk Assessment | 11.00 | - | - | 11.00 |
| 1313 | Wisewoman | 5.01 | - | - | 5.01 |
| 1320 | Breast and Cervical Cancer Control | 10.01 | - | - | 10.01 |
| 1331 | Immunization | 50.00 | - | - | 50.00 |
| 1332 | Children's Health Services | 35.87 | - | - | 35.87 |
| 1370 | Refugee Health Assessment | 1.00 | - | - | 1.00 |
| 13A1 | Maternal and Infant Health | 38.00 | - | 1.00 | 39.00 |
| 13A2 | Women, Infants and Children (WIC) | 44.00 | - | - | 44.00 |
| 13B0 | Oral Health Preventive Services | 36.00 | - | - | 36.00 |
| 1421 | Sickle Cell Adult Treatment | 3.00 | - | - | 3.00 |
| 1441 | Early Intervention | 669.08 | - | - | 669.08 |
| 1460 | Communicable Disease (HIV/AIDS and TB) | 42.00 | - | - | 42.00 |
| 14A0 | Sickle Cell Support - Children | 9.00 | - | - | 9.00 |
| 1910 | Reserves and Transfers | - | - | - | - |
| 1991 | Federal Indirect Reserve | - | - | - | - |
| 1992 | Prior Year - Earned Revenue | - | - | - | - |
| | | | | | |
| Total FTE | | 1,916.11 | 3.00 | 2.00 | 1,921.11 |

2016 Annotated Conference Committee Report

Health and Human Services

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 16-17 |
|----------|

Total Budget Enacted 2015 Session

\$148,298,428

Legislative Changes

(5.0) Division of Public Health

| | | |
|---|-----------|----|
| 47 Compensation Increase Reserve | \$685,171 | R |
| Fund Code: N/A | \$228,390 | NR |

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S.L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

| | | |
|--|-----------|----|
| 48 State Retirement Contributions | \$118,866 | R |
| Fund Code: N/A | \$178,299 | NR |

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

| | | |
|-----------------------------|-------------|----|
| 49 Quitline Receipts | | |
| Fund Code: 1271 | (\$250,000) | NR |

Reduces funding for the Quitline, a smoking cessation intervention. The revised net appropriation for Children and Adult Health Prevention is \$8.1 million.

| | | |
|--|-------------|---|
| 50 State Public Health Laboratory | \$1,000,000 | R |
| Fund Code: 1174 | | |

Provides funds to the State Public Health Laboratory to partially offset increased newborn screening costs and decreased Medicaid receipts. The revised net appropriation from all actions in this report for the State Public Health Laboratory is \$4.3 million. (H.B. 1140/S.B. 885)

51 Newborn Screening Fees**Fund Code:** 1174

Budgets increased requirements and receipts associated with newborn screening tests performed by the State Public Health Laboratory. New requirements increased the screening cost from \$19 to \$44 per infant. The newborn screening fee increases from \$24 to \$44, generating \$2.4 million to offset those increased costs. The revised net appropriation from all actions in this report for the State Public Health Laboratory is \$4.3 million. (S.L. 2016-94, Sec. 12E.5)

52 Children's Developmental Services Agencies (CDSAs)**Fund Code:** 1441

\$1,250,000 NR

Provides funds to the CDSAs to partially offset the anticipated decrease in FY 2016-17 Medicaid receipts. The revised net appropriation for the CDSAs is \$23.6 million. (H.B. 1140/S.B. 885)

53 Local Health Departments**Fund Code:** 1161

\$14,800,000 NR

Provides funds to support local health departments and minimize the impact of reduced Medicaid reimbursement rates on the delivery of direct patient services. The revised net appropriation from all actions in this report for Fund 1161 Public Health Capacity Building is \$27.9 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12E.6)

54 Public Health Alliance of Cabarrus County**Fund Code:** 1161

\$50,000 NR

Provides funds for the Public Health Alliance of Cabarrus County. The revised net appropriation from all actions in this report for Fund Code 1161 Public Health Capacity Building is \$27.9 million.

(S.L. 2016-123, Sec. 5.6, Measurability Assessment/Budget Tech. Corr., amends this item to correct the name to Public Health Authority of Cabarrus County.)

55 Nurse Family Partnership Program**Fund Code:** 13A1

\$400,000 NR

Provides funds to expand the Nurse Family Partnership Program home visiting services in the State. The revised net appropriation from all actions in this report for the Maternal and Infant Health Section is \$9.7 million.

56 Zika Prevention and Detection**Fund Code:** 1153, 1174, 1175

\$477,500 R

Provides funds to develop an infrastructure to detect, prevent, control and respond to the Zika virus and other vector-borne illnesses. The Division of Public Health (DPH) will use the funds to establish 3 positions and to provide \$177,500 in aid to counties statewide. The revised net appropriation for the Zika infrastructure is \$477,500. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12E.4)

3.00

57 You Quit Two Quit Smoking Cessation Program**Fund Code:** 1271

\$250,000 NR

Provides funds for You Quit Two Quit, a smoking prevention and cessation program for pregnant and postpartum women and mothers. The revised net appropriation for Children and Adult Health Prevention is \$8.3 million.

58 Best Start Program**Fund Code:** 13A1

\$250,000 NR

Provides funds for Union County Public Schools to support and enhance the Best Start Program. All funds for this purpose shall be disbursed prior to June 30, 2017. The revised net appropriation for the Best Start Program is \$250,000.

59 Salem Pregnancy Care Center**Fund Code:** 13A1

\$50,000 NR

Provides funds for the Salem Pregnancy Care Center located in Winston-Salem. The revised net appropriation from all actions in this report for the Maternal and Infant Health Section is \$9.7 million.

60 New Hope Pregnancy Center**Fund Code:** 13A1

\$50,000 NR

Provides funds for the New Hope Pregnancy Center located in Yadkinville. The revised net appropriation from all actions in this report for the Maternal and Infant Health Section is \$9.7 million.

61 Ocular Melanoma Grant**Fund Code:** 126C

\$100,000 NR

Provides funds to the City of Huntersville to address the ocular melanoma cluster. The revised net appropriation for Fund Code 126C Access - Out Reach Chronic Disease is \$938,821.

62 Infant Mortality**Fund Code:** 1271, 13A1

Establishes 2 receipt-supported positions to support efforts to reduce infant mortality. This action has no impact on the net appropriation for maternal and infant health activities. The combined net appropriation for Fund Codes 1271 and 13A1 is \$21.5 million.

Fund 1271: Epidemiologist, PG 73 \$75,000
 Fund 13A1: PH Program Manager, PG 76 \$55,000

(H.B. 1140/S.B. 885)

63 Preventive Health Services Block Grant**Fund Code:** N/A

Budgets additional federal Preventative Health Services Block Grant (PHSBG) receipts in the amount of \$44,477. The revised federal PHSBG receipts for DPH are \$5.0 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

64 Maternal and Child Health Block Grant**Fund Code:** N/A

Budgets additional federal Maternal and Child Health Block Grant (MCHBG) receipts in the amount of \$646,545. The revised federal MCHBG receipts for DPH are \$18.6 million. (H.B. 1145/S.B. 885; S.L. 2016-94, Sec. 12K.1)

| | | |
|----------------------------------|----------------------|-----------|
| Total Legislative Changes | \$2,281,537 | R |
| | \$17,356,689 | NR |
| Total Position Changes | 3.00 | |
| Revised Budget | \$167,936,654 | |

Special Provisions

2016 Session: HB 1030

Division: (5.0) Division of Public Health

Section: 12E.1

Title: **USE OF AIDS DRUG ASSISTANCE PROGRAM (ADAP) FUNDS TO PURCHASE HEALTH INSURANCE**

Summary Directs the Department of Health and Human Services (DHHS) to create within ADAP a health insurance premium assistance program that uses federal Ryan White and ADAP funds to pay for private health insurance coverage, including premiums, co-payments, and deductibles for eligible program participants.

Subsection (b) requires DHHS to submit a report by March 1, 2017 to the House Appropriations Committee on Health and Human Services, the Senate Appropriations Committees on Health and Human Services, and the Fiscal Research Division on the operation of the program, including any obstacles to implementation.

Section: 12E.2

Title: **HEALTHY OUT-OF-SCHOOL TIME (HOST) RECOGNITION PROGRAM**

Summary Establishes the HOST Program to be administered by the Division of Public Health (DPH) in collaboration with the NC Center for Afterschool Programs.

Subsection (b) establishes program definitions.

Subsection (c) directs DPH to develop and administer a web-based process for out-of-school programs to gain recognition as a program that meets the National Institute on Out-of-School Time Healthy Eating and Physical Activity (HEPA) standards.

Subsection (d) directs DPH to provide a certificate to out-of-school time programs that demonstrate they meet the HEPA standards.

Subsection (e) directs that the certificates shall be valid for one calendar year and that programs must continue to meet HOST criteria to receive a new certificate.

Subsection (f) directs DPH to maintain and update a list of qualified out-of-school programs that meet HOST criteria and to post the list online.

Subsection (g) directs that this section is subject to the availability of funds for this purpose.

(S.L. 2016-123, Sec. 5.10, Measurability Assessments/Budget Tech. Corr., amends Sec. 12E.2 to repeal subsection (g).)

Section: 12E.3

Title: **FUNDING FOR THE ELIMINATION OF HEALTH DISPARITIES**

Summary Directs that the Office of Minority Health (OMH) shall not award any new Community-Focused Eliminating Health Disparities Initiative grants after June 30, 2016.

Subsection (b) directs OMH to terminate all existing Community-Focused Eliminating Health Disparities Initiative (CFEHDI) grants by September 30, 2016.

Subsection (c) repeals S.L. 2015-241, Sec. 12E.3, the CFEHDI authorizing language, effective October 1, 2016.

Subsection (d) directs OMH to use FY 2016-17 program funds to establish and implement, in consultation with the Chronic Disease and Injury Prevention Section, an evidence-based diabetes program targeting minority populations.

Section: 12E.4

Title: **VECTOR SURVEILLANCE PROGRAM**

Summary Defines the term “vector” in subsection (a).

Subsection (b) directs the Division of Public Health to establish and administer a vector surveillance program to protect the public health.

