GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

S

SENATE BILL 246

| | Short Title: | Create 13,000 Jobs Serving People With I/DD. | (Public) | |
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| | Sponsors: | Senators Grafstein and Moffitt (Primary Sponsors). | | |
| | Referred to: | Rules and Operations of the Senate | | |
| | | March 6, 2025 | | |
| 1 | | A BILL TO BE ENTITLED | | |
| 2 | AN ACT TO | AN ACT TO INCREASE THE AMOUNT OF MEDICAID INNOVATIONS WAIVER SLOTS | | |
| 3 | | AVAILABLE FOR THE 2025-2027 FISCAL BIENNIUM. | | |
| 4 | | Whereas, the Innovations Waiver provides critical services to about 15,000 North | | |
| 5 | | Carolinians with intellectual and/or developmental disabilities, allowing them to receive support for living in their home communities and enabling their families to remain in the workforce; and | | |
| 6 7 | | Whereas, there are currently approximately 19,000 people with intellectual and/or | | |
| 8 | developmental disabilities on the waiting list for Innovations Waiver services; and | | | |
| 9 | Whereas, the Innovations Waiver waiting list has doubled in the last 10 years; and | | | |
| 10 | Whereas, the addition of 2,000 Innovations Waiver slots over the past 10 years has | | | |
| 11 | failed to keep up with the pace of growth on the waiting list; and | | | |
| 12 | Whereas, many people on the waiting list have waited more than a decade for critical | | for critical | |
| 13 | services; and | | | |
| 14 15 | Whereas, there are people on the waiting list in every county in North Carolina; and | | | |
| 16 | Whereas, every State dollar spent on an Innovations Waiver slot draws down approximately two dollars in federal matching funds; and | | aws uown | |
| 17 | | hereas, according to analysis by researchers at the UNC-Greensboro I | Department | |
| 18 | | s, each new Innovations Waiver slot represents about 1.3 new jobs cre | - | |
| 19 | local community where the beneficiary lives; and | | | |
| 20 | Whereas, according to analysis by the same researchers, every State dollar paid to | | | |
| 21 | direct care workers, combined with the federal match, results in five dollars of local economic | | | |
| 22 | activity; and | | .1 | |
| 23 24 | | Thereas, providing needed services to people with intellectual and/or devertexter and stimulates economic activity in every community in North | | |
| 2 4 25 | and | eates jobs and summates economic activity in every community in Nort. | n Caronna, | |
| 26 | | hereas, addressing the service needs of individuals on the waiting l | ist has the | |
| 27 | | nefit of enabling family or other caregivers to resume participation in the | | |
| 28 | Now, therefore | re, | | |
| 29 | | Assembly of North Carolina enacts: | | |
| 30 | | ECTION 1.(a) There is appropriated from the General Fund to the Dep | | |
| 31 | | Human Services, Division of Health Benefits (DHB), the sum of or | | |
| 32 33 | • | illion dollars (\$134,000,000) in recurring funds for the 2025-2026 fisc: | • | |
| 33 34 | | ree hundred fifty-seven million three hundred forty thousand dollars (\$35 funds for the 2026-2027 fiscal year to be used to increase the number | | |
| 35 | 0 | ovations Waiver slots, as directed by this act. These funds shall provide a S | | |
| 36 | | dred forty-four million seven hundred fifty thousand dollars (\$244,7 | | |
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1 recurring federal funds for the 2025-2026 fiscal year and the sum of six hundred fifty-two million 2 six hundred sixty thousand dollars (\$652,660,000) in recurring federal funds for the 2026-2027 3 fiscal year, and those federal funds are appropriated to the Division of Health Benefits for 4 implementation of this act. 5 **SECTION 1.(b)** DHB shall amend the North Carolina Innovations Waiver to 6 increase the number of waiver slots available under the waiver for the 2025-2026 fiscal year by 7 5,000. These 5,000 waiver slots shall be distributed in accordance with subsection (c) of this 8 section and are to be made available October 1, 2025, unless the method of acceptance or 9 rejection of waiver slots detailed in subsection (c) of this section requires approval by the Centers 10 for Medicare and Medicaid Services (CMS). If CMS approval is required, then any waiver slots 11 that are rejected under the procedure described in subsection (c) of this section shall be made 12 available October 1, 2025, or the date that CMS grants or denies approval of the rejection and 13 acceptance procedure, whichever is later. If CMS approval is required and CMS does not approve 14 the rejection and acceptance procedure in subsection (c) of this section, then any rejected waiver 15 slots shall remain distributed using the allocation formula currently in place as of the effective 16 date of this act. 17 **SECTION 1.(c)** DHB shall distribute the initial 5,000 waiver slots identified under 18 subsection (b) of this section using the allocation formula currently in place as of the effective 19 date of this act, provided that all waiver slots shall be filled on a first-come, first-served basis 20 determined by the length of time an individual has been on the waiting list for an Innovations 21 Waiver slot. Each LME/MCO shall, within 30 days of receiving the offer of the waiver slot, elect 22 whether to accept some, all, or none of the waiver slots offered. All waiver slots not accepted by 23 an LME/MCO shall be distributed equally among the LME/MCOs that attest to the following 24 requirements: 25 The LME/MCO ensures that all rates paid to providers for any services (1)26 provided to beneficiaries receiving those services through the Innovations 27 Waiver are sufficient to pay its direct care employees a minimum wage of 28 twenty dollars (\$20.00) per hour. The LME/MCO may include in the rates 29 paid any additional amounts authorized by the General Assembly that are 30 designated for direct care personnel wages. 31 The ability and capacity to provide services to the beneficiaries that will (2)32 receive the additional waiver slots exists within the LME/MCO's catchment 33 area. 34 Any election by an LME/MCO to accept or reject additional waiver slots made 35 available under this section shall not impact the distribution of any waiver slots available in the 36 2026-2027 fiscal year. 37 **SECTION 1.(d)** DHB shall amend the North Carolina Innovations Waiver to 38 increase the number of waiver slots available under the waiver for the 2026-2027 fiscal year by 39 5,000. These 5,000 waiver slots shall be distributed using the allocation formula currently in 40 place as of the effective date of this act; provided all waiver slots shall be filled on a first-come, 41 first-served basis determined by the length of time an individual has been on the waiting list for 42 an Innovations Waiver slot. These waiver slots shall be made available July 1, 2026. 43 **SECTION 2.** This act becomes effective July 1, 2025.