



HOUSE BILL 500: NCCWBTC/Medicaid-Related Recs.

2023-2024 General Assembly

Committee:	House Health. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 18, 2023
Introduced by:	Rep. Stevens	Prepared by:	Jennifer Hillman
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 500 would enact two provisions recommended by the North Carolina Child Well-Being Transformation Council related to the Medicaid program. The provisions would require (i) the development and implementation of a plan to increase awareness of the school-based health services that may be reimbursed by Medicaid and (ii) an evaluation of the Integrated Care for Kids (InCK) Medicaid pilot program.*

BILL ANALYSIS: **Section 1** would require the Department of Health and Human Services, Division of Health Benefits (DHB), to develop and implement a plan to work with the following entities to increase awareness of Medicaid-reimbursable school-based health services:

- Department of Public Instruction.
- Local administrative units.
- Local management entity/managed care organizations (LME/MCOs).

DHB would also assess the feasibility of mechanisms to encourage private agencies to provide these school-based services. DHB would submit the plan to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice, the Senate Appropriations Committee on Health and Human Services, and the House Appropriations Committee on Health and Human Services by August 1, 2024.

Section 2 would require DHB to evaluate (i) the benefits of the InCK Medicaid pilot program, (ii) the feasibility of expanding the program, and (iii) the anticipated costs and savings associated with expanding the program. DHB would submit an initial report by March 1, 2025, and an updated report by March 1, 2027, to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice with the evaluation of the program and any legislative recommendations.

BACKGROUND: In 2018, the General Assembly created the time-limited Child Well-Being Transformation Council (the Council) for the purpose of coordinating, collaborating, and communicating among agencies and organizations involved in providing public services to children. The Council approved a Final Report¹ dated July 20, 2020, containing recommendations of changes in law, policy, or practice necessary to remedy identified gaps and problems. In its Final Report, the Council also recommended three bill drafts, one of which addressed recommendations related to the Medicaid program. HB 500 is an updated version of that bill draft, and it addresses the following topics:

- (1) School-Based Health Services. In 2019, DHB received federal approval to expand Medicaid coverage for certain health services provided in schools. The 2019 approval expanded coverage to specified services when the services are documented on the student’s Section 504

¹ The report is available online at: <https://webservices.ncleg.gov/ViewDocSiteFile/34716>.

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Accommodation Plan pursuant to 34 C.F.R. § 104.36 (504 Plan), Individual Health Plan (IHP), or Behavioral Intervention Plan (BIP). Before the approval, the specified services could only be covered when documented on an Individual Education Program (IEP) or an Individual Family Service Plan (IFSP). The specified services that may be covered when included on one of these plans include nursing, counseling, occupational therapy, speech/language therapy, physical therapy, and audiology services. The 2019 approval expanded the specified services to add coverage for vision screening and hearing screening services when included on any of the five types of plans previously described (IEP, IFSP, 504 Plan, IHP, or BIP). The Council found that there was a lack of awareness that these services were available to Medicaid-eligible students in school settings.

- (2) Integrated Care for Kids (InCK) Pilot Program. In June 2019, Duke University, in partnership with UNC and NC Medicaid, applied for federal approval to operate an InCK model pilot program. North Carolina was selected as one of seven states to receive federal funding of up to \$16 million from January 2020 to December 2026 to plan for and implement the InCK model. The InCK model supports alternative payment approaches that aim to reduce expenditures and improve the quality of care for children under 21 years of age covered by Medicaid through prevention, early identification, and treatment of behavioral and physical health needs. The Council found there was a lack of independent review of North Carolina's InCK pilot program.

EFFECTIVE DATE: The bill would be effective when it becomes law.