Subsection (c) authorizes the Commission for Public Health to adopt rules necessary to implement the vector surveillance program. (H.B. 1140/S.B. 885)

Section: 12E.5

Title: **INCREASED FEE FOR NEWBORN SCREENING PROGRAM**

Summary Revises G.S. 130A-125(c) to increase the newborn screening fee from \$24 to \$44. The increased fee applies to newborn screening tests performed when S.L. 2016-94 became law.

Section: 12E.6

Title: **ALLOCATION OF FUNDS FOR SHORTFALLS IN LOCAL HEALTH DEPARTMENTS**

Summary Directs, in subsection (a), DPH to allocate funding to local health departments subjected to reduced Medicaid rates, in a manner that minimizes the impact on direct service delivery.

Subsection (b) requires DPH to report by February 1, 2017 to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on a proposal for resolving local health department funding shortfalls attributed to Medicaid rate adjustments. (H.B. 1140/S.B. 885)

2016 Session: HB 805

Division: (5.0) Division of Public Health

Section: 5.6

Title: **TECHNICAL CORRECTION: PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY**

Summary Corrects a reference in the Conference Committee Report to direct that the \$50,000 appropriated for the Public Health Alliance of Cabarrus County is to be provided to the Public Health Authority of Cabarrus County.

Section: 5.8

Title: **TECHNICAL CORRECTION: EARLY INTERVENTION SERVICES**

Summary Amends G.S. 143B-139.6A to direct the early intervention system to add the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf as agencies included on any permission-to-release form provided to parents for contact regarding services.

Section: 5.10

Title: **TECHNICAL CORRECTION: HOST PROGRAM**

Summary Amends S.L. 2016-94, Sec. 12E.2, 2016 Appropriations Act, to repeal subsection (g) which directed that implementation of the Healthy-Out-of-School Time Program is subject to the availability of funds for that purpose.

Mental Health/Developmental Disabilities/Substance Abuse Services
Budget Code 14460

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|-----------------|
| Requirements | \$1,266,437,595 |
| Receipts | \$728,576,287 |
| Net Appropriation | \$537,861,308 |

Legislative Changes

| | |
|-------------------|--------------|
| Requirements | \$24,532,762 |
| Receipts | (\$641,054) |
| Net Appropriation | \$25,173,816 |

Revised Budget

| | |
|-------------------|-----------------|
| Requirements | \$1,290,970,357 |
| Receipts | \$727,935,233 |
| Net Appropriation | \$563,035,124 |

General Fund FTE

| | |
|----------------------------|-----------|
| Enacted Budget | 11,330.58 |
| Legislative Changes | 0.00 |
| Revised Budget | 11,330.58 |

Summary of General Fund Appropriations Fiscal Year 2016-17 2016 Legislative Session

| Mental Health/Developmental Disabilities/Substance Abuse Services | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|---|---|------------------------|----------------------|----------------------|---------------------|--------------------|---------------------|------------------------|----------------------|----------------------|
| Budget Code | Fund Name | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| 1110 | Service Support | 24,160,243 | 10,248,243 | 13,912,000 | 1,628,400 | - | 1,628,400 | 25,788,643 | 10,248,243 | 15,540,400 |
| 1160 | MH/DD/SA Workforce Development | 1,373,541 | 1,308,196 | 65,345 | - | - | - | 1,373,541 | 1,308,196 | 65,345 |
| 1262 | Enforce Underage Drinking Laws | 598,099 | 598,099 | - | - | - | - | 598,099 | 598,099 | - |
| 1271 | General SA Prevention - Quality Improvement | 8,099,502 | 8,099,502 | - | - | - | - | 8,099,502 | 8,099,502 | - |
| 1332 | Targeted Substance Abuse Prevention | 362,809 | 362,809 | - | - | - | - | 362,809 | 362,809 | - |
| 1422 | Community Services - Single Stream Funding | 217,703,924 | - | 217,703,924 | - | - | - | 217,703,924 | - | 217,703,924 |
| 1442 | Community Substance Abuse Services - Child | 5,741,428 | 5,741,428 | - | - | - | - | 5,741,428 | 5,741,428 | - |
| 1443 | Community Services - Riddle Center - FIPP | 1,850,684 | 1,846,176 | 4,508 | - | - | - | 1,850,684 | 1,846,176 | 4,508 |
| 1444 | Community Mental Health Services - Child | 6,661,091 | 4,314,734 | 2,346,357 | - | - | - | 6,661,091 | 4,314,734 | 2,346,357 |
| 1445 | Community Developmental Disability Services - Child | 205,034 | - | 205,034 | - | - | - | 205,034 | - | 205,034 |
| 1451 | Community Services - Traumatic Brain Injury | 570,420 | 211,202 | 359,218 | - | - | - | 570,420 | 211,202 | 359,218 |
| 1452 | Path Homelessness | 1,134,000 | 1,134,000 | - | - | - | - | 1,134,000 | 1,134,000 | - |
| 1461 | Community Mental Health Services - Adult | 13,643,207 | 13,279,515 | 363,692 | - | - | - | 13,643,207 | 13,279,515 | 363,692 |
| 1462 | Community Developmental Disability Services - Adult | 2,232,173 | 1,461,980 | 770,193 | - | - | - | 2,232,173 | 1,461,980 | 770,193 |
| 1463 | Community Substance Abuse Services - Adult | 36,428,966 | 33,897,176 | 2,531,790 | - | - | - | 36,428,966 | 33,897,176 | 2,531,790 |
| 1464 | Community Crisis Services | 40,585,394 | - | 40,585,394 | - | - | - | 40,585,394 | - | 40,585,394 |
| 1541 | Broughton Hospital - Child | 4,930,691 | 373,361 | 4,557,330 | - | - | - | 4,930,691 | 373,361 | 4,557,330 |
| 1542 | Cherry Hospital - Child | 3,783,839 | 401,922 | 3,381,917 | - | - | - | 3,783,839 | 401,922 | 3,381,917 |
| 1543 | Central Regional Hospital - Child | 13,489,097 | 2,094,356 | 11,394,741 | - | - | - | 13,489,097 | 2,094,356 | 11,394,741 |
| 1545 | Murdoch Developmental Center - Child | 7,870,101 | 7,865,189 | 4,912 | - | - | - | 7,870,101 | 7,865,189 | 4,912 |
| 1546 | Wright School - Child | 2,843,237 | 14,078 | 2,829,159 | - | - | - | 2,843,237 | 14,078 | 2,829,159 |
| 1561 | Broughton Hospital - Adult | 126,582,055 | 66,503,678 | 60,078,377 | 500,000 | - | 500,000 | 127,082,055 | 66,503,678 | 60,578,377 |
| 1562 | Cherry Hospital - Adult | 137,565,329 | 64,334,960 | 73,230,369 | (4,235,495) | (1,235,495) | (3,000,000) | 133,329,834 | 63,099,465 | 70,230,369 |
| 1563 | Central Regional Hospital - Adult | 208,284,481 | 114,754,445 | 93,530,036 | - | - | - | 208,284,481 | 114,754,445 | 93,530,036 |
| 1565 | Caswell Developmental Center - Adult | 88,197,188 | 87,088,168 | 1,109,020 | - | - | - | 88,197,188 | 87,088,168 | 1,109,020 |
| 1566 | Murdoch Developmental Center - Adult | 91,441,557 | 90,209,358 | 1,232,199 | - | - | - | 91,441,557 | 90,209,358 | 1,232,199 |
| 1567 | J Iverson Riddle Developmental Center - Adult | 58,478,640 | 57,335,156 | 1,143,484 | - | - | - | 58,478,640 | 57,335,156 | 1,143,484 |
| 156A | Longleaf Neuro-Medical Treatment Center - Adult | 33,304,780 | 29,562,465 | 3,742,315 | - | - | - | 33,304,780 | 29,562,465 | 3,742,315 |
| 156B | Black Mountain Neuro-Medical Treatment Center - Adult | 26,546,183 | 25,337,529 | 1,208,654 | - | - | - | 26,546,183 | 25,337,529 | 1,208,654 |
| 156C | O'Berry Neuro-Medical Treatment Center - Adult | 54,366,372 | 53,777,014 | 589,358 | - | - | - | 54,366,372 | 53,777,014 | 589,358 |
| 156D | Julian F Keith ADATC - Adult | 15,169,777 | 15,169,777 | - | - | - | - | 15,169,777 | 15,169,777 | - |
| 156E | RJ Blackley ADATC - Adult | 14,863,927 | 14,863,927 | - | - | - | - | 14,863,927 | 14,863,927 | - |
| 156F | Walter B Jones ADATC - Adult | 13,138,115 | 13,138,115 | - | - | - | - | 13,138,115 | 13,138,115 | - |
| 1910 | Reserves and Transfers | 4,181,982 | 3,200,000 | 981,982 | 20,000,000 | - | 20,000,000 | 24,181,982 | 3,200,000 | 20,981,982 |
| 1992 | Prior Year - Earned Revenue | 49,729 | 49,729 | - | - | - | - | 49,729 | 49,729 | - |
| Division-wide Items | | | | | | | | | | |
| N/A | Mental Health Block Grant | - | - | (63,715) | (63,715) | (63,715) | - | (63,715) | (63,715) | - |
| N/A | Substance Abuse Block Grant | - | - | 658,156 | 658,156 | 658,156 | - | 658,156 | 658,156 | - |
| N/A | Reserve for Compensation Increase | - | - | - | 4,585,276 | N/A | 4,585,276 | 4,585,276 | N/A | 4,585,276 |
| N/A | Reserve for Retirement Contributions | - | - | - | 1,460,140 | N/A | 1,460,140 | 1,460,140 | N/A | 1,460,140 |
| N/A | Reserve for State Health Plan Contributions | - | - | - | - | - | - | - | - | - |
| Total | | \$1,266,437,595 | \$728,576,287 | \$537,861,308 | \$24,532,762 | (\$641,054) | \$25,173,816 | \$1,290,970,357 | \$727,935,233 | \$563,035,124 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Mental Health/Developmental Disabilities/Substance Abuse Services | | | | | |
|--|--|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14460 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 197.00 | - | - | 197.00 |
| 1443 | Community Services - Riddle Center - FIPP | 25.00 | - | - | 25.00 |
| 1541 | Broughton Hospital - Child | 90.00 | - | - | 90.00 |
| 1542 | Cherry Hospital - Child | 61.00 | - | - | 61.00 |
| 1543 | Central Regional Hospital - Child | 214.00 | - | - | 214.00 |
| 1545 | Murdoch Developmental Center - Child | 159.00 | - | - | 159.00 |
| 1546 | Wright School - Child | 38.66 | - | - | 38.66 |
| 1561 | Broughton Hospital - Adult | 1,238.50 | - | - | 1,238.50 |
| 1562 | Cherry Hospital - Adult | 1,300.60 | - | - | 1,300.60 |
| 1563 | Central Regional Hospital - Adult | 1,799.12 | - | - | 1,799.12 |
| 1565 | Caswell Developmental Center - Adult | 1,442.50 | - | - | 1,442.50 |
| 1566 | Murdoch Developmental Center - Adult | 1,494.00 | - | - | 1,494.00 |
| 1567 | J Iverson Riddle Developmental Center - Adult | 944.75 | - | - | 944.75 |
| 156A | Longleaf Neuro-Medical Treatment Center - Adult | 486.80 | - | - | 486.80 |
| 156B | Black Mountain Neuro-Medical Treatment Center - Ad | 449.00 | - | - | 449.00 |
| 156C | O'Berry Neuro-Medical Treatment Center - Adult | 881.27 | - | - | 881.27 |
| 156D | Julian F Keith ADATC - Adult | 198.88 | - | - | 198.88 |
| 156E | RJ Blackley ADATC - Adult | 155.00 | - | - | 155.00 |
| 156F | Walter B Jones ADATC - Adult | 155.50 | - | - | 155.50 |
| 1910 | Reserves and Transfers | - | - | - | - |
| 1992 | Prior Year - Earned Revenue | - | - | - | - |
| | | | | | |
| Total FTE | | 11,330.58 | - | - | 11,330.58 |

