

**Mission**

To provide essential services to improve the health, safety, and well-being of all North Carolinians, in collaboration with our partners.

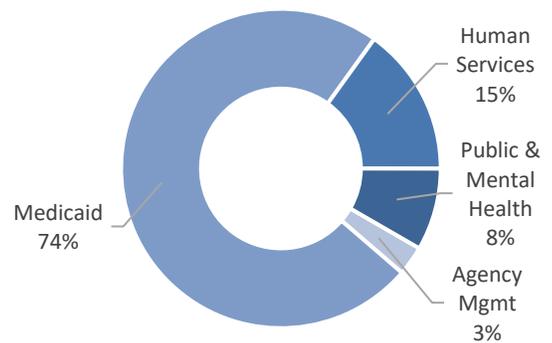
**Goals**

1. Advance health access by increasing opportunity and outcomes for people who face greater health and situational challenges within NCDHHS and across the state.
2. Promote child and family well-being by making it easier for children and families to access the healthcare, programs, and supports they need.
3. Support behavioral health and resilience by prioritizing investments in coordinated systems of care that make mental health services easy to access when and where they are needed and reduce stigma around accessing these services.
4. Build a strong, inclusive workforce that supports early learning, health, and wellness across North Carolina. This includes investigating opportunities to further build workforce pipelines, forge career pathways, and promote inclusive employment strategies that support a workforce that is ready for our next challenge and is reflective of our communities.
5. Achieve Operational Excellence by enabling efficient, effective, and innovative processes and services.

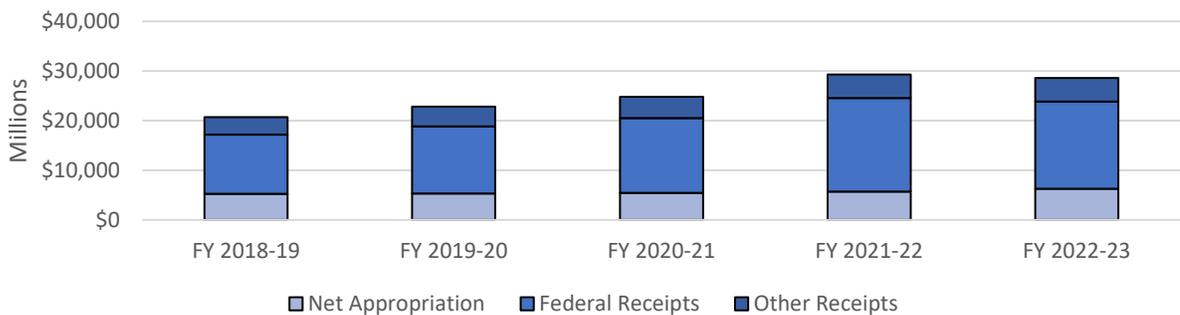
**Agency Profile**

- Buys health through our Medicaid program, including working with underserved communities to improve quality health care access and reduce health disparities.
- Safeguards public health by protecting communities from communicable and chronic diseases, epidemics, and contaminated food/water.
- Protects the safety, security, and well-being of children and vulnerable adults.
- Supports individuals with disabilities and older adults in leading healthy and fulfilling lives. Promotes family economic independence and self-sufficiency.
- Ensures high standards in the many health care facilities we operate or regulate.

**FY 2022-23 Actual Expenditures**



**5-Year Historical Expenditures**



*Charts include General Fund budget codes only. Increased expenditures in FY2020-21, FY 2021-22, FY2022-23 are due to federal COVID-19 funding.*

**Division of Central Management and Support (14410)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	873,959,573	455,836,489	516,342,065	34,271,887	10,346,501	44,618,388	560,960,453
Receipts	679,548,409	237,329,668	290,358,595	5,000,000	-	5,000,000	295,358,595
Net Appropriation	194,411,164	218,506,821	225,983,470	29,271,887	10,346,501	39,618,388	265,601,858
Positions (FTE)	989.000	1,059.500	1,059.500			0.000	1,059.500

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments

**Reserve for Salaries and Benefits**

**1 Compensation Increase Reserve**

Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.

