



HOUSE BILL 485: Adult Care Home Medicaid PCS Coverage.

2025-2026 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	April 15, 2025
Introduced by:	Reps. Sauls, Potts	Prepared by:	Jennifer Hillman
Analysis of:	First Edition		Staff Attorney

OVERVIEW: *House Bill 485 would require the Department of Health and Human Services, Division of Health Benefits (DHB) to consult with stakeholders and submit a request for federal approval to provide Medicaid personal care services to individuals who reside in adult care homes or special care units and who have incomes above the threshold for eligibility for the State-County Special Assistance program but below a specified level. The request must ensure that the cost of the new coverage is offset by savings or cost avoidance and complies with applicable legal requirements, and the request would only be implemented if all criteria are met and federal approval is received.*

BILL ANALYSIS: Section 1 would require DHB to consult with stakeholders and submit a request for federal approval to add Medicaid coverage of personal care services for certain individuals residing in adult care homes or special care units. The request would have to comply with all of the following:

- Medicaid personal care services would be covered for individuals residing in an adult care home whose income does not exceed 180% of the federal poverty level. (Currently \$17,149 per year, which is equivalent to 110% of FPL).
- Medicaid personal care services would be covered for individuals residing in a special care unit whose income does not exceed 200% of the federal poverty level. (Currently \$21,744 per year, which is equivalent to 139% of FPL).
- The cost of the new coverage would be offset by savings or cost avoidance.
- Applicable legal requirements would be met.

Section 2 would require DHB to submit the request to the Centers for Medicare and Medicaid Services (CMS) for federal approval within 90 days after the act would become law. DHB would only implement the Medicaid coverage described in the request if (i) the request is approved by CMS and (ii) the request meets all of the requirements in Section 1 of this act.

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

BACKGROUND: Section 9E.26 of S.L. 2023-134 requires DHB to explore options available to increase access to Medicaid services for dual eligibles that provide alternatives to nursing home placements and to report on those options to the Joint Legislative Oversight Committee on Medicaid by March 1, 2024. The report entitled "Reimbursement Methodology Used for Services Provided to Senior Dual Eligibles," submitted August 9, 2024, is available online at: <https://webservices.ncleg.gov/ViewDocSiteFile/88644>.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578