



# SENATE BILL 425: HHS Omnibus.

This Bill Analysis reflects the contents of the bill as it was presented in committee.

2023-2024 General Assembly

<b>Committee:</b>	House Health. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	June 19, 2024
<b>Introduced by:</b>	Sens. Krawiec, Burgin, Corbin	<b>Prepared by:</b>	Jessica Boney Staff Attorney
<b>Analysis of:</b>	PCS to Second Edition S425-CSBP-22		

**OVERVIEW:** *The Proposed Committee Substitute ("PCS") to Senate Bill 425 would (i) clarify the manner of service of petition and notice of hearing on disabled adults; (ii) amend the definition of family child care home; (iii) modernize local health director qualifications; (iv) extend unlicensed kinship care to half-siblings of relative children; (v) clarify first responder to whom infant may be surrendered is on duty; (vi) allow application to court for limited custody of surrendered infant upon initiation of notice by publication; (vii) update guidelines for trauma-informed standardized assessment; (viii) modify the Quality Rating Improvement System; (ix) temporarily extend the option to decrease Medicaid enrollment burden on county departments of social services; (x) create a uniform reference to East Carolina University regional behavioral health facility; (xi) update the Hospital Violence Act; (xii) clarify Medicaid benefits for inmates; and (xiii) provide reimbursement specifications of transcranial magnetic stimulation services under health benefit plans offered in the State.*

### Part I: Clarify the Manner of Service of Petition and Notice of Hearing on Disabled Adults

**CURRENT LAW:** G.S. 108A-105 does not specify how a disabled adult should receive notice of a hearing that the disabled adult needs protective services and lacks capacity to consent.

**BILL ANALYSIS:** Section I would clarify the petition and notice of the hearing must be served upon the disabled adult in accordance with G.S. 1A-1, Rule 4(j).

**EFFECTIVE DATE:** This section would be effective August 1, 2024, and apply to petitions filed on or after that date.

### Part II: Amend Definition of Family Child Care Home

**BILL ANALYSIS:** Section 2 would amend the definition of family care home to a child care arrangement in a residence with more than two children and less than 11 children, previously 10 children, receive child care.

**EFFECTIVE DATE:** This section would be effective when it became law.

### Part III: Modernize Local Health Director Qualifications

**BILL ANALYSIS:** Section 3 would amend the education and experience qualifications for a local health director to include the option of a bachelors degree in a field related to public health, with at least seven years of experience in health programs that includes three years of supervisory experience.

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**EFFECTIVE DATE:** This section would be effective August 1, 2024, and apply to appointments made on or after that date.

## **Part IV: Extend Unlicensed Kinship Care Reimbursement to Half-Siblings of Relative Children**

**Current Law:** An individual who is related by blood, marriage, or adoption to a child and providing foster care to the child may be reimbursed for the provision of care without meeting licensure requirements.

**BILL ANALYSIS:** Section 4 would allow an individual who is related by blood, marriage, or adoption to a child and providing foster care to the child and the child's half-siblings, to also be reimbursed for the provision of care of the half-siblings without meeting the licensure requirements.

**EFFECTIVE DATE:** This section would be effective when it became law.

## **Part V: Clarify First Responder to Whom Infant May be Surrendered is on Duty**

**BILL ANALYSIS:** Section 5 would clarify a first responder must be on duty to take temporary custody of safely surrendered infant.

**EFFECTIVE DATE:** This section would be effective on August 1, 2024, and apply to infants surrendered on or after that date.

## **Part VI: Allow Application to Court for Limited Custody of Surrendered Infant upon Initiation of Notice by Publication**

**Current Law:** G.S. 7B-525 requires the Director of a department of social services ("Director") to wait until after the notice by publication is completed to apply to the court for legal custody of the minor for the sole purposes of obtaining a certified copy of the child's birth certificate, a social security number, and federal or State benefits.

**BILL ANALYSIS:** Section 6 would allow the Director to apply for the order upon the initiation of the notice by publication, instead of waiting for the completion of the notice by publication.

**EFFECTIVE DATE:** This section would be effective October 1, 2024, and apply to infants surrendered on or after that date.

## **Part VII: Update Guidelines for Trauma-Informed Standardized Assessment**

**BILL ANALYSIS:** Section 7 would update the guidelines for trauma-informed, standardized assessments to ensure parental consent is obtained when required for each juvenile who is included in any Medicaid children and families specialty plan. It would clarify the county department of social services must make the referral for a trauma-informed assessment within five working days of obtaining parental consent for children at risk of entering foster care.

