

23

Senior Citizens

The 2006 legislative session was relatively quiet with respect to laws affecting government programs for senior citizens, long-term care, and state and local government retirees. Legislative study committees, however, have been authorized to study several issues affecting senior citizens, including automatic cost-of-living increases for retired teachers and state employees and the property tax exemption for elderly homeowners.

Government Programs for Senior Citizens

Home and Community-Based Long Term Care Services

S.L. 2006-110 (S 1279) directs the Department of Health and Human Services (DHHS) to collaborate with long-term care advocates and providers of home and community-based long-term care services to review the North Carolina Institutional Bias Study Report and to submit its recommendations regarding ways to address the biases identified in that report to the North Carolina Study Commission on Aging by October 15, 2006.

Adult Day Services

S.L. 2006-108 (S 1278) requires the DHHS Division of Aging and Adult Services (DAAS) and the DHHS Division of Medical Assistance (DMA) to provide education, and training if necessary, to ensure that Community Alternatives Program case managers are aware of adult day health services and to ensure that adult day health services are considered in all situations in which those services are appropriate. S.L. 2006-108 also requires DAAS to report to the North Carolina Study Commission on Aging no later than July 30, 2006, with respect to the foregoing requirement and on the status of the Partners in Caregiving Study recommendations. A copy of the report is available at www.dhhs.state.nc.us/aging/adcreources.htm.

Long-Term Care Ombudsman Program

Section 13B of S.L. 2006-221 (S 198) requires DHHS to use funds appropriated for long-term care quality improvement to support eight regional long-term care ombudsman positions in area agencies on aging and to use \$100,000 of these funds for a contract for the quality improvement program.

Medicaid and State-County Special Assistance

Legislation affecting North Carolina's Medicaid and State-County Special Assistance programs is summarized in Chapter 24, "Social Services."

Property Tax Exemption for Elderly Homeowners

Section 2.1 of S.L. 2006-248 (H 1723) authorizes the Legislative Study Commission to study issues related to the property tax exemption for elderly and disabled homeowners (G.S. 105-277.1).

Long-Term Care

Home Care Agency Licenses

In order to give DHHS the time necessary to adopt new home care rules, Section 2 of S.L. 2006-194 (S 1280) prohibits DHHS, beginning January 1, 2007, from issuing any licenses for new home care agencies that intend to offer in-home aide services. This prohibition, however, does not apply to certified home health agencies that intend to offer in-home aide services or to agencies that need a new license for an existing home care agency that is being acquired.

Special Licenses for Long-Term Care Providers

S.L. 2006-104 (S 1277) enacts a new Article 5 of G.S. Chapter 131E establishing a North Carolina New Organizational Vision Award (NC NOVA) special licensure designation for adult care homes, nursing homes, and home care agencies. This special licensure designation will be awarded to long-term care providers that have been determined, through written and on-site review by an independent review organization, to have met a comprehensive set of workplace-related interventions intended to improve the recruitment and retention, quality, and job satisfaction of direct care staff and the care provided to long-term care clients and residents. The act directs DHHS to adopt rules to implement the NC NOVA program in accordance with the criteria and protocols developed by the NC NOVA Partner Team, which includes representatives from twelve specified organizations.

Adult Care Home Quality Improvement Consultation Program

S.L. 2005-276 required DHHS to submit a progress report on the adult care home quality improvement consultation program to the North Carolina Study Commission on Aging and the legislative health and human services appropriations committees by April 1, 2006. Section 10.1 of S.L. 2006-66 (S 1741) changes the deadline for submitting this report to January 1, 2007.

No-Fault Compensation for Injuries in Long-Term Care Facilities

Section 18 of S.L. 2006-248 authorizes the Commissioner of Insurance, the North Carolina Industrial Commission, and DHHS to study the utility, efficacy, and advisability of creating a system of no-fault compensation for injuries resulting from the regular and ordinary course of care

provided at nursing homes, homes for the elderly, other long-term care facilities, and assisted living facilities.

Geriatric Care Providers

Section 3.2 of S.L. 2006-248 authorizes the Joint Legislative Health Care Oversight Committee to study methods to increase the number of geriatric care providers in North Carolina.

Retired State and Local Government Employees

Teachers' and State Employees' Retirement System

Cost-of-living increase for retired teachers and state employees. S.L. 2006-66 provides a 3 percent cost-of-living increase for retired teachers and state employees covered by the Teachers' and State Employees' Retirement System (TSERS).

Part X of S.L. 2006-248 establishes the House Select Study Commission on a Mandatory Cost-of-Living Increase for retirees of TSERS. Members of the study commission will be members of the state House of Representatives, appointed by the Speaker of the House. The committee will study the cost and feasibility of an automatic cost-of-living increase for retirees of TSERS and must submit a report of its findings and recommendations on or before the convening of the 2007 General Assembly.

Funding of the Teachers' and State Employees' Retirement Fund. In state fiscal year 2000–2001, Governor Easley withheld approximately \$130 million in state contributions to TSERS due to an \$850 million shortfall in the state budget. The General Assembly subsequently appropriated \$90 million to repay, in part, these withheld contributions and S.L. 2006-66 appropriates an additional \$30 million toward repayment of these withheld contributions. (In September, 2006, a superior court judge held that the Governor's withholding of state contributions was unconstitutional, but did not direct the General Assembly to repay the withheld contributions.)

Purchase of creditable service. S.L. 2006-172 (H 853) amends G.S. 135-5 to allow the purchase of creditable service under TSERS for periods of service under the Optional Retirement Program for state institutions of higher learning.

Optional Retirement Program. Effective July 1, 2007, S.L. 2006-172 also amends G.S. 135-5.1 to include the North Carolina School of Science and Mathematics under the University of North Carolina Optional Retirement Program.

State Health Plan coverage for future TSERS retirees. S.L. 2006-174 (S 837) amends G.S. 135-40.2(a)(2) to provide that noncontributory coverage of a TSERS retiree under the State Health Plan will be conditioned on the retiree's having at least twenty years of retirement service credit if the retiree is first hired as a state employee or teacher on or after October 1, 2006. The act also amends G.S. 135-40.2 to (1) provide that the state will pay 50 percent of the plan's noncontributory premium if a retiree has at least ten, but less than twenty, years of retirement service and the retiree is first hired as a state employee or teacher on or after October 1, 2006, and (2) that a retiree who has less than ten years of retirement service and who is first hired as a state employee or teacher on or after October 1, 2006, may be covered under the State Health Plan on a contributory basis only.

Local Government Employees Retirement System

S.L. 2006-64 (H 1237) amends G.S. 128-28(c) to revise the membership of the Local Government Employees' Retirement System (LGERS) Board. Under the amended statute, the LGERS Board will consist of fourteen members: seven members of the TSERS Board and seven members appointed by the Governor. The seven members of the TSERS Board who will serve on

the LGERS Board include the following: the state treasurer, the superintendent of public instruction, the two members of the TSERS Board appointed by the General Assembly, and the three members of the TSERS Board who are appointed by the Governor and are not members of the teaching profession or state employees. The seven members of the LGERS Board appointed by the Governor must include a mayor or member of the governing body of a city or town that participates in the LGERS, a county commissioner of a county that participates in the LGERS, a law enforcement officer employed by an employer that participates in the LGERS, a county manager of a county that participates in the LGERS, a city or town manager of a city or town that participates in the LGERS, an active local government employee who is not exempt from the Fair Labor Standards Act, and a retired local government employee who was not exempt from the Fair Labor Standards Act.

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