Health and Human Services

GENERAL FUND

FY 16-17

Total Budget Enacted 2015 Session

\$537,861,308

Legislative Changes

(6.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

| | | |
|---|-------------|----|
| 65 Compensation Increase Reserve | \$3,476,856 | R |
| Fund Code: N/A | \$1,108,420 | NR |

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. In addition, funds are provided for salary increases for State agency teachers who are paid in accordance with the Statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S.L. 2016-94, Secs. 36.1A, 36.12, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

| | | |
|--|-----------|----|
| 66 State Retirement Contributions | \$584,056 | R |
| Fund Code: N/A | \$876,084 | NR |

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

| | | |
|---|---------------|----|
| 67 Cherry Hospital Operating Costs | | |
| Fund Code: 1562 | (\$3,000,000) | NR |

Reduces funding previously budgeted to meet Cherry Hospital's expanded bed capacity. S.L. 2012-142 appropriated \$3.5 million in recurring funds for 373 additional positions to staff the expanded operating capacity at the Cherry Hospital replacement facility originally scheduled to open in April 2013. The FY 2013-14 base budget included \$9.6 million recurring for the annualized General Fund cost of the new positions. Due to construction and other delays, the replacement facility is now scheduled to open in September 2016. Only 25 of the 100 additional beds will go online at that time. The revised net appropriation for Cherry Hospital is \$73.7 million.

68 Broughton Hospital Maintenance**Fund Code:** 1561

\$500,000 NR

Provides funding for Broughton Hospital maintenance. The revised net appropriation for Broughton Hospital is \$60.6 million.

69 Controlled Substance Reporting System**Fund Code:** 1110

\$375,000 R

\$1,253,400 NR

Provides funding to develop software and upgrade the Controlled Substance Reporting System (CSRS) as follows:

\$600,000 nonrecurring shall be used to upgrade the CSRS database to meet the most current architecture standards of the American Society for Automation in Pharmacy and Prescription Monitoring Information Exchange,

\$375,000 recurring and \$653,400 nonrecurring shall be used to develop and implement software for the performance of advanced analytics within the CSRS

The revised net appropriation for Fund 1110 Service Support is \$15.5 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec.12F.7)

70 Governor's Task Force Recommendations**Fund Code:** 1910

\$10,000,000 R

\$10,000,000 NR

Reserves funding to implement the recommendations of the Governor's Task Force on Mental Health and Substance Use. The funds shall be held in the Mental Health and Substance Use Task Force Reserve Fund, shall not revert, and shall remain available until expended. Monies may only be expended with the prior approval of the Office of State Budget and Management and a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. The revised net appropriation for the Mental Health and Substance Use Task Force Reserve Fund is \$20.0 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12F.3)

71 Substance Abuse Prevention and Treatment Block Grant**Fund Code:** N/A

Budgets additional federal Substance Abuse Prevention and Treatment Block Grant (SAPTBG) receipts in the amount of \$658,156. The revised federal SAPTBG receipts for the Division are \$45.1 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

72 Mental Health Block Grant**Fund Code:** N/A

Budgets a reduction in federal Mental Health Block Grant (MHBG) receipts in the amount of \$63,715. The revised federal MHBG receipts are \$16.9 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12K.1)

| | | |
|----------------------------------|----------------------|-----------|
| Total Legislative Changes | \$14,435,912 | R |
| | \$10,737,904 | NR |
| Total Position Changes | | |
| Revised Budget | \$563,035,124 | |

DHHS - DMH/DD/SAS - Special

Budget Code: 24460

| | FY 2016-17 |
|--|--------------------|
| Beginning Unreserved Fund Balance | \$1,000,000 |
| Recommended Budget | |
| Requirements | \$1,000,000 |
| Receipts | \$1,000,000 |
| Positions | 1.49 |

Legislative Changes**Requirements:****Child Facility-Based Crisis Centers**

Provides funds to the Department of Health and Human Services, Budget Code 24460, for start-up costs (renovation or construction) to establish up to 2 new child facility-based crisis centers. Funds will be awarded on a competitive basis. The Department shall establish a process for applying for these grants, criteria for evaluating applications, and a process for allocating grants. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12F.4)

\$0 R
\$2,000,000 NR
0.00

Inpatient Behavioral Health Beds

Transfers funds to the Department of Health and Human Services, Budget Code 24460, for the purpose of expanding inpatient capacity in rural areas near counties with limited inpatient capacity relative to their needs through constructing new beds or renovating existing beds to form new inpatient psychiatric units. Beds constructed or converted with these funds shall be named in honor of Dorothea Dix. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12F.4)

\$0 R
\$18,000,000 NR
0.00

FY 2016-17

Mental Health and Substance Use Task Force Reserve

\$10,000,000 R

Reserves funding to implement the recommendations of the Governor's Task Force on Mental Health and Substance Use. The funds shall be held in the Mental Health and Substance Use Task Force Reserve Fund, shall not revert, and shall remain available until expended. Monies may only be expended with the prior approval of the Office of State Budget and Management and a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. The revised net appropriation for the Mental Health and Substance Use Task Force Reserve Fund is \$20.0 million. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12F.3)

\$10,000,000 NR
0.00

Subtotal Legislative Changes

\$10,000,000 R
\$30,000,000 NR
0.00

Receipts:

Child Facility-Based Crisis Centers

\$0 R
\$2,000,000 NR

Inpatient Behavioral Health Beds

\$0 R
\$18,000,000 NR

Mental Health and Substance Use Task Force Reserve

\$10,000,000 R
\$10,000,000 NR

Subtotal Legislative Changes

\$10,000,000 R
\$30,000,000 NR

FY 2016-17

| | |
|-----------------------------------|---------------------|
| Revised Total Requirements | \$41,000,000 |
| Revised Total Receipts | \$41,000,000 |
| Change in Fund Balance | \$0 |
| Total Positions | 1.49 |

| | |
|---|--------------------|
| Unappropriated Balance Remaining | \$1,000,000 |
|---|--------------------|

Special Provisions

2016 Session: HB 1030

Division: (6.0) Division of Mental Health, Developmental Disabilities, and Substance Abuse Services

Section: 12F.1

Title: **MEDICATION-ASSISTED OPIOID USE DISORDER TREATMENT PILOT PROGRAM**

Summary Directs the Department of Health and Human Services (DHHS) to oversee a 3-year pilot program administered through designated federally qualified health centers (FQHCs) to address the State's growing opioid addiction and overdose crisis. The program will study the effectiveness of combining behavioral therapy with an injectable form of naltrexone (opioid antagonist) for the prevention of relapse to opioid dependence.

Subsection (a) establishes the pilot program definitions.

Subsection (b) directs DHHS to administer the pilot program through designated FQHCs and to collaborate with the NC Institute of Medicine or other qualified entity to determine the number of program participants and randomized control group members needed to ensure sufficient statistical significance of any findings about the effectiveness of the pilot.

Subsection (c) requires DHHS to select 3 to 5 FQHCs located in different parts of the State to participate, giving priority to those that have received federal grant funds to expand substance abuse services to include the use of medication-assisted treatment of opioid disorders.

Subsection (d) directs DHHS to develop a methodology for selecting program participants and randomized control group members, which may include individuals referred from local criminal justice agencies.

Subsection (e) establishes the treatment standards and requires each participating FQHC to sign a participation agreement to adhere to all of the treatment standards.

Subsection (f) requires DHHS to develop, within 60 days after the effective date of this section, a standardized methodology for FQHCs to collect and report pilot program data annually to the Department.

Subsection (g) directs DHHS to conduct and submit to the Joint Legislative Oversight Committee on Health and Human Services a comprehensive evaluation on the effectiveness of the pilot program by November 1, 2020.

Subsection (h) directs that the pilot program at each designated FQHC shall expire no later than 3 years after the date of its commencement.

Subsection (i) provides \$500,000 from the federal Substance Abuse Prevention and Treatment Block Grant to be allocated to the designated FQHCs to offset the cost of the pilot program services.

Subsection (j) directs that with the exception of subsection (i), this section becomes effective when it becomes law. Subsection (i) becomes effective July 1, 2016.

Section: 12F.3

Title: **RESERVE FUND FOR GOVERNOR'S MENTAL HEALTH AND SUBSTANCE USE TASK FORCE RECOMMENDATIONS**

Summary Establishes the Mental Health and Substance Use Task Force Reserve Fund and directs that money in the Fund shall not revert at the end of the fiscal year. Reserve funds may only be expended to implement the Governor's Task Force recommendations upon the fulfillment of 2 conditions: (1) prior approval by the Office of State Budget and Management (OSBM) of a detailed implementation plan with key milestones and due dates, and (2) within 10 days after obtaining OSBM approval, a report to the Joint Legislative Oversight Committee on Health and Human Services. (H.B. 1140/S.B. 885)

Section: 12F.4

Title: **USE OF DOROTHEA DIX HOSPITAL PROPERTY FUNDS**

Summary Directs the use of \$20 million appropriated from the Dorothea Dix Hospital Property Fund to construct new, or convert existing, acute hospital beds into licensed, short-term inpatient behavioral health beds and to establish up to 2 new facility-based crisis centers for children and adolescents.