**EFFECTIVE DATE:** This section would be effective when it became law.

## **Part VIII: Quality Rating Improvement System Modifications**

**CURRENT LAW:** There is only one pathway to receiving a two- to five-star license. The current system is based on point accumulation consisting of up to 7 points for staff education standards, up to 7 points

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for program standards, and the opportunity to receive one (1) additional point by demonstrating compliance with a single option in educational or program standards.

**BILL ANALYSIS:** Section 8 would establish three pathways for child-care facilities to be assessed to obtain or maintain its star rating. The Department would be directed to adopt, repeal, and amend rules to effectuate the new star rating pathways as well as any rule establishing the star rating system to be automatically assessed for childcare facilities designated as Head Start programs. The hold harmless provisions suspending reassessments and education requirements until the new rules are in place would be extended. G.S. 110-90 would be amended to align the powers of the Secretary of Health and Human Services with the new assessments and make other technical and conforming changes.

**EFFECTIVE DATE:** Sections 8(b), 8(c), 8(d), and 8(e) of this Part are effective when they become law and expire on the date rules implementing QRIS reform become effective. Section 8(i) of this part becomes effective August 1, 2024. The remainder of this Part is effective when it becomes law.

## **Part IX: Temporarily Extend Option to Decrease Medicaid Enrollment Burden on County Departments of Social Services**

**CURRENT LAW:** The temporary authority of the federally facilitated marketplace to make North Carolina Medicaid eligibility determinations ends 12 months after the NC Health Works program began, which is November 30, 2024.

**BILL ANALYSIS:** Section 9 extends, until June 30, 2025, the temporary authority of the federally facilitated marketplace to make North Carolina Medicaid eligibility determinations. This temporary authority was originally enacted to decrease the Medicaid enrollment burden on county departments of social services during the implementation of new NC Health Works Medicaid coverage.

**EFFECTIVE DATE:** This section would be effective when it becomes law.

## **Part X: Create Uniform Reference to East Carolina University Regional Behavioral Health Facility**

**BILL ANALYSIS:** Section 10 would make all references to the ECU Regional Behavioral Health Facility consistent in the 2023 Appropriations Act.

**EFFECTIVE DATE:** This section would be effective when it becomes law.

## **Part XI: Update the Hospital Violence Protection Act**

**CURRENT LAW:** Effective October 1, 2024, G.S. 131E-88 requires all hospitals that have an emergency department to conduct a security risk assessment and implement a security plan to ensure at least one law enforcement officer ("LEO") is always present, unless a good faith exemption applies.

**BILL ANALYSIS:** Section 11 would allow a hospital to submit its security risk assessment, along with other specified criteria, to the Department and to the Joint Legislative Oversight Committee on Health and Human Services by October 1, 2024. The hospitals who do so would be exempt until June 1, 2025 from the requirement in G.S. 131E-88 to have an LEO present. The Department would also be required to keep a list of those hospitals who have met this exception.

**EFFECTIVE DATE:** This section would be effective when it becomes law.

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## **Part XII: Clarifying Medicaid Benefits for Inmates**

**BILL ANALYSIS:** Section 12 would extend the current exemption for justice-involved individuals from participation in Medicaid managed care. Inmates in prison would continue to be excluded from enrolling with prepaid health plans (PHPs) after their release from prison during their initial Medicaid eligibility period, or for 365 days, whichever is less. Inmates in other carceral setting, such as jails and juvenile justice facilities, who have had their Medicaid eligibility suspended would be excluded from enrolling with PHPs while incarcerated. The exclusion would continue after their release from incarceration during their initial Medicaid eligibility period, or for 365 days, whichever is less.

**EFFECTIVE DATE:** This section would be effective January 1, 2025.

## **Part XIII: Providing Reimbursement Specifications for Transcranial Magnetic Stimulation Services**

**BILL ANALYSIS:** Section 13(a) would create G.S. 58-3-254 to require insurers offering a health benefit plan that provides coverage for transcranial magnetic stimulation to provide coverage for all transcranial magnetic stimulation procedures. Insurers would be prohibited from penalizing a licensed health care provider or healthcare facility that properly submits a claim for transcranial magnetic stimulation services based on the healthcare provider or healthcare facility's medical specialty.

It would be within the discretion of insurers and the State Health Plan to determine whether to cover the procedure, indications for which the procedure should be covered, requirements for coverage, and reimbursement rates. Reimbursement rates that differ based on listed criteria would be allowable and not considered a prohibited penalty.

Section 13(b) would apply coverage of transcranial magnetic stimulation to the State Health Plan.

**EFFECTIVE DATE:** Section 13 would be effective October 1, 2024, and apply to insurance contracts issued, renewed, or amended on or after that date.

**EFFECTIVE DATE:** Except as otherwise provided, the PCS would be effective when it became law.