Req \$	1,346,000	\$	-	\$	1,346,000
Rec \$	-	\$	-	\$	-
App \$	1,346,000	\$	-	\$	1,346,000
FTE					0.000

**2 Position Fundshift Reserve**

Establishes a Position Fundshift Reserve to provide the agency with additional flexibility to manage. The agency may use these funds to fundshift a limited number of positions, in whole or in part, from receipts to net appropriation support. Fundshifting positions will free up receipts, providing much needed availability for receipt-supported compensation increases. Agencies are required to provide legislative increases to receipt-supported positions but are often not able to raise the additional revenue needed to do so.

Req \$	3,804,000	\$	-	\$	3,804,000
Rec \$	-	\$	-	\$	-
App \$	3,804,000	\$	-	\$	3,804,000
FTE					0.000

**3 Retention Bonus**

Provides a \$1,000 bonus to net appropriation-supported employees and an additional \$500 bonus to employees with an annual salary of less than \$75,000. To address retention, the retention bonus will be paid in two installments with half of the bonus paid in October 2024 and half in April 2025.

Req \$	-	\$	9,874,000	\$	9,874,000
Rec \$	-	\$	-	\$	-
App \$	-	\$	9,874,000	\$	9,874,000
FTE					0.000

**4 Enhanced Labor Market Retention and Adjustment Reserve**

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported and receipt-supported payroll. The inclusion of funds for receipt-supported positions provides flexibility to agencies to address labor market concerns across all positions regardless of funding source. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. Among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	14,671,000	\$	-	\$	14,671,000
Rec \$	-	\$	-	\$	-
App \$	14,671,000	\$	-	\$	14,671,000
FTE					0.000

**5 Retiree Cost-of-Living Adjustment**

Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.

Req \$	-	\$	472,501	\$	472,501
Rec \$	-	\$	-	\$	-
App \$	-	\$	472,501	\$	472,501
FTE					0.000

**Division-wide**

**6 Transitions to Community Living Initiative**

Increases funding for the Transitions to Community Living Initiative, which supports the transition of eligible adults with mental illness from institutions to community care settings in accordance with the US Department of Justice Olmstead Settlement. Funds will provide additional housing, tenancy support, and wraparound mental health services to 1,200 individuals who are newly eligible for housing placements and maintain housing for approximately 3,500 individuals.

Req \$	9,450,887	\$	-	\$	9,450,887
Rec \$	-	\$	-	\$	-
App \$	9,450,887	\$	-	\$	9,450,887
FTE					0.000

		<b>R Changes</b>	<b>NR Changes</b>	<b>Adjustments</b>
<b>7 Direct Support Profession Development</b>				
Provides \$5 million from the Strategic Workforce Trust fund to strengthen the Direct Support Professional (DSP) workforce. Funding will support the creation of high school and community college courses for DSPs, offer scholarships and paid apprenticeships, and create incentive programs to improve retention rates for DSPs.	Req \$	5,000,000	\$ -	\$ 5,000,000
	Rec \$	5,000,000	\$ -	\$ 5,000,000
	App \$	-	\$ -	\$ -
	FTE			0.000
<b>Total Change to Requirements</b>	\$	<b>34,271,887</b>	\$ <b>10,346,501</b>	\$ <b>44,618,388</b>
<b>Total Change to Receipts</b>	\$	<b>5,000,000</b>	\$ -	\$ <b>5,000,000</b>
<b>Total Change to Net Appropriation</b>	\$	<b>29,271,887</b>	\$ <b>10,346,501</b>	\$ <b>39,618,388</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>				<b>0.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$		<b>39,618,388</b>	
<b>Recommended Total FTE Changes</b>				<b>0.000</b>