Subsection (a) requires \$18 million be used for constructing new, or converting existing, beds into licensed, short-term inpatient behavioral health beds.

Subsection (b) directs the DHHS Secretary to select hospitals in the 3 State regions for institutional services (Eastern Region, Central Region, and Western Region) to receive the funds.

Subsection (c) requires the hospitals selected to receive these funds to have a total inventory of at least 18 licensed and operational short-term inpatient behavioral health beds within the 3-year period following approval of the licensure request.

Subsection (d) directs DHHS to report annually beginning November 1, 2017 to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the number and location of additional licensed, short-term, inpatient behavioral health beds brought into operation with these funds.

Subsection (e) requires \$2 million be awarded through a competitive grant process to establish up to 2 new facility-based crisis centers for children and adolescents.

(H.B. 1140/S.B. 885)

Section: 12F.5

Title: **TRAUMATIC BRAIN INJURY FUNDING**

Summary Directs that \$2.4 million of the funds appropriated to DMH/DD/SAS be used exclusively to serve and assist individuals with traumatic brain injury.

Section: 12F.6

Title: **IMPROVE CONTROLLED SUBSTANCES REPORTING SYSTEM ACCESS AND UTILIZATION**

Summary Amends G.S. 90-113.74 to require DHHS to purge data more than 6 years old from the Controlled Substance Reporting System on a quarterly basis. The purged data must be maintained in a separate database, to be accessed only by public or private entities for statistical, research, or educational purposes. (H.B. 1140/S.B. 885)

Section: 12F.7

Title: **CONTROLLED SUBSTANCE REPORTING SYSTEM IMPROVEMENTS**

Summary Directs funding appropriated to improve the security, functionally, and interface capabilities of the Controlled Substance Reporting System (CSRS).

Subsection (a) requires \$600,000 in nonrecurring funds be used to upgrade the CSRS database and facilitate connectivity with other states and with the NC statewide health information exchange network. In addition, the subsection provides \$375,000 recurring and \$653,400 nonrecurring to pay for a contract to develop advanced analytics within the CSRS.

Subsection (b) directs DHHS to execute a contract to develop the advanced analytics software by December 1, 2016.

Subsection (c) creates a new statute, G.S. 90-113.74A, mandating that, within 30 days of obtaining a license that bestows prescribing authority, the licensee must demonstrate to the satisfaction of the licensing board that he/she is registered for access to the CSRS. Violation of the mandate may subject the prescriber to license suspension or revocation.

Subsection (d) directs that Subsection (c) becomes effective when State Chief Information Officer notifies the Revisor of the Statutes that the CSRS database is completed, fully operational, and connected to the statewide health information exchange and is applicable to violations committed on or after that date. (H.B. 1140/S.B. 885)

Section: 12F.9

Title: **EXPANDED USE OF FUNDS FOR INPATIENT PSYCHIATRIC BEDS OR BED DAYS**

Summary Amends S.L. 2015-241, Sec. 12F.1, 2015 Appropriations Act, to authorize the Department of Health and Human Services to use up to 10% of the funds allocated in the 2016-17 fiscal year for the State's three-way contracts to pay for facility-based crisis services and non-hospital detoxification services. (H.B. 1140/S.B. 885)

Section: 12F.10

Title: **STRATEGIC PLAN FOR IMPROVEMENT OF BEHAVIORAL HEALTH SERVICES**

Summary Directs the Department of Health and Human Services (DHHS), under subsection (a), to develop a strategic plan to improve the efficiency and effectiveness of State-funded behavioral health services.

Subsection (b) directs DHHS to submit the plan to the Joint Legislative Oversight Committee on Health and Human Services, Joint Legislative Oversight Committee on Medicaid and NC Health Choice, and the Fiscal Research Division by January 1, 2018.

Subsection (c) directs each legislative oversight committee to appoint a subcommittee on behavioral health services. The subcommittees must work jointly to oversee and review the Department's development of the strategic statewide plan and to make recommendations to their respective Committees.

Subsection (d) directs that this Section becomes effective when it becomes law.

**Vocational Rehabilitation
Budget Code 14480**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|---------------|
| Requirements | \$144,461,879 |
| Receipts | \$106,709,747 |
| <hr/> | |
| Net Appropriation | \$37,752,132 |

Legislative Changes

| | |
|-------------------|-----------|
| Requirements | \$456,517 |
| Receipts | \$0 |
| <hr/> | |
| Net Appropriation | \$456,517 |

Revised Budget

| | |
|-------------------|---------------|
| Requirements | \$144,918,396 |
| Receipts | \$106,709,747 |
| <hr/> | |
| Net Appropriation | \$38,208,649 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 993.25 |
| Legislative Changes | 0.00 |
| <hr/> | |
| Revised Budget | 993.25 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Vocational Rehabilitation | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|----------------------------|---|----------------------|----------------------|---------------------|---------------------|------------|-------------------|----------------------|----------------------|---------------------|
| Budget Code 14480 | | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| Fund Code | Fund Name | | | | | | | | | |
| 1110 | Service Support | 9,570,760 | 7,286,780 | 2,283,980 | - | - | - | 9,570,760 | 7,286,780 | 2,283,980 |
| 1261 | Access Outreach - VR and IL Client Advocacy and As | 362,271 | 362,271 | - | - | - | - | 362,271 | 362,271 | - |
| 1263 | Outreach - Service Access Grant | 151,846 | 151,846 | - | - | - | - | 151,846 | 151,846 | - |
| 1452 | Adults Home Support - Independent Living - Rehabilita | 16,638,729 | 3,427,730 | 13,210,999 | - | - | - | 16,638,729 | 3,427,730 | 13,210,999 |
| 1470 | Assistive Technology Equipment Loan | 1,851,821 | 900,099 | 951,722 | - | - | - | 1,851,821 | 900,099 | 951,722 |
| 1480 | Vocational Rehabilitation - Employment Services | 113,963,615 | 92,658,184 | 21,305,431 | 50,000 | - | 50,000 | 114,013,615 | 92,658,184 | 21,355,431 |
| 1991 | Indirect Reserve | 1,864,912 | 1,864,912 | - | - | - | - | 1,864,912 | 1,864,912 | - |
| 1992 | Prior Year - Earned Revenue | 57,925 | 57,925 | - | - | - | - | 57,925 | 57,925 | - |
| Division-wide Items | | | | | | | | | | |
| N/A | Reserve for Compensation Increase | | | | 306,740 | N/A | | 306,740 | N/A | 306,740 |
| N/A | Reserve for Retirement Contributions | - | - | - | 99,777 | N/A | | 99,777 | N/A | 99,777 |
| Total | | \$144,461,879 | \$106,709,747 | \$37,752,132 | \$456,517 | \$0 | \$456,517 | \$144,918,396 | \$106,709,747 | \$38,208,649 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Vocational Rehabilitation | | | | | |
|----------------------------------|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14480 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 77.00 | - | - | 77.00 |
| 1261 | Access Outreach - VR & IL Client Advocacy a& Assistance | 4.00 | - | - | 4.00 |
| 1263 | Outreach - Service Access Grant | 1.00 | - | - | 1.00 |
| 1452 | Adults Home Support - Ind Living - Rehabilitation | 69.00 | - | - | 69.00 |
| 1470 | Assistive Technology Equipment Loan | 19.75 | - | - | 19.75 |
| 1480 | Vocational Rehabilitation - Employment Services | 822.50 | - | - | 822.50 |
| 1991 | Indirect Reserve | - | - | - | - |
| 1992 | Prior Year - Earned Revenue | - | - | - | - |
| | | | | | |
| Total FTE | | 993.25 | - | - | 993.25 |

Health and Human Services

GENERAL FUND

FY 16-17

Total Budget Enacted 2015 Session

\$37,752,132

Legislative Changes

(7.0) Division of Vocational Rehabilitation

73 Compensation Increase Reserve

\$230,055 R

Fund Code: N/A

\$76,685 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S.L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

74 State Retirement Contributions

\$39,911 R

Fund Code: N/A

\$59,866 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and Sec. 36.21)

75 Able To Work, USA**Fund Code:** 1480

\$50,000 NR

Provides \$50,000 for Able to Work, USA to assist persons with disabilities to find meaningful employment. The revised net appropriation for vocational rehabilitation employment services is \$21.4 million.

| | | |
|----------------------------------|---------------------|-----------|
| Total Legislative Changes | \$269,966 | R |
| | \$186,551 | NR |
| Total Position Changes | | |
| Revised Budget | \$38,208,649 | |

Special Provisions

2016 Session: HB 1030

Division: (7.0) Division of Vocational Rehabilitation

Section:

