

# GOVERNOR COOPER'S RECOMMENDED BUDGET 2021-23

## Summary of Key Recommendations Related to Aging March 24, 2021

Funding amounts listed are the state appropriations.  
"R" notes recurring funding and "NR" notes non-recurring funding.

	<u>SFY 2021-22</u>	<u>SFY 2022-23</u>
<b>Education</b>		
<p><b>NC GROW Scholarship Stipends for High Demand Areas</b> Establishes a new completion incentive program for resident students in curriculum programs leading to degrees in fields with employer demand and competitive wages. Eligible programs include Health Sciences (and other programs). These \$1,000.00 completion incentives will be available to all resident students who finish a degree on time and in one of the eligible programs. Up to \$250,000 may be used for marketing and outreach.</p>	25,000,000 R	30,000,000 R
<p><b>Short-term Certificate Programs</b> Provides financial assistance in an amount up to \$750 for resident students who enroll in non-credit, short-term workforce training programs that lead to an industry credential in fields with employer demand and competitive wages. Eligible programs include courses in Health Sciences (and other programs). Awards allow students to pay costs they incur in enrolling and pursuing these credentials.</p>	2,500,000 R	5,000,000 R
<p><b>Staff Pipeline Development</b> Provides additional funds to support staff recruitment, development, and retention for high demand areas and programs, including Health Sciences (and other programs).</p>	2,500,000 R	5,000,000 R
<p><b>Institute for Health Disparities</b> Provides advanced planning funds for a new Institute for Health Disparities at Winston Salem State University.</p>	500,000 NR	

**SFY 2021-22****SFY 2022-23****General Government****Evidence-Based Evaluation Grants**

1,000,000 R

1,000,000 R

Provides grant support to state agencies interested in funding rigorous, well-designed evaluations to help build the evidence base needed to determine whether a program is working and achieving intended outcomes. Evaluations will be selected through a competitive process and will be required to have an independent, third party researcher and follow rigorous research standards.

**Housing Trust Fund**

7,660,000 R

7,660,000 R

Doubles the annual appropriation for the Housing Trust Fund to over \$15 million. The fund is the State's most flexible source of money for affordable housing and allows intensive targeting of vulnerable groups, including people who are homeless or have disabilities.

**New Kernersville State Veterans Home**

3,698,206 R

11,100,152 R

Provides funding to support the contracted operation of the new State Veterans Home in Kernersville. The funds will provide for one Veterans Service Officer position, as well as the hiring and training of staff to allow efficient opening of the new facility.

**Veterans Suicide Prevention Program Creates a suicide**

100,000 R

100,000 R

prevention program for active-duty military and veterans in the State. The Department of Military and Veterans Affairs will direct a Task Force to develop the action plan and implement the Governor's Challenge to Prevent Suicide Among Service Members, Veterans, and their Families.

**Veterans Cemetery Positions**

232,485 R

232,485 R

Funds four additional maintenance workers, two each for the Fayetteville and Black Mountain veterans' cemeteries. These additional staff will help meet the recent expansions and increase in burials at these facilities.

**Veterans Cemeteries Equipment and Other Operational Funds**

300,000 R

300,000 R

Provides funding for maintenance, equipment, and other operational needs at the four State Veterans Cemeteries.

**Fire Safety / Prevention Program Expansion**

60,000 R

60,000 R

Expands the existing Community Risk Reduction Program, which aims to save lives by enhancing fire safety and prevention knowledge. North Carolina is one of the top ten states for fire deaths.

## General Government

### Identity Theft and Tax Fraud Prevention

400,000 R

400,000 R

Maintains funding for identity theft and refund fraud prevention as fraudulent schemes grow in volume and complexity. Identity theft prevention measures realized over \$50 million in refund fraud savings in FY 2019-20.

## Health and Human Services

### Support for Aging and Adult Services

2,000,000 R

2,000,000 R

Supports aging and adult services by increasing the state's supplement in the Home and Community Care Block Grant, which funds services such as transportation, in-home aid, and home-delivered meals for older adults and their caregivers in all 100 counties across the state. The expansion would reduce the waitlist by an estimated 1,000 individuals.

### Nutrition Services for Older Adults

3,585,000 R

3,585,000 R

Increases the state's investment in nutrition services for older adults. Invests \$3.1 million to provide two meals per week or \$20 in groceries for 3,000 individuals and \$255,000 for the NC Senior Farmers Market Nutrition Program (SFMNP) to serve an additional 8,500 low-income older adults. Also funds \$210,000 throughout each year to provide two weeks of healthy meals to 1,000 high-risk older adults after being discharged from a hospital stay.

### Key Rental Assistance

6,250,000 R

6,250,000 R

Provides additional funding for Key Rental Assistance, a partnership between the Division of Aging and Adult Services and the NC Housing Finance Agency, providing supportive housing programs for people who are very low income and/or disabled and in need of affordable housing. Currently about 2,350 households are supported by Key Rental Assistance. This item would provide funding to sustain the current caseload.