**Division of Aging and Adult Services (14411)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	158,388,608	163,902,299	163,989,332	1,336,439	10,522,545	11,858,984	175,848,316
Receipts	108,625,374	110,387,749	110,359,697	-	10,500,000	10,500,000	120,859,697
Net Appropriation	49,763,234	53,514,550	53,629,635	1,336,439	22,545	1,358,984	54,988,619
Positions (FTE)	77.000	79.000	79.000			0.000	79.000

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>Reserve for Salaries and Benefits</b>			
<b>1 Compensation Increase Reserve</b>			
Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.	Req \$ 64,000	\$ -	\$ 64,000
	Rec \$ -	\$ -	\$ -
	App \$ 64,000	\$ -	\$ 64,000
	FTE		0.000
<b>2 Retiree Cost-of-Living Adjustment</b>			
Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.	Req \$ -	\$ 22,545	\$ 22,545
	Rec \$ -	\$ -	\$ -
	App \$ -	\$ 22,545	\$ 22,545
	FTE		0.000
<b>Division-wide</b>			
<b>3 Increase to Corporate Guardianship Rate</b>			
Provides funding to increase the Corporate Guardianship rate from \$226.09 to \$289.86 to adjust for Social Security cost-of-living increases. Guardianship is assigned by the courts for individuals with complex needs who have been judged incompetent. This funding will enable the division to retain guardianship providers, ensuring that older North Carolinians have access to basic needs.	Req \$ 1,272,439	\$ -	\$ 1,272,439
	Rec \$ -	\$ -	\$ -
	App \$ 1,272,439	\$ -	\$ 1,272,439
	FTE		0.000
<b>4 Rural Aging in Place</b>			
Budgets receipts transferred from the American Rescue Plan Act (ARPA) Temporary Savings Fund to fund household improvements and upfitting to support older North Carolinians in rural communities preventing unnecessary institutionalization. This funding will expand services to eligible individuals and provide repairs and modifications to approximately 1,500 homes.	Req \$ -	\$ 10,500,000	\$ 10,500,000
	Rec \$ -	\$ 10,500,000	\$ 10,500,000
	App \$ -	\$ -	\$ -
	FTE		0.000
<b>Total Change to Requirements</b>	\$ 1,336,439	\$ 10,522,545	\$ 11,858,984
<b>Total Change to Receipts</b>	\$ -	\$ 10,500,000	\$ 10,500,000
<b>Total Change to Net Appropriation</b>	\$ 1,336,439	\$ 22,545	\$ 1,358,984
<b>Total Change to Full-Time Equivalent (FTE)</b>			0.000
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$ 1,358,984		
<b>Recommended Total FTE Changes</b>	0.000		

**Division of Child Development and Early Education (14420)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	1,202,814,064	926,319,983	936,346,831	363,296,000	299,816,224	663,112,224	1,599,459,055
Receipts	987,364,858	639,995,189	638,948,539	32,900,000	-	32,900,000	671,848,539
Net Appropriation	215,449,206	286,324,794	297,398,292	330,396,000	299,816,224	630,212,224	927,610,516
Positions (FTE)	332.000	349.000	349.000			0.000	349.000