Title: **No Special Provisions**

Summary

**Division of Health Service Regulation
Budget Code 14470**

General Fund Budget

| | <u>FY 2016-17</u> |
|--------------------------------|--------------------------|
| Enacted Budget | |
| Requirements | \$66,800,892 |
| Receipts | \$50,690,218 |
| Net Appropriation | \$16,110,674 |
| Legislative Changes | |
| Requirements | \$469,252 |
| Receipts | \$0 |
| Net Appropriation | \$469,252 |
| Revised Budget | |
| Requirements | \$67,270,144 |
| Receipts | \$50,690,218 |
| Net Appropriation | \$16,579,926 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 563.50 |
| Legislative Changes | 0.00 |
| Revised Budget | 563.50 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Division of Health Service Regulation | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|---------------------------------------|--|---------------------|---------------------|---------------------|---------------------|------------|-------------------|---------------------|---------------------|---------------------|
| Budget Code 14470 | Fund Code | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| | 1110 Service Support | 3,441,598 | 2,122,624 | 1,318,974 | - | - | - | 3,441,598 | 2,122,624 | 1,318,974 |
| | 1151 Acute and Home Care Licensure and Certification | 4,127,168 | 3,928,728 | 198,440 | - | - | - | 4,127,168 | 3,928,728 | 198,440 |
| | 1152 Nursing Home and Adult Care Licensure and Certification | 16,699,750 | 12,287,623 | 4,412,127 | - | - | - | 16,699,750 | 12,287,623 | 4,412,127 |
| | 1153 Construction | 5,195,641 | 3,820,306 | 1,375,335 | - | - | - | 5,195,641 | 3,820,306 | 1,375,335 |
| | 1154 Health Care Personnel Registry | 4,368,524 | 3,373,459 | 995,065 | - | - | - | 4,368,524 | 3,373,459 | 995,065 |
| | 1155 Jails and Detention Centers Inspections | 167,294 | - | 167,294 | - | - | - | 167,294 | - | 167,294 |
| | 1156 Regulatory - Mental Health Licensure and Certification | 6,287,082 | 4,231,335 | 2,055,747 | - | - | - | 6,287,082 | 4,231,335 | 2,055,747 |
| | 1157 Radiation Protection | 4,623,787 | 4,623,787 | - | - | - | - | 4,623,787 | 4,623,787 | - |
| | 1161 Preparedness - Statewide Health Planning | 2,510,141 | 84,597 | 2,425,544 | - | - | - | 2,510,141 | 84,597 | 2,425,544 |
| | 1162 Preparedness - Hospital Preparedness | 14,182,123 | 14,182,123 | - | - | - | - | 14,182,123 | 14,182,123 | - |
| | 1163 Preparedness - Local Emergency Medical Services | 4,235,519 | 1,073,371 | 3,162,148 | - | - | - | 4,235,519 | 1,073,371 | 3,162,148 |
| | 1991 Indirect Reserve | 962,265 | 962,265 | - | - | - | - | 962,265 | 962,265 | - |
| Division-wide Items | | | | | | | | | | |
| | N/A Reserve for Compensation Increase | - | - | - | 354,077 | N/A | 354,077 | 354,077 | N/A | 354,077 |
| | N/A Reserve for Retirement Contributions | - | - | - | 115,175 | N/A | 115,175 | 115,175 | N/A | 115,175 |
| Total | | \$66,800,892 | \$50,690,218 | \$16,110,674 | \$469,252 | \$0 | \$469,252 | \$67,270,144 | \$50,690,218 | \$16,579,926 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Division of Health Service Regulation | | | | | |
|--|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14470 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 25.00 | - | - | 25.00 |
| 1151 | Acute and Home Care Licensure and Certification | 47.00 | - | - | 47.00 |
| 1152 | Certification | 192.00 | - | - | 192.00 |
| 1153 | Construction | 55.00 | - | - | 55.00 |
| 1154 | Health Care Personnel Registry | 50.00 | - | - | 50.00 |
| 1155 | Jails and Detention Centers Inspections | 2.00 | - | - | 2.00 |
| 1156 | Certification | 76.00 | - | - | 76.00 |
| 1157 | Radiation Protection | 48.50 | - | - | 48.50 |
| 1161 | Preparedness - Statewide Health Planning | 23.00 | - | - | 23.00 |
| 1162 | Preparedness - Hospital Preparedness | 13.00 | - | - | 13.00 |
| 1163 | Preparedness - Local Emergency Medical Services | 32.00 | - | - | 32.00 |
| 1991 | Indirect Reserve | - | - | - | - |
| | | | | | |
| Total FTE | | 563.50 | - | - | 563.50 |

2016 Annotated Conference Committee Report

Health and Human Services

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 16-17 |
|----------|

Total Budget Enacted 2015 Session

\$16,110,674

Legislative Changes

(8.0) Division of Health Service Regulation

76 Compensation Increase Reserve

\$265,558 R

Fund Code: N/A

\$88,519 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S. L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

77 State Retirement Contributions

\$46,070 R

Fund Code: N/A

\$69,105 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17.

Total Legislative Changes

\$311,628 R

\$157,624 NR

Total Position Changes

Revised Budget

\$16,579,926

Special Provisions

2016 Session: HB 1030

Division: (8.0) Division of Health Service Regulation

Section: 12G.1

Title: MORATORIUM ON HOME CARE AGENCY LICENSES FOR IN-HOME AIDE SERVICES

Summary Amends Section 12G.4(a), of S.L. 2014-100, 2014 Appropriations Act, by extending the moratorium on home care agency licensure for in-home aide services by 3 years to June 30, 2019, and clarifies that respite services are not subject to the moratorium. (H.B. 1140/S.B. 885)

Section: 12G.2

Title: ADULT CARE HOME COST REPORTING

Summary Amends G.S. 131D-4.2 to change the frequency of cost reporting for adult care homes so that reports are due at least once every two years, instead of annually; also provides that this report documentation will be used to adjust the adult care home rate at least every two years, instead of annually as provided under current law.

Section: 12G.3

Title: FACILITIES INCLUDED UNDER SINGLE HOSPITAL LICENSE

Summary Amends G.S. 131E-77, the NC Hospital Licensure Act, to exclude certain outpatient departments from being considered part of a hospital, and modifies the regulations implementing the Act that specifically state that a hospital license shall only include facilities or premises that are located within a single county. This section allows a hospital license to include facilities, premises, buildings, outpatient clinics, and other locations operated by a hospital in an immediately-adjointing county, but only if the applicant demonstrates to the satisfaction of DHHS that there was previously only 1 licensed hospital in the immediately-adjointing county that closed or otherwise ceased patient services no more than 3 years prior to the applicant's initial establishment of a facility, premises, building, outpatient clinic, or location in that immediately-adjointing county.

This section also provides that if a hospital establishes its initial facility, premises, building, outpatient clinic, or other location in an immediately-adjointing county within 3 years after the closure of, or cessation of patient services at, a previously-licensed hospital within the immediately-adjointing county, then any additional facilities, premises, buildings, outpatient clinics, or other locations thereafter developed by the hospital may be included under the hospital's license.

Section: 12G.4

Title: REPEAL OF CERTIFICATE OF PUBLIC ADVANTAGE LAWS

Summary Changes the effective date for the repeal of Certificate of Public Advantage (COPA) laws from January 1, 2018 to September 30, 2016 and requires each party to a cooperative agreement for which a COPA was issued prior to September 30, 2016 to submit a final report by September 30, 2017.

**Division of Medical Assistance
Budget Code 14445**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|------------------|
| Requirements | \$14,896,932,911 |
| Receipts | \$10,980,695,639 |
| <hr/> | |
| Net Appropriation | \$3,916,237,272 |

Legislative Changes

| | |
|-------------------|-----------------|
| Requirements | (\$615,098,447) |
| Receipts | (\$304,773,525) |
| <hr/> | |
| Net Appropriation | (\$310,324,922) |

Revised Budget

| | |
|-------------------|------------------|
| Requirements | \$14,281,834,464 |
| Receipts | \$10,675,922,114 |
| <hr/> | |
| Net Appropriation | \$3,605,912,350 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 400.51 |
| Legislative Changes | 25.00 |
| <hr/> | |
| Revised Budget | 425.51 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Division of Medical Assistance | | Enacted Budget | | | | | | Legislative Changes | | | | | | Revised Budget | | | | | |
|--------------------------------|---|-------------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|-------------------------|-------------------------|------------------------|------------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|------------------------|
| Budget Code 14445 | | Requirements | | Receipts | | Net Appropriation | | Requirements | | Receipts | | Net Appropriation | | Requirements | | Receipts | | Net Appropriation | |
| Fund Code | Fund Name | Requirements | Receipts | Requirements | Receipts | Net Appropriation | Net Appropriation | Requirements | Receipts | Requirements | Receipts | Net Appropriation | Net Appropriation | Requirements | Receipts | Requirements | Receipts | Net Appropriation | Net Appropriation |
| 1101 | Medical Assistance Administration | 48,804,267 | 27,531,855 | - | - | 21,272,412 | - | - | - | 48,804,267 | 27,531,855 | - | - | 48,804,267 | 27,531,855 | 21,272,412 | 21,272,412 | 21,272,412 | 21,272,412 |
| 1102 | Contracts and Agreements | 158,682,757 | 121,811,679 | - | - | 36,871,078 | - | - | - | 158,682,757 | 121,811,679 | - | - | 158,682,757 | 121,811,679 | 36,871,078 | 36,871,078 | 36,871,078 | 36,871,078 |
| 1103 | Health Information Technology | 75,381,199 | 74,843,115 | - | - | 538,084 | - | - | - | 75,381,199 | 74,843,115 | - | - | 75,381,199 | 74,843,115 | 538,084 | 538,084 | 538,084 | 538,084 |
| 1210 | Medical Assistance County Administration | 120,000 | 120,000 | - | - | - | - | - | - | 120,000 | 120,000 | - | - | 120,000 | 120,000 | - | - | - | - |
| 1310 | Medical Assistance Payments | 12,889,327,462 | 8,645,561,730 | - | - | 4,243,765,732 | (424,375,161) | (642,471,352) | (424,375,161) | 12,246,856,110 | 8,221,186,569 | (218,096,191) | (218,096,191) | 12,246,856,110 | 8,221,186,569 | 4,025,669,541 | 4,025,669,541 | 4,025,669,541 | 4,025,669,541 |
| 1311 | Community Care North Carolina | 220,376,327 | 147,732,318 | - | - | 72,644,009 | 4,972,983 | 2,893,859 | 4,972,983 | 223,270,186 | 152,705,301 | (2,079,124) | (2,079,124) | 223,270,186 | 152,705,301 | 70,564,885 | 70,564,885 | 70,564,885 | 70,564,885 |
| 1320 | Medical Assistance Cost Settlements | 301,906,136 | 274,120,240 | - | - | 27,785,896 | 62,939,586 | 46,155,704 | 62,939,586 | 348,061,840 | 337,059,826 | (16,783,882) | (16,783,882) | 348,061,840 | 337,059,826 | 11,002,014 | 11,002,014 | 11,002,014 | 11,002,014 |
| 1330 | Payment Adjustments | (48,824,450) | (37,098,239) | - | - | (11,726,211) | (48,671,284) | (34,035,459) | (34,035,459) | (97,495,734) | (71,133,698) | (14,635,825) | (14,635,825) | (97,495,734) | (71,133,698) | (26,362,036) | (26,362,036) | (26,362,036) | (26,362,036) |
| 1331 | Rebates | (1,112,464,180) | (761,931,680) | - | - | (350,532,500) | (36,223,148) | (75,551,790) | (36,223,148) | 120,797,674 | 2,608,802,295 | (20,864,586) | (20,864,586) | 2,463,556,481 | 2,608,802,295 | (145,245,814) | (145,245,814) | (389,861,142) | (389,861,142) |
| 1337 | Consolidated Supplemental Hospital Payments | 2,363,623,393 | 2,488,004,621 | - | - | (124,381,228) | 120,797,674 | 99,933,088 | 120,797,674 | - | - | - | - | - | - | - | - | - | - |
| 1340 | Undispositioned Refunds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1350 | Medicaid Periodic Interim Payments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1810 | Revenue Clearing | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1910 | Reserves and Transfers | - | - | - | - | - | 1,150,000 | 2,300,000 | 1,150,000 | - | - | 1,150,000 | 1,150,000 | 2,300,000 | 1,150,000 | - | - | 1,150,000 | 1,150,000 |
| 1991 | Federal Indirect Reserves | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1992 | Prior Year Earned Revenue | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 1993 | Prior Year Audit and Adjustments | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Division-wide Items | | | | | | | | | | | | | | | | | | | |
| N/A | Reserve for Compensation Increase | - | - | - | - | - | N/A | 236,423 | N/A | 236,423 | N/A | 236,423 | 236,423 | 236,423 | N/A | N/A | 236,423 | 236,423 | 236,423 |
| N/A | Reserve for Retirement Contributions | - | - | - | - | - | N/A | 76,905 | N/A | 76,905 | N/A | 76,905 | 76,905 | 76,905 | N/A | N/A | 76,905 | 76,905 | 76,905 |
| Total | | \$14,896,932,911 | \$10,980,695,639 | \$10,980,695,639 | \$3,916,237,272 | \$3,916,237,272 | (\$304,773,525) | (\$615,098,447) | (\$304,773,525) | \$14,281,834,464 | \$10,675,922,114 | (\$310,324,922) | (\$310,324,922) | \$14,281,834,464 | \$10,675,922,114 | \$3,605,912,350 | \$3,605,912,350 | \$3,605,912,350 | \$3,605,912,350 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Division of Medical Assistance | | | | | |
|---------------------------------------|---|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14445 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1101 | Medical Assistance Administration | 386.51 | - | - | 386.51 |
| 1102 | Contracts and Agreements | - | - | - | - |
| 1103 | Health Information Technology | 14.00 | - | - | 14.00 |
| 1210 | Medical Assistance County Administration | - | - | - | - |
| 1310 | Medical Assistance Payments | - | - | - | - |
| 1311 | Community Care North Carolina | - | - | - | - |
| 1320 | Medical Assistance Cost Settlements | - | - | - | - |
| 1330 | Payment Adjustments | - | - | - | - |
| 1331 | Rebates | - | - | - | - |
| 1337 | Consolidated Supplemental Hospital Payments | - | - | - | - |
| 1340 | Undispositioned Refunds | - | - | - | - |
| 1350 | Medicaid Periodic Interim Payments | - | - | - | - |
| 1810 | Revenue Clearing | - | - | - | - |
| 1910 | Reserves and Transfers | - | 25.00 | - | 25.00 |
| 1991 | Federal Indirect Reserves | - | - | - | - |
| 1992 | Prior Year Earned Revenue | - | - | - | - |
| 1993 | Prior Year Audit and Adjustments | - | - | - | - |
| | | | | | |
| Total FTE | | 400.51 | 25.00 | - | 425.51 |

