



Legislative Update

#0008 for March 26, 2007

Medicaid 102. The word is out. Last week at a meeting of the Joint House-Senate Committee on Appropriations – Health & Human Services, the General Assembly’s Division of Fiscal Research (DFR) rolled out a projection that county Medicaid expenditures would exceed the upper limit of the state cap by at least \$5 million. It was also noted that the cap provision does not address how the Division of Medical Assistance (DMA) will address county expenditures that exceed the cap. DMA is still working on *its* projections of the counties’ Medicaid share. DMA’s current projection shows the counties jumping from less than \$500 million to \$517 million in 2007-2008 and \$566 million in 2008-2009. DFR set forth projections of \$617 million for 2009-2010, \$672 million for 2010-2011, and \$733 million for 2011-2012. At the same meeting, Jim Blackman, General Counsel of the County Commissioners Association, was asked to speak on various schemes for easing the counties’ Medicaid burden. When asked about a tax swap, he essentially said that the CCA would consider any plan, *but* he stated the obvious. Any tax swap plans that favor one set of counties over the others would be inherently controversial. Then he went on to state what may be the CCA’s compromise position. The group is leaning toward a combination of targeted relief for “disproportionately affected” counties (something in the \$45-\$50 million range) and a new, state-funded cap. This jibes – at least in part – with what Gov. Easley said in his State of the State address, and may become the favored solution *du jour*.

The county share of Medicaid is not the only aspect of the program on legislators’ minds:

In some corners of the state, it’s easier to find a Republican who loves Hillary Clinton than to locate a dentist who accepts Medicaid patients. Sen. Bob Atwater (D-Chatham, Durham & Lee) seeks to alleviate this problem with **SB 1062 Medicaid Reimbursement Rate**, which would appropriate \$10 million over the next two years to increase dental rates under the State Medical Assistance Plan.

Sen. Robert Pittenger (R-Mecklenburg) holds that **SB 1013 Initiatives to Reduce Medicaid Costs** would live up to its title by starting one to four pilot programs that give Medicaid recipients more “choice in the marketplace” via HMOs, managed care plans, and even opting out of Medicaid in favor of employer-sponsored plans. Sens. Tony Rand (D-Cumberland) and Edward Jones (D-Hertford, Halifax, Chowan, Gates & Bertie) also want to authorize four Medicaid HMO pilots via **SB 1042**, and they want DHHS to report on its progress in doing this no later than May 1, 2008.

SB 1126 Establish Benefit Bank would not start a savings and loan company. Sens. Dan Clodfelter (D-Mecklenburg) and Linda Garrou (D-Forsyth) want \$500,000 to host an internet “bank” that connects citizens to information about Food Services (note the new name), Medicaid and “other public assistance programs.” Hmm. Maybe clients could get their fishing licenses and register to vote [there](#).

More CPS workers? Help may be on the way. Among the many items put forth by the Social Services Consortium, enhanced funding for the Child Welfare

Collaborative is doing especially well. Reps. Martha Alexander (D-Mecklenburg), Jennifer Weiss (D-Wake) and a host of co-sponsors have introduced **HB 963 Child Welfare Collaborative Funds**, which would appropriate \$4.619 million to extend the CPS worker scholarships to eight additional BSW and MSW programs at six additional publicly- supported universities across the state. Sens. Bill Purcell (D-Scotland), Charlie Dannelly (D-Mecklenburg), Katie Dorsett (D-Guilford) and co-sponsors, including Sen. Tony Rand (D-Cumberland), have introduced the Senate companion bill, SB863. Now that we've got bills in both chambers, the battle becomes one of getting the provisions of HB 937 and SB 863 into the House and Senate versions of the state budget and keeping them there until the governor's signature dries. If you live or work in any of the counties represented by the lawmakers named above, please thank them for their continued support.

But wait! There's more! Gov. Mike Easley's proposed \$20 billion state budget allocates \$8.4 million in new funding to provide child daycare coverage for 2,000 more children. On March 8, the NCACDSS upped the ante by calling on the General Assembly to double that appropriation and serve 4,000 children. But the stakes have climbed again because Reps. Martha Alexander (D-Mecklenburg) and Jennifer Weiss (D-Wake) have co-sponsored HB 854 Child Care Subsidy Funds, a measure that calls for \$23 million to take 6,000 children off the waiting list. What's more, the bill would peg the rate for child care providers in three-, four-, and five-star facilities at 60 percent of the difference between the 1997 and 2005 market rates. It's a common practice for funding seekers to give themselves negotiating room by asking for a bigger appropriation than they expect to obtain, but this year, Rep. Alexander is a newly-appointed Co-Chair of the House Appropriations Committee. Who knows? She might walk out of the big appropriations negotiating room (popularly known as "The Bunker") with the whole wad. The children of the working poor need every break they can get.

Jam up. Once upon a time, state representatives and senators would show up in Raleigh for the "long session" of the legislative biennium, and they'd take two sleepy months or more to sharpen pencils, gouge the wax from their ears and learn the most direct paths to the rest rooms. Not this session. The solons have already introduced 2,500 bills of all types, and the Senate has outpaced the House by about 500 bills. The clever scribes who toil in the General Assembly's Bill Draft Division have been so deluged with last-minute requests for inked parchment that the Senate extended its bill introduction deadline by a week – to March 27. Those of you who root for the House need not despair. The members of that chamber may catch up because their filing deadline for appropriations and finance bill runs all the way out to May 9 – a date that's very close and far, far away.

Who knows what evil lurks at Chez Greasy Spoon? A senator from the Piedmont, who shall go unnamed, has introduced **SB 1094 Personal Protection In Restaurants**. When I first read the bill's title, I envisioned restaurant hostesses issuing latex seat covers so customers could shield themselves from the crud left by earlier patrons. I was naïve! SB 1094 would authorize any person with a concealed handgun

permit to carry the life-saving device into a restaurant. Yea, though I dine at McDonalds, I shall fear no evil, for my gat is with me. . .

A handwritten signature in black ink that reads "Tom Bennett". The signature is written in a cursive style with a large, stylized initial "T" and "B".

Executive Director, NCACDSS