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>Reserve for Salaries and Benefits</b>			
<b>1 Compensation Increase Reserve</b>			
Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.	Req \$	46,000	\$ - \$ 46,000
	Rec \$	-	\$ - \$ -
	App \$	46,000	\$ - \$ 46,000
	FTE		0.000
<b>2 Retiree Cost-of-Living Adjustment</b>			
Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.	Req \$	-	\$ 16,224 \$ 16,224
	Rec \$	-	\$ - \$ -
	App \$	-	\$ 16,224 \$ 16,224
	FTE		0.000
<b>Child Care and Early Education Workforce</b>			
<b>3 Child Care Stabilization Grants</b>			
Ensures that North Carolina child care centers can continue to serve children and working parents when federal funding runs out on July 1, 2024 by extending for another year the critical compensation grants that support a quality workforce and keep programs open. Research shows that as many as 1,778 North Carolina child care centers serving 155,539 children may close without stabilization support.	Req \$	-	\$ 200,000,000 \$ 200,000,000
	Rec \$	-	\$ - \$ -
	App \$	-	\$ 200,000,000 \$ 200,000,000
	FTE		0.000
<b>4 Child Care Subsidy Rate Floor</b>			
Secures child care for approximately 50,000 children per year by creating a statewide rate floor starting in July 2024. The rate floor will increase child care subsidy reimbursement rates in rural and lower wealth communities where local market rates are insufficient to meet the costs, especially adequate wages to maintain a quality workforce. These funds will allow about 3,500 child care sites in over 75% of NC counties to see an increase in their subsidy rate.	Req \$	128,500,000	\$ - \$ 128,500,000
	Rec \$	-	\$ - \$ -
	App \$	128,500,000	\$ - \$ 128,500,000
	FTE		0.000
<b>5 Child Care WAGE\$ Statewide Expansion</b>			
Attracts and retains highly qualified staff to essential early childhood programs by providing educational attainment-based salary supplements. These funds will allow this program to expand statewide and provide wage supplements to 4,000 additional teachers in all 100 counties.	Req \$	26,000,000	\$ - \$ 26,000,000
	Rec \$	-	\$ - \$ -
	App \$	26,000,000	\$ - \$ 26,000,000
	FTE		0.000
<b>6 Smart Start</b>			
Invests in Smart Start to expand access to high-quality early childhood education and a continuum of evidence-based services. Smart Start serves young children and families statewide, especially those in under-resourced communities, and supports a strong child care and early education workforce.	Req \$	10,000,000	\$ - \$ 10,000,000
	Rec \$	-	\$ - \$ -
	App \$	10,000,000	\$ - \$ 10,000,000
	FTE		0.000
<b>7 Child Care and Early Education Workforce Recruitment</b>			
Grows and trains North Carolina's child care teacher workforce by implementing recruitment strategies and professional development. Services include coaching, technical assistance, degree attainment, apprenticeships, and licensure support.	Req \$	1,250,000	\$ - \$ 1,250,000
	Rec \$	-	\$ - \$ -
	App \$	1,250,000	\$ - \$ 1,250,000
	FTE		0.000