Health and Human Services

GENERAL FUND

FY 16-17

Total Budget Enacted 2015 Session

\$3,916,237,272

Legislative Changes

(9.0) Division of Medical Assistance

78 Compensation Increase Reserve

\$177,317 R

Fund Code: N/A

\$59,106 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17 (S.L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16 and 36.17).

(A related one-time, merit-based bonus item also appears in the Statewith Reservices section of the Conference Committee Report. See page L-4, item 4.

79 State Retirement Contributions

\$30,762 R

Fund Code: N/A

\$46,143 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17 (S.L. 2016-94, Secs. 36.20 and 36.21).

80 Medicaid Rebase

(\$310,524,345) R

Fund Code: 1310, 1311, 1320, 1330, 1331, 1337

(\$8,056,927) NR

Reduces the Division of Medical Assistance (DMA) base budget as a result of forecasted changes in enrollment, utilization, and pricing based on the Division of Medical Assistance forecasting model and year-to-date trends in spending and enrollment. The reduction in the Medicaid rebase represents a 7.9% decrease from the enacted budget. The revised net appropriation for DMA is \$3.6 billion after all changes.

| | | |
|--|-------------|---|
| 81 Expand Support for Alzheimer's Patients | \$1,500,000 | R |
| Fund Code: 1310 | | |
| Expands support for Alzheimer's patients and their families through 320 additional slots for Community Alternative Program for Disabled Adults (CAP-DA) effective 1/1/17. The revised net appropriation for DMA is \$3.6 billion after all changes (H.B. 1140/S.B. 885, S.L. 2016-94, Sec. 12H.5). | | |
| 82 Innovations Waiver | \$2,595,840 | R |
| Fund Code: 1310 | | |
| Provides funding to increase NC Innovations 1915 (c) Waiver slots by 250 individuals effective 1/1/17 who qualify for institutional level care due to intellectual or developmental disabilities, but can be served under a community alternatives program in their homes. The revised net appropriation for DMA is \$3.6 billion after all changes (H.B. 1140/S.B. 885, S.L. 2016-94, Sec. 12H.11). | | |
| 83 Community Alternatives Program for Children (CAP-C) Nursing Rates | \$2,266,000 | R |
| Fund Code: 1310 | | |
| Increases Registered Nurses (RN) and Licensed Practical Nurses (LPN) rates for Community Alternatives Program for Children (CAP-C) services to the same rate that is in effect for private duty nursing. The CAP-C nursing rates will be increased by 10%. The revised net appropriation for DMA is \$3.6 billion after all changes. (S.L. 2016-94, Sec. 12H.6) | | |
| 84 Federal Rural Hospital Designation - Graduate Medical Education | \$431,182 | R |
| Fund Code: 1337 | | |
| Provides funds to offset the fiscal impact of Cape Fear Valley Medical Center being reclassified as a rural hospital by the Centers for Medicare and Medicaid Services as referenced in the "Graduate Medical Education" item in the Division of Central Management and Support. The reclassification results in access to federal funding for residency programs that will be affiliated with Campbell University Medical School. The reclassification will reduce the rate used to calculate the upper payment limit supplemental payment, and thus reduce the assessment collected and the State's retention of 28.85% of that amount. The revised net appropriation for DMA will be \$3.6 billion after all changes (S.L. 2016-94, Sec. 12H.12). | | |
| 85 Critical Positions | \$1,150,000 | R |
| Fund Code: 1910 | | |
| Provides funding for Division of Medical Assistance to enhance staffing and operate 3 critical organizational units (Business Information Office, Clinical Policy, and Operations). New staff will support automation, data retrieval, and analysis. Additionally, the new staff will provide oversight and management of Medicaid policy, vendors, and stakeholders and continue support of provider and recipient services. The revised net appropriation for DMA will be \$3.6 billion after all changes (H.B. 1140/S.B. 885, S.L. 2016-94, Sec. 12H.18). | 25.00 | |

| | | |
|----------------------------------|------------------------|-----------|
| Total Legislative Changes | (\$302,373,244) | R |
| | (\$7,951,678) | NR |
| Total Position Changes | | 25.00 |
| Revised Budget | \$3,605,912,350 | |

Special Provisions

2016 Session: HB 1030

Division: (9.0) Division of Medical Assistance

Section: 12H.1

Title: ACCOUNTING FOR MEDICAID RECEIVABLES AS NONTAX REVENUE

Summary Amends S.L. 2015-241, Sec. 12H10(b) to revise amount of money to be deposited as nontax revenue for FY 2016-17. (H.B.1140/S.B. 885)

Section: 12H.2

Title: MEDICAID RECOVERY AND ABLE ACCOUNTS

Summary Amends G.S. 147-86.73 to correct an error related to the notice requirement for Medicaid recovery from Achieving a Better Life Experience (ABLE) accounts, which appeared in the ABLE Act legislation (S.L. 2015-203). The notice requirement contained references to individuals living in the property, which is not applicable to ABLE accounts. This section revises the notice requirements to remove those references and make the notice consistent with recovery from other types of trusts. (H.B.1140/S.B. 885)

Subsection (b) repeals G.S. 147-86.73(g) regarding notice for designated individual receiving Medicaid.

Subsection (c) makes the effective date when the bill becomes law.

Section: 12H.3

Title: MEDICAID AND HEALTH CHOICE PROVIDER SCREENING

Summary Amends G.S. 108C-3 by providing that in addition to excluding as Medicaid providers those providers who have been excluded from other states' Medicaid programs, the Division of Medical Assistance (DMA) shall also exclude providers who have been excluded by the Medicare program and other states' Children's Health Insurance Program (CHIP) programs. Reasons for exclusion include fraud. (H.B. 1140/S.B. 885)

Subsection (b) makes the effective date when the bill becomes law.

Section: 12H.3A

Title: CONTRACT TO RECOVER CERTAIN OVERPAYMENTS AND REPORTING ON PREPAYMENT FRAUD

Summary Requires DHHS to issue a request for proposals by October 1, 2016 to recover overpayments to providers of less than \$150 and to pay for the contract on a contingent fee that is a percentage of the State share of the final overpayment that is recovered.

Subsection (b) requires DHHS to report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice by October 1, 2016 on a strategy for identifying and addressing prepayment fraud.

(S.L. 2016-123, Sec. 5.5, Measurability Assessments/Budget Tech. Corr., amends the date in Subsection (a) to December 31, 2016 for the issuance of the request for proposals.)

Section: 12H.4

Title: **CLARIFY DHHS AUTHORITY TO ADMINISTER MEDICAID AND NC HEALTH CHOICE PROGRAMS**

Summary Amends G.S. 108A-54 (e) to clarify DHHS's authority to make changes to the Medicaid and NC Health Choice programs within their budgets effective for the current Medicaid program, consistent with the effective date in S.L. 2015-245, the Medicaid reform law. (H.B. 1140/S.B. 885)

Section: 12H.5

Title: **EXPAND SUPPORT FOR PATIENTS WITH ALZHEIMER'S DISEASE AND THEIR FAMILIES THROUGH COMMUNITY ALTERNATIVES PROGRAM FOR DISABLED ADULTS WAIVER SLOTS**

Summary Directs DHHS to amend the Community Alternatives Program for Disabled Adults (CAP-DA) waiver, effective January 1, 2017. Subsection (b) directs the Department to spend \$1.5 million to fund 320 additional slots.