### Adult Protective Services - Essential Services

1,500,000 R

1,500,000 R

Establishes an Adult Protective Services (APS) Essential Services Fund to provide services such as caregiver support, housing improvements, transportation, and adult day/health care to individuals ages 18 and older. Services provided will help prevent and reduce recidivism of maltreatment, allow adults to age in place, eliminate unnecessary institutionalization and promote deinstitutionalizations.

**Health and Human Services**

**APS/CPS Workforce Shortage**

8,500,000 R

10,000,000 R

Critical staffing shortages have been identified for local social services for Adult Protective Services (APS) and Child Protective Services (CPS). APS and CPS workers provide services to adults and children who are, or who are suspected of being, abused, neglected, or exploited. Funding will be provided to fill more than 100 full-time county positions and be allocated equitably statewide based on a formula considering existing staffing levels and need.

**Housing Coordination Office**

600,000 R  
400,000 NR

600,000 R

Establishes new office within DHHS to coordinate housing programs and services across divisions and to coordinate with external partners on statewide housing issues. Funds provide a total of four staff and one-time funding for HMIS.

**Healthy Opportunities Office Expansion**

600,000 R

600,000 R

Funds support additional positions in the Healthy Opportunities Office to develop public-private partnerships to address social determinants of health and to continue implementation of the NCCARE360 network.

**Office of Minority Health and Health Disparities**

845,000 R

845,000 R

Expands the Office of Minority Health and Health Disparities to increase efforts to eliminate health disparities among racial and ethnic minorities and other underserved populations in NC. Funding will support six positions that will fill critical functions like developing and measuring health equity objectives across DHHS and providing technical assistance to small and emerging community-based health and human service non-profits led by and serving historically marginalized populations.

**Medicaid Coverage Gap**

Supports expanding Medicaid eligibility beginning October 1, 2021 to provide healthcare access for more than 600,000 North Carolinians, help prevent rural hospitals from closing, reduce the number of uninsured veterans, help fight the opioid epidemic, and secure North Carolina's share of federal resources that will inject over \$5 billion in direct investment into the state. The American Rescue Plan Act of 2021 provides an additional \$1.7 billion in federal funds through Medicaid expansion over two years, of which \$1.3 billion would support expansion, offsetting the need for additional hospital assessments for up to six years. \$400 million would support other health initiatives including increased mental health and telehealth access and programs to support workforce development and Medicaid beneficiary transitions to employer or other private coverage options.

**Health and Human Services**

**Healthy Opportunities Pilots**

4,011,364 NR

167,175,000 NR

Supports pilot initiatives to test the impact on health outcomes and health care costs of integrating and financing evidence-based, nonmedical services into the delivery of Medicaid in up to three pilot regions. These initiatives were authorized for up to five years in the state's Section 1115 waiver and are the first-of-their-kind to receive CMS approval. Funds will be used for capacity building and the provision of services addressing social determinants of health such as food assistance, housing, and transportation. The State share of costs will be funded with transfers from the Medicaid Transformation Fund.

**Community Alternatives Program for Disabled Adults (CAP/DA)**

1,000,000 R

1,000,000 R

Provides funding for an additional 114 slots for the Community Alternatives Program for Disabled Adults waiver effective July 1, 2021. This waiver provides individualized services in the home and community for Medicaid beneficiaries who are medically fragile and at risk for institutionalization.

**Transitions to Community Living**

680,610 R

680,610 R

Increases funding for the Transition to Community Living Initiative, which supports eligible adults with mental illness in transitioning from institutions to community care settings. This funding will provide additional tenancy and peer support services related to the US DOJ Olmstead Settlement.

**Long-Term Care Workforce Support**

20,000,000 R

25,000,000 R

Funds the first step in a multi-year initiative to stabilize the long-term care workforce by increasing wages to support recruitment and retention of highly qualified direct care workers. This funding is for the following Medicaid programs: Community Alternatives Program for Children (CAP/C), Community Alternatives Program for Disabled Adults (CAP/DA), Innovations Waiver, Traumatic Brain Injury (TBI) Waiver, Personal Care Services (PCS) programs, Intermediate Care Facilities for Individuals with Developmental Disabilities (ICF/IDD), Home Health and Nursing Homes. This investment will support a pay increase of at least \$0.50 per hour for over 60,000 direct care providers.

**Transition to Community Living Initiative**

15,077,155 R

15,077,155 R

Completes the phased-in implementation of the Transitions to Community Living Initiative to ensure compliance with the US DOJ Olmstead settlement. This funding expands the number of individuals transitioning into housing slots, increases the number of referrals to supported employment, and serves more individuals in Assertive Community Treatment (ACT).

**Health and Human Services**

**Health Services Regulation Staff**

1,000,000 R

1,000,000 R

Funds new complaint intake, nursing home licensure, and adult care licensure positions in the Division of Health Services Regulation to meet demand for increased health and safety inspections of long-term care facilities and oversight of the Substance Use Dependence Demonstration Project.