		<b>R Changes</b>	<b>NR Changes</b>	<b>Adjustments</b>
<b>Child Care and Early Education Sustainability</b>				
<b>8 NC Pre-K and Child Care Enhancement Grants</b>				
Prevents closures and helps create new early childhood education opportunities by providing start-up and capital grants for NC Pre-K and child care centers across the state. Grants are available to licensed child care centers to increase capacity, strengthen quality, and promote compliance with state licensing standards. This investment includes funds to evaluate the impact of Enhancement Grants and Stabilization Grants.	Req	\$ -	\$ 50,000,000	\$ 50,000,000
	Rec	\$ -	\$ -	\$ -
	App	\$ -	\$ 50,000,000	\$ 50,000,000
	FTE			0.000
<b>9 Early Childhood Workforce Data System</b>				
Provides ongoing operations and maintenance for the real-time early childhood workforce data system. This system supports building the pipeline of early childhood educators by improving data collection and quality, improving research and evaluation, and providing information to help implement and scale effective programs and strategies.	Req	\$ 500,000	\$ -	\$ 500,000
	Rec	\$ -	\$ -	\$ -
	App	\$ 500,000	\$ -	\$ 500,000
	FTE			0.000
<b>Child Care and Early Education Access</b>				
<b>10 Wrap-Around Summer Care and Learning</b>				
Provides grants to over 800 NC Pre-K Summer Learning Programs to serve more than 7,500 children. These programs provide essential child care for parents and learning opportunities for children after they complete NC Pre-K but before they begin kindergarten.	Req	\$ -	\$ 24,400,000	\$ 24,400,000
	Rec	\$ -	\$ -	\$ -
	App	\$ -	\$ 24,400,000	\$ 24,400,000
	FTE			0.000
<b>11 Early Education Provider Grant Program</b>				
Expands child care capacity for all North Carolinians by incentivizing child care providers to enter and remain in the workforce. This program will strengthen the child care workforce by providing free or reduced cost care for the children of roughly 2,200 child care providers and to fund an evaluation of the program.	Req	\$ -	\$ 25,000,000	\$ 25,000,000
	Rec	\$ -	\$ -	\$ -
	App	\$ -	\$ 25,000,000	\$ 25,000,000
	FTE			0.000
<b>12 Tri-Share Child Care Pilot Program Expansion</b>				
Provides funds to add a fourth region to the state's Tri-Share pilot program and to fund an evaluation of the pilot. Tri-Share provides affordable access to child care and incentivizes business participation by sharing the cost of child care among employers, the state, and families.	Req	\$ -	\$ 400,000	\$ 400,000
	Rec	\$ -	\$ -	\$ -
	App	\$ -	\$ 400,000	\$ 400,000
	FTE			0.000
<b>NC Pre-K</b>				
<b>13 NC Pre-K Reimbursement Rates</b>				
Raises NC Pre-K slot reimbursement rates in all settings to cover the full cost of operating all current slots, and raises the administrative rate to 10%. These funds support NC Pre-K classrooms in every county to ensure the program is financially sustainable. Funds address the fundamental barriers to expanding this nationally recognized model for early childhood education by providing more adequate resources for rising operating costs and costs of recruiting and retaining qualified teachers at competitive salaries. This item is partially supported by Education Lottery receipts.	Req	\$ 197,000,000	\$ -	\$ 197,000,000
	Rec	\$ 32,900,000	\$ -	\$ 32,900,000
	App	\$ 164,100,000	\$ -	\$ 164,100,000
	FTE			0.000
<b>Total Change to Requirements</b>				
		\$ 363,296,000	\$ 299,816,224	\$ 663,112,224
<b>Total Change to Receipts</b>				
		\$ 32,900,000	\$ -	\$ 32,900,000
<b>Total Change to Net Appropriation</b>				
		\$ 330,396,000	\$ 299,816,224	\$ 630,212,224
<b>Total Change to Full-Time Equivalent (FTE)</b>				
				0.000
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>				
		\$	630,212,224	
<b>Recommended Total FTE Changes</b>				
			0.000	

**Division of Public Health (14430)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	567,902,440	494,265,935	501,066,054	12,743,446	1,472,312	14,215,758	515,281,812
Receipts	407,447,131	360,991,363	362,850,527	-	-	-	362,850,527
Net Appropriation	160,455,309	133,274,572	138,215,527	12,743,446	1,472,312	14,215,758	152,431,285
Positions (FTE)	1,968.960	1,205.285	1,205.285			81.000	1,286.285

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments

**Reserve for Salaries and Benefits**

**1 Compensation Increase Reserve**

Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.

Req \$	712,000	\$	-	\$	712,000
Rec \$	-	\$	-	\$	-
App \$	712,000	\$	-	\$	712,000
FTE					0.000

**2 Retiree Cost-of-Living Adjustment**

Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.

Req \$	-	\$	249,812	\$	249,812
Rec \$	-	\$	-	\$	-
App \$	-	\$	249,812	\$	249,812
FTE					0.000

**Office of Vital Records**

**3 Vital Records Workforce Staffing Stability**

Provides funding to convert nine positions from receipts to net appropriation support. This funding will stabilize the division's vital records workforce in order to timely process constituent requests for certificates and other related services within the Office of Vital Records.