Section: 12H.6

Title: **INCREASE NURSING RATES FOR COMMUNITY ALTERNATIVES PROGRAM FOR CHILDREN**

Summary Provides a 10% increase in rates paid for nursing services provided through the CAP-C waiver, consistent with the rate increase in the FY 2015-16 budget for private duty nursing services.

Section: 12H.7

Title: **REMOVE SUNSET ON MEDICAID ELIGIBILITY/COLA DISREGARD**

Summary Amends Sec. 10.6 (c) of S.L. 2012-142 by eliminating the sunset provision in the law (S.L. 2012-142) that allows individuals to retain their Medicaid eligibility if their income increases due to a Social Security cost-of-living adjustment. The statute has been in place since 2012 and is scheduled to sunset on Dec. 31, 2017.

Section: 12H.8

Title: **STUDIES TO BE CONDUCTED BY THE DIVISION OF MEDICAL ASSISTANCE**

Summary Subsections (a) and (c) require DHHS to study the impact of covering certain adult preventative services in order to qualify for a one percentage point increase in the State's federal Medicaid match rate, including what additional services would have to be added, whether any cost-sharing would have to be eliminated, the cost of any changes that would be needed, the benefit to receiving the enhanced match rate, and whether DHHS plans to implement the changes that would be needed. If DHHS adjusts any rates, makes any changes to services provided or cost-sharing requirements, or submits any State Plan Amendments as a result of this subsection, then DHHS must submit a report to the Medicaid Oversight Committee within 30 days after taking the action.

Subsection (b) requires DHHS to study the adequacy of existing Medicaid rates paid for residential treatment services, considering data collected in concert with residential treatment providers and other sources of information available to DHHS, including rates paid for certain services described in rule, certain services currently covered by Medicaid, rates paid for other publicly-funded services that compliment residential treatment services, and increased costs due to recent changes to home- and community-based waiver requirements.

Section: 12H.9

Title: **STUDY MEDICAID COVERAGE FOR SCHOOL-BASED HEALTH SERVICES**

Summary Requires DHHS to conduct a study to identify all school-based health services eligible for Medicaid federal matching funds which are not reimbursable under the current Medicaid State Plan. This section requires a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice by Nov. 1, 2016 identifying the school-based health services for which Medicaid coverage could be added, the fiscal impact to both DHHS and Local Education Agencies of adding coverage, and whether DHHS plans to add any coverage that has been studied.

Section: 12H.11

Title: **STUDY INNOVATIONS WAIVER TO ADDRESS THE WAITLIST AND FEDERAL CHANGES**

Summary Requires the Joint Legislative Oversight Committee on Medicaid and NC Health Choice to study policy issues pertaining to service delivery for people with intellectual and developmental disabilities. The policy issues to be studied must include causes and potential solutions for the growing waitlist for services provided through the NC Innovations waiver, issues surrounding single-stream funding, federal mandates that are expected to impact services to this population, and coverage of services to treat autism. The Joint Legislative Oversight Committee on Medicaid and NC Health Choice shall report its findings and any proposals to the 2017 General Assembly.

Section: 12H.12

Title: **MEDICAID GRADUATE MEDICAL EDUCATION PAYMENTS**

Summary Sets forth the General Assembly's intent to explore all possible funding options to maintain or expand reimbursement for Graduate Medical Education.

Section: 12H.13

Title: **RATES PAID TO FEDERALLY QUALIFIED HEALTH CENTERS AND RURAL HEALTH CENTERS**

Summary Requires DHHS to adjust the rates paid for core services to Federally Qualified Health Centers and Rural Health Clinics to reflect more accurately the true costs of these services, within existing funds, effective July 1, 2016.

Section: 12H.15

Title: **EVALUATE MEDICAID AND NC HEALTH CHOICE BEHAVIORAL HEALTH PROVIDER CLASSIFICATION**

Summary Requires DHHS, in collaboration with statewide behavioral health stakeholders, to evaluate the classification of behavioral health providers, other than critical access behavioral health providers (CABHAs). For purposes of provider enrollment those providers evaluated will be considered in high categorical risk category. This section requires DHHS to propose an evaluation tool to be used to classify the risk of different categories of behavioral health providers and to propose any recommended legislative changes in a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice by December 1, 2016.

Section: 12H.16

Title: **COMPLETION OF PERFORMANCE AUDIT OF COUNTY DEPARTMENTS OF SOCIAL SERVICES' ADMINISTRATION OF MEDICAID PROGRAM**

Summary Amends Section 11.5(c) of S.L. 2015-7 by extending the completion date for the State Auditor's performance audit of county Medicaid eligibility determinations. The Section extends the completion date by 11 months to December 31, 2016

Section: 12H.17

Title: **MEDICAID ELIGIBILITY DETERMINATION TIMELINESS**

Summary Requires the Division of Medical Assistance to report on the timeliness of Medicaid eligibility determinations performed by county departments of social services to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division annually for the 2015-16 and 2016-17 fiscal years.

Subsections (b) and (c) create new statutes that set forth a framework for the Department of Health and Human Services (DHHS) to temporarily assume Medicaid eligibility administration when a county is not meeting timely processing standards and corrective action efforts have been unsuccessful.

Subsection (d) establishes that the corrective action procedures in this section supersede the corrective action procedures in administrative rules relating to the timeliness of processing Medicaid applications by county departments of social services.

Subsection (e) authorizes DHHS to adopt and amend rules to implement subsections (b) through (d).

Subsection (f) makes subsections (b) through (d) effective January 1, 2017 and the rest of the section effective July 1, 2016. (H.B. 1087/S.B. 841)

Section: 12H.18

Title: **CRITICAL MEDICAID POSITIONS**

Summary Directs DMA to transfer \$1.2 million to the Division of Health Benefits to fund critical positions. (H.B.1140/S.B. 885)

(S.L. 2016-123, Sec 5.2, Measurability Assessments/Budget Tech. Corr., amends this section to provide the funding to the Division of Medical Assistance for the critical positions rather than transferring the funding to the Division of Health Benefits.)

2016 Session: HB 805

Division: (9.0) Division of Medical Assistance

Section: 5.2

Title: **TECHNICAL CORRECTION: AMENDS DIVISION FUNDS FOR NEW POSITIONS**

Summary Amends S.L. 2016-94, Sec. H.18 to provide the funding to the Division of Medical Assistance for the critical positions and to not transfer the funding to the Division of Health Benefits.

Section: 5.5

Title: **TECHNICAL CORRECTION: AMENDS DATE FOR REQUEST FOR PROPOSALS**

Summary Amends the date in S.L. 2016-94, Sec. 12H.3A.(a), 2016 Appropriations Act, for the issuance of the request for proposals.

**NC Health Choice
Budget Code 14446**

General Fund Budget

FY 2016-17

Enacted Budget

| | |
|-------------------|---------------|
| Requirements | \$202,808,764 |
| Receipts | \$202,062,006 |
| <hr/> | |
| Net Appropriation | \$746,758 |

Legislative Changes

| | |
|-------------------|----------------|
| Requirements | (\$17,914,545) |
| Receipts | (\$18,265,376) |
| <hr/> | |
| Net Appropriation | \$350,831 |

Revised Budget

| | |
|-------------------|---------------|
| Requirements | \$184,894,219 |
| Receipts | \$183,796,630 |
| <hr/> | |
| Net Appropriation | \$1,097,589 |

General Fund FTE

| | |
|----------------------------|------|
| Enacted Budget | 5.00 |
| Legislative Changes | 0.00 |
| <hr/> | |
| Revised Budget | 5.00 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| NC Health Choice | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|----------------------------|--------------------------------------|----------------------|----------------------|-------------------|-----------------------|-----------------------|-------------------|----------------------|----------------------|--------------------|
| Budget Code 14446 | | | | | | | | | | |
| Fund | Fund Name | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| 1101 | Health Choice Administration | 1,836,009 | 1,590,035 | 245,974 | - | - | - | 1,836,009 | 1,590,035 | 245,974 |
| 1102 | Contracts and Agreements | 2,390,056 | 1,802,369 | 587,687 | - | - | - | 2,390,056 | 1,802,369 | 587,687 |
| 1310 | Health Choice Payments | 193,118,771 | 192,714,037 | 404,734 | (18,303,914) | (18,293,423) | (10,491) | 174,814,857 | 174,420,614 | 394,243 |
| 1311 | Community Care North Carolina | 6,429,966 | 6,716,721 | (286,755) | 141,433 | (164,872) | 306,305 | 6,571,399 | 6,551,849 | 19,550 |
| 1330 | Payment Adjustments | (143,040) | (144,690) | 1,650 | 12,596 | 15,570 | (2,974) | (130,444) | (129,120) | (1,324) |
| 1331 | Rebates | (672,998) | (616,466) | (56,532) | 232,571 | 177,349 | 55,222 | (440,427) | (439,117) | (1,310) |
| 1340 | Undispositioned Receipts | (150,000) | - | (150,000) | - | - | - | (150,000) | - | (150,000) |
| Division-wide Items | | | | | | | | | | |
| N/A | Reserve for Compensation Increase | - | - | - | 2,089 | N/A | 2,089 | 2,089 | N/A | 2,089 |
| N/A | Reserve for Retirement Contributions | - | - | - | 680 | N/A | 680 | 680 | N/A | 680 |
| Total | | \$202,808,764 | \$202,062,006 | \$746,758 | (\$17,914,545) | (\$18,265,376) | \$350,831 | \$184,894,219 | \$183,796,630 | \$1,097,589 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| NC Health Choice | | | | | |
|--------------------------|-------------------------------|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14446 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1101 | Health Choice Administration | 5.00 | - | - | 5.00 |
| 1102 | Contracts and Agreements | - | - | - | - |
| 1310 | Health Choice Payments | - | - | - | - |
| 1311 | Community Care North Carolina | - | - | - | - |
| 1330 | Payment Adjustments | - | - | - | - |
| 1331 | Rebates | - | - | - | - |
| 1340 | Undispositioned Receipts | - | - | - | - |
| | | | | | |
| Total FTE | | 5.00 | - | - | 5.00 |

2016 Annotated Conference Committee Report

Health and Human Services

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 16-17 |
|----------|

Total Budget Enacted 2015 Session

\$746,758

Legislative Changes

(10.0) NC Health Choice

86 Compensation Increase Reserve

\$1,567 R

Fund Code: N/A

\$522 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S. L. 2016-94, Secs. 36.1A, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

87 State Retirement Contributions

\$272 R

Fund Code: N/A

\$408 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

88 Health Choice Rebase

(\$4,613,716) R

Fund Code: 1310

\$4,961,778 NR

Provides funding for the Health Choice Rebase. The revised net appropriation for the Health Choice Program is \$1 million.