**Justice and Public Safety**

**Pisgah Legal Services**

100,000 R

100,000 R

Maintains pass-through funding for Pisgah Legal Services Veterans Assistance Program, which assists homeless or otherwise vulnerable military veterans access services and resources to obtain permanent housing and improve access to benefits in western North Carolina.

**Conference of District Attorneys**

1,938,139 R  
83,000 NR

1,938,139 R

Provides funding to the Conference of District Attorneys to address workload shortages, ensuring efficient coordination of prosecution efforts statewide. This funding also shifts victims service coordinator positions from grant funding to General Fund support.

**Long-Term Care Facility for Central Prison**

3,508,710 R  
1,272,194 NR

7,179,161 R

Provides funds for operating costs and positions to open the long-term care facility for chronically ill inmates, decreasing external medical costs and providing a more secure environment. This facility was completed in 2019 and needs operating funds and positions to open.

**Community-Based Violence Intervention Grants**

1,000,000 NR

Provides funding for community violence prevention grants. Grants will be awarded to community and healthcare organization that approach violence as a public health issue and use evidence-based interventions to reduce the incidence of community-based violence.

## Natural and Economic Resources

### Low-Income Clean Energy Program

Provides \$14 million nonrecurring in FY 2021-22 and \$9 million nonrecurring in FY 2022-23 to expand access to clean energy and energy efficiency improvements in low-income households. This program supplements the existing federal Weatherization program, expanding the number of low-income households across the state who can implement energy efficiency measures, access clean energy sources, and weatherize their homes with energy efficient improvements. The improvements will allow these households to save energy and reduce their utility bills. This item is funded in Energy & Environment Reserve in the Reserves Section of the budget.

### Housing & Community Development Office

300,000 R

600,000 R

Establishes a new office within the Department of Commerce to provide statewide housing and community development policy coordination, capacity, and technical assistance. By looking holistically at housing and community development, the office will help North Carolina foster attractive communities to live and work. Funds provide a total of four staff, including an Office Director, supporting and technical assistance staff, and an operating budget.

## Transportation

### Integrated Mobility Positions

190,514 R

190,514 R

Provides funding for one Engineer III and one Deputy Director in the Integrated Mobility Division (IMD). These positions were removed last year, but are needed for the completion of the merger of IMD's predecessor units and to deliver increased planning, coordination, and innovation in how to move people.

### Integrated Mobility - Public Transport Innovation

10,000,000 NR

Provides nonrecurring funds to support integrated mobility pilots, to help rural local authorities seek grants, and to fund consultants to seek Federal grants.

### Integrated Mobility - Rural Operating Assistance Program

5,000,000 NR

Increases support of the Federal Transit Administration's Section 5310 program for the enhanced mobility of seniors and individuals with disabilities, which provides formula-based funding to states. This program assists transit agencies and nonprofit groups to meet the transportation needs of older adults and people with disabilities when other public transportation services are unavailable, insufficient, or inappropriate to meeting their needs.

**SFY 2021-22**

**SFY 2022-23**

**Transportation**

**Bicycle and Pedestrian Projects**

Provides funds for local government grants to match federal funds for bicycle and pedestrian projects, such as shared use paths, bicycle lanes, and bicycle and pedestrian bridges.

10,000,000 R

10,000,000 R

**Capital Improvements**

**Black Mountain Neuro-medical Center**

Authorizes General Obligation Bonds, subject to a vote of the people, to fund major renovations at the medical center. These funds support the replacement of the HVAC, electrical, plumbing, and fire alarm systems that are nearing the end of their useful life.

20,808,000 NR

**O'Berry Neuro-medical Center**

Authorizes General Obligation Bonds, subject to a vote of the people, to fund major renovations at the medical center. These funds support the replacement of life and safety and building systems upgrades

23,833,800 NR

**Longleaf Neuro-medical Center**

Provides funds for major renovations of the facilities at Longleaf Neuromedical Center, including replacement of the plumbing, heating, ventilation, and air conditioning systems.

14,100,000 NR

**Black Mountain Neuro-medical Center Provides planning** funds for the renovation of facilities at the Black Mountain Neuro-medical Center. Full construction will be funded by the issuance of Limited Obligation Bonds.

2,312,000 NR

**O'Berry Neuro-medical Center**

Provides planning funds for the renovation of facilities at the O'Berry Neuro-medical Center. Full construction will be funded by the issuance of Limited Obligation Bonds.

2,648,200 NR

**New Wake County Veterans Home**

Provides funding for the construction of a 120 bed, skilled nursing home in Raleigh for eligible veterans. The total cost of the project is projected to be \$85.7 million. U.S. Department of Veterans Affairs grant funding accounts for 65% of the total cost of construction. The remaining cost of construction is financed by the State Veterans Home Trust Fund as directed by the General Assembly (G.S. 143B-1293(c)(3)).

29,995,000 NR