Req \$	848,423	\$	-	\$	848,423
Rec \$	-	\$	-	\$	-
App \$	848,423	\$	-	\$	848,423
FTE					0.000

**4 Vital Records Core Capacity**

Funds 46 new positions to provide administrative and supervisory support to stabilize vital records call center staffing levels, address the 45% vacancy rate in the Office, and improve timely processing of constituent requests. These funds will also support the establishment of efficient data management systems and processes within the Office of Vital Records that are aligned with business objectives and regulatory requirements.

Req \$	3,640,629	\$	-	\$	3,640,629
Rec \$	-	\$	-	\$	-
App \$	3,640,629	\$	-	\$	3,640,629
FTE					46.000

**5 Vital Records Self Service Portal**

Invests funds from the IT Reserve to improve customer service and accessibility to vital records by funding a self-service portal and enhancements to the NC Database Application for Vital Events. The portal will provide real-time access to registration and order status, technical assistance, learning and informational materials, and electronic order methods for services currently requested on paper forms, improving efficiency and reducing the Office's workload. Funds for this project will be allocated to the division over the life of the project.

Req \$	-	\$	-	\$	-
Rec \$	-	\$	-	\$	-
App \$	-	\$	-	\$	-
FTE					0.000

**Office of the Chief Medical Examiner**

**6 Office of the Chief Medical Examiner Core Capacity**

Stabilizes the Office's core capacity by enabling the Office to convert 25 time-limited positions to permanent positions and establish ten new positions to address the increased caseload and complexity. These positions support the toxicology, autopsy, medical examiner, and business operations of the Office of the Chief Medical Examiner.

Req \$	4,463,794	\$	122,500	\$	4,586,294
Rec \$	-	\$	-	\$	-
App \$	4,463,794	\$	122,500	\$	4,586,294
FTE					35.000

		R Changes		NR Changes		Adjustments
<b>7 Local Medical Examiner Investigations Payment Increase</b>						
Increases the state share of the medical examiner fee paid to counties in GS 130A-387 to reflect the actual cost of an investigation and report. This funding increases Medical Examiner fees from \$200 to \$400 per case and improves local medical examiner capacity.	Req \$	1,400,000	\$	-	\$	1,400,000
	Rec \$	-	\$	-	\$	-
	App \$	1,400,000	\$	-	\$	1,400,000
	FTE					0.000
<b>8 Investigation Scene Kits</b>						
Provides nonrecurring funds to purchase equipment for medical examiner scene investigations, including cameras and scene investigation bags. Invests recurring funds to ensure the division can replace 1/3 of equipment every year.	Req \$	93,600	\$	280,000	\$	373,600
	Rec \$	-	\$	-	\$	-
	App \$	93,600	\$	280,000	\$	373,600
	FTE					0.000
<b>9 Call Center</b>						
Establishes a 24/7 call center to provide information and access to the medical examiner system. The call center will improve accessibility for the public, allowing for timely assistance and information dissemination, resulting in improved overall service delivery.	Req \$	480,000	\$	-	\$	480,000
	Rec \$	-	\$	-	\$	-
	App \$	480,000	\$	-	\$	480,000
	FTE					0.000
<b>10 Shift Differential</b>						
Provides funds for a 10% shift differential pay to increase hours of operation and improve pay for those employees who work non-traditional schedules (forensic pathologists, autopsy, and medical examiner specialists) in response to the 26% increase in caseloads over the past four years.	Req \$	105,000	\$	-	\$	105,000
	Rec \$	-	\$	-	\$	-
	App \$	105,000	\$	-	\$	105,000
	FTE					0.000
<b>11 Medical Examiner Records Access</b>						
Invests funds from the IT Reserve to expand access to the Medical Examiner Information Technology system. This system provides direct access to decedent tracking, exam results, reports, subpoenas, and scheduling. Recurring funds will support maintenance, upgrades, and support. Funds for this project will be allocated to the division over the life of the project.	Req \$	1,000,000	\$	-	\$	1,000,000
	Rec \$	-	\$	-	\$	-
	App \$	1,000,000	\$	-	\$	1,000,000
	FTE					0.000
<b>Epidemiology Section</b>						
<b>12 Critical Disease and Contaminant Prevention and Control</b>						
Provides funding for temporary staff to assist the Epidemiology Section of the Division of Public Health. These staff will support detection and response to infections in long-term care facilities and other healthcare settings and respond to other urgent communicable disease threats.	Req \$	-	\$	320,000	\$	320,000
	Rec \$	-	\$	-	\$	-
	App \$	-	\$	320,000	\$	320,000
	FTE					0.000
<b>13 Statewide Program for Infection Control and Epidemiology</b>						
Provides funding to expand an existing contract with the University of North Carolina at Chapel Hill (UNC-CH) to provide evidence-based training and consultation to health care personnel. Two UNC-CH infection prevention specialists will complete infection control assessments in long-term care facilities and support facilities in reporting to the National Healthcare Safety Network through the Statewide Program for Infection Control and Epidemiology contract.	Req \$	-	\$	500,000	\$	500,000
	Rec \$	-	\$	-	\$	-
	App \$	-	\$	500,000	\$	500,000
	FTE					0.000
<b>Total Change to Requirements</b>		\$ 12,743,446		\$ 1,472,312		\$ 14,215,758
<b>Total Change to Receipts</b>		\$ -		\$ -		\$ -
<b>Total Change to Net Appropriation</b>		\$ 12,743,446		\$ 1,472,312		\$ 14,215,758
<b>Total Change to Full-Time Equivalent (FTE)</b>						81.000
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>		\$		14,215,758		
<b>Recommended Total FTE Changes</b>				81.000		