Total Legislative Changes

(\$4,611,877) R

\$4,962,708 NR

Total Position Changes

Revised Budget

\$1,097,589

Special Provisions

2016 Session: HB 1030

Division: (10.0) NC Health Choice

Section:

Title: **No Special Provisions**

Summary

**Services for the Blind/Deaf/Hard of Hearing
Budget Code 14450**

General Fund Budget

| | <u>FY 2016-17</u> |
|--------------------------------|--------------------------|
| Enacted Budget | |
| Requirements | \$33,630,274 |
| Receipts | \$25,457,067 |
| Net Appropriation | \$8,173,207 |
| Legislative Changes | |
| Requirements | \$91,653 |
| Receipts | \$0 |
| Net Appropriation | \$91,653 |
| Revised Budget | |
| Requirements | \$33,721,927 |
| Receipts | \$25,457,067 |
| Net Appropriation | \$8,264,860 |

General Fund FTE

| | |
|----------------------------|--------|
| Enacted Budget | 312.84 |
| Legislative Changes | 0.00 |
| Revised Budget | 312.84 |

Summary of General Fund Appropriations

Fiscal Year 2016-17

2016 Legislative Session

| Services for the Blind/Deaf/Hard of Hearing | | Enacted Budget | | | Legislative Changes | | | Revised Budget | | |
|---|--|---------------------|---------------------|--------------------|---------------------|------------|-------------------|---------------------|---------------------|--------------------|
| Budget Code 14450 | | | | | | | | | | |
| Fund Code | Fund Name | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation | Requirements | Receipts | Net Appropriation |
| 1110 | Service Support | 2,017,133 | 1,524,901 | 492,232 | - | - | - | 2,017,133 | 1,524,901 | 492,232 |
| 1160 | Deaf and Hard of Hearing - State Capacity Building | 629,729 | 629,729 | - | - | - | - | 629,729 | 629,729 | - |
| 1261 | Access and Outreach Deaf Community - Local Agency | 757,242 | 757,242 | - | - | - | - | 757,242 | 757,242 | - |
| 1262 | Access and Outreach Deaf Community - Citizens | 766,801 | 766,801 | - | - | - | - | 766,801 | 766,801 | - |
| 1410 | Deaf and Hard of Hearing - Client Services | 1,378,419 | 1,378,419 | - | - | - | - | 1,378,419 | 1,378,419 | - |
| 1420 | Medical Eye Care Services | 2,525,184 | - | 2,525,184 | - | - | - | 2,525,184 | - | 2,525,184 |
| 1451 | Independent Living Services - Chore and Adjustment | 5,749,663 | 4,424,058 | 1,325,605 | - | - | - | 5,749,663 | 4,424,058 | 1,325,605 |
| 1452 | Independent Living Rehabilitation Services | 1,419,048 | 779,748 | 639,300 | - | - | - | 1,419,048 | 779,748 | 639,300 |
| 1481 | Vocational Rehabilitation - Employment | 16,676,125 | 13,485,539 | 3,190,586 | - | - | - | 16,676,125 | 13,485,539 | 3,190,586 |
| 1482 | Small Business Employment Services | 934,193 | 933,893 | 300 | - | - | - | 934,193 | 933,893 | 300 |
| 1991 | Federal Indirect Reserve | 154,842 | 154,842 | - | - | - | - | 154,842 | 154,842 | - |
| 1992 | Prior Year - Earned Revenue | 621,895 | 621,895 | - | - | - | - | 621,895 | 621,895 | - |
| Division-wide Items | | | | | | | | | | |
| N/A | Reserve for Compensation Increase | - | - | - | 71,153 | N/A | 71,153 | 71,153 | N/A | 71,153 |
| N/A | Reserve for Retirement Contributions | - | - | - | 20,500 | N/A | 20,500 | 20,500 | N/A | 20,500 |
| Total | | \$33,630,274 | \$25,457,067 | \$8,173,207 | \$91,653 | \$0 | \$91,653 | \$33,721,927 | \$25,457,067 | \$8,264,860 |

Summary of General Fund Total Requirement FTE
Fiscal Year 2016-17
2016 Legislative Session

| Services for the Blind/Deaf/Hard of Hearing | | | | | |
|--|--|---------------------------|-----------------------------------|-----------------|---------------------------|
| Budget Code 14450 | | <u>Enacted</u> | <u>Legislative Changes</u> | | <u>Revised</u> |
| Fund Code | Fund Name | Total Requirements | Net Appropriation | Receipts | Total Requirements |
| 1110 | Service Support | 20.00 | - | - | 20.00 |
| 1160 | Deaf and Hard of Hearing - State Capacity Building | 5.75 | - | - | 5.75 |
| 1261 | Access and Outreach Deaf Community - Local Agency | 10.00 | - | - | 10.00 |
| 1262 | Access and Outreach Deaf Community - Citizens | 9.00 | - | - | 9.00 |
| 1410 | Deaf and Hard of Hearing - Client Services | 17.00 | - | - | 17.00 |
| 1420 | Medical Eye Care Services | 7.00 | - | - | 7.00 |
| 1451 | Independent Living Services - Chore and Adjustment | 72.58 | - | - | 72.58 |
| 1452 | Independent Living Rehabilitation Services | 14.00 | - | - | 14.00 |
| 1481 | Vocational Rehabilitation - Employment | 145.51 | - | - | 145.51 |
| 1482 | Small Business Employment Services | 12.00 | - | - | 12.00 |
| 1991 | Federal Indirect Reserve | - | - | - | - |
| 1992 | Prior Year - Earned Revenue | - | - | - | - |
| | | | | | |
| Total FTE | | 312.84 | - | - | 312.84 |

2016 Annotated Conference Committee Report

Health and Human Services

| |
|--------------|
| GENERAL FUND |
|--------------|

| |
|----------|
| FY 16-17 |
|----------|

Total Budget Enacted 2015 Session

\$8,173,207

Legislative Changes

(11.0) Division of Services for the Blind and Services for the Deaf and Hard of Hearing

89 Compensation Increase Reserve

\$56,583 R

Fund Code: N/A

\$14,570 NR

Provides a 1.5% annual recurring salary increase and a 0.5% nonrecurring bonus for permanent full-time State employees. In addition, funds are provided for salary increases for State agency teachers who are paid in accordance with the Statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation adjustments.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for salaries is \$11.4 billion, an increase of over \$390 million for FY 2016-17. (S.L. 2016-94, Secs. 36.1A, 36.12, 36.14, 36.15, 36.16, and 36.17)

(A related one-time, merit-based bonus item also appears in the Statewide Reserves section of the Conference Committee Report. See page L-4, item 4.)

90 State Retirement Contributions

\$8,200 R

Fund Code: N/A

\$12,300 NR

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.6% one-time cost-of-living supplement to retirees.

For all net appropriation supported State-funded positions, across all sections of the Committee Report, the approximate revised net appropriation for members of TSERS is \$1.6 billion, an increase of \$79.0 million for FY 2016-17. (S.L. 2016-94, Secs. 36.20 and 36.21)

Total Legislative Changes

\$64,783 R

\$26,870 NR

Total Position Changes

Revised Budget

\$8,264,860

FY 2016-17

2016 Annotated Conference Committee Report

DHHS-BLIND & DEAF/HH-TRUST TELEC

Budget Code: 67425

FY 2016-17

Beginning Unreserved Fund Balance

\$15,566,132

Recommended Budget

Requirements

\$8,508,549

Receipts

\$11,875,837

Positions

28.00

Legislative Changes

Requirements:

Data Collection and Service Management Information System

\$0 R

Transfers funds to Budget Code 24410 for the implementation of a Data Collection and Service Management Information System to replace the current legacy system used by the Division of Services for the Deaf and Hard of Hearing. The project shall not proceed until the Business Case has been approved by the State Budget Director and the State Chief Information Officer. (H.B. 1140/S.B. 885; S.L. 2016-94, Sec. 12J.1)

\$750,000 NR

0.00

Subtotal Legislative Changes

\$0 R

\$750,000 NR

0.00

Receipts:

DHHS - Blind & Deaf/HH - Telecommunications Relay Receipts

\$0 R

\$0 NR

FY 2016-17

| | | |
|-------------------------------------|------------|-----------|
| Subtotal Legislative Changes | \$0 | R |
| | \$0 | NR |

| | |
|-----------------------------------|---------------------|
| Revised Total Requirements | \$9,258,549 |
| Revised Total Receipts | \$11,875,837 |
| Change in Fund Balance | \$2,617,288 |
| Total Positions | 28.00 |

| | |
|---|---------------------|
| Unappropriated Balance Remaining | \$18,183,420 |
|---|---------------------|

Special Provisions

2016 Session: HB 1030

Division: (11.0) Division of Services for the Blind and Services for the Deaf and Hard of Hearing

Section: 12J.1

Title: **DATA COLLECTION AND SERVICE MANAGEMENT INFORMATION SYSTEM**

Summary Authorizes the Department to use \$750,000 from Budget Code 67425 to develop and implement a data collection and service management information system to replace the current legacy system. The Department must obtain prior approval from the Office of State Budget and Management and the State Chief Information Officer. (H.B. 1140/S.B.885)

Section: 12J.2

Title: **CLARIFYING CHANGES/TELECOMMUNICATIONS RELAY SERVICE**

Summary Amends G.S. 62-157 to update the definition of "exchange access facility" to reflect current practice and clarifies the timeframe by which the Department of Health and Human Services may use the surcharge receipts to provide telecommunications devices to persons who are hearing/speech/visually impaired. (H.B. 1140/S.B. 885)