**DHHS - Public Health - Special Revenue - General Fund (24432)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	14,668,900	4,207,189	4,207,189	-	20,008,090	20,008,090	24,215,279
Receipts	4,452,327	4,207,189	4,207,189	-	20,008,090	20,008,090	24,215,279
Δ in Fund Balance	10,216,573	-	-	-	-	-	-
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

			FY 2024-25 Recommended		
			R Changes	NR Changes	Adjustments

**1 Opioid Settlement Funds**

Budgets funds from the multi-state opioid settlements to the Division of Public Health for overdose prevention, the purchase of naloxone, and to improve opioid treatment access. North Carolina experienced a 22% drug overdose increase from 2020 to 2021. These funds will ensure the division can address the growing misuse of and addiction to prescriptions and illicit opioids statewide, saving lives.

Req	\$	-	\$	20,008,090	\$	20,008,090
Rec	\$	-	\$	20,008,090	\$	20,008,090
CFB	\$	-	\$	-	\$	-
FTE						0.000

<b>Total Change to Requirements</b>	\$	-	\$	<b>20,008,090</b>	\$	<b>20,008,090</b>
<b>Total Change to Receipts</b>	\$	-	\$	<b>20,008,090</b>	\$	<b>20,008,090</b>
<b>Total Change to Net Appropriation</b>	\$	-	\$	<b>-</b>	\$	<b>-</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>						<b>0.000</b>

<b>Recommended Fund Balance Changes (Recurring + Nonrecurring)</b>	\$					<b>-</b>
<b>Recommended Total FTE Changes</b>						<b>0.000</b>

**Division of Child and Family Well Being (14435)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	1,662,906,204	598,235,409	598,865,804	24,333,683	5,551,862	29,885,545	628,751,349
Receipts	1,675,382,127	538,497,331	538,307,550	6,741,683	5,400,000	12,141,683	550,449,233
Net Appropriation	(12,475,923)	59,738,078	60,558,254	17,592,000	151,862	17,743,862	78,302,116
Positions (FTE)	0.000	868.725	868.725			1.000	869.725

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments

**Reserve for Salaries and Benefits**

**1 Compensation Increase Reserve**

Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.

Req \$	432,000	\$	-	\$	432,000
Rec \$	-	\$	-	\$	-
App \$	432,000	\$	-	\$	432,000
FTE					0.000

**2 Retiree Cost-of-Living Adjustment**

Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.

Req \$	-	\$	151,862	\$	151,862
Rec \$	-	\$	-	\$	-
App \$	-	\$	151,862	\$	151,862
FTE					0.000

**Division-wide**

**3 Early Intervention**

Invests in individualized early intervention services and supports families with children up to age three with developmental delays and established medical conditions who are currently eligible for the NC Infant Toddler Program. Funding will support increases in state and local staffing to perform responsibilities mandated by IDEA Part C, establish a centralized provider network system, and provide professional development to rehabilitation therapists and other clinicians focused on infant health and development.

Req \$	10,250,000	\$	-	\$	10,250,000
Rec \$	-	\$	-	\$	-
App \$	10,250,000	\$	-	\$	10,250,000
FTE					0.000

**4 Summer EBT (SUN Bucks)**

Provides required state matching funds for the federal Summer Electronic Benefit Transfer Program for Children (Summer EBT). These funds will provide grocery-buying benefits to qualifying families to prevent child hunger during the summer months when school is out for children who rely on school meals for daily nutrition.

Req \$	13,651,683	\$	-	\$	13,651,683
Rec \$	6,741,683	\$	-	\$	6,741,683
App \$	6,910,000	\$	-	\$	6,910,000
FTE					1.000

**5 School Behavioral Health Package**

Budgets receipts transferred from the ARPA Temporary Savings Fund to expand evidence-based prevention and early intervention to identify and address early signs of behavioral health challenges in K-12 students and provides workforce supports to increase capacity of school staff to address student behavioral health needs. Invests funds to expand the evidence-based Youth and Teen Mental Health First Aid (MHFA) program which will provide training and implementation support to 15 additional school districts including the certification of new youth and teen MHFA instructors across the state.

Req \$	-	\$	5,400,000	\$	5,400,000
Rec \$	-	\$	5,400,000	\$	5,400,000
App \$	-	\$	-	\$	-
FTE					0.000

<b>Total Change to Requirements</b>	\$	<b>24,333,683</b>	\$	<b>5,551,862</b>	\$	<b>29,885,545</b>
<b>Total Change to Receipts</b>	\$	<b>6,741,683</b>	\$	<b>5,400,000</b>	\$	<b>12,141,683</b>
<b>Total Change to Net Appropriation</b>	\$	<b>17,592,000</b>	\$	<b>151,862</b>	\$	<b>17,743,862</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>						<b>1.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$			<b>17,743,862</b>		
<b>Recommended Total FTE Changes</b>						<b>1.000</b>

**Division of Social Services (14440)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	2,283,493,579	2,218,042,167	2,241,469,520	277,000	25,097,214	25,374,214	2,266,843,734
Receipts	2,105,618,791	1,966,380,309	2,002,527,259	-	25,000,000	25,000,000	2,027,527,259
Net Appropriation	177,874,788	251,661,858	238,942,261	277,000	97,214	374,214	239,316,475
Positions (FTE)	402.000	373.000	373.000			0.000	373.000

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>Reserve for Salaries and Benefits</b>			
<b>1 Compensation Increase Reserve</b>			
Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.	Req \$	277,000	\$ - \$ 277,000
	Rec \$	-	\$ - \$ -
	App \$	277,000	\$ - \$ 277,000
	FTE		0.000
<b>2 Retiree Cost-of-Living Adjustment</b>			
Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.	Req \$	-	\$ 97,214 \$ 97,214
	Rec \$	-	\$ - \$ -
	App \$	-	\$ 97,214 \$ 97,214
	FTE		0.000
<b>Division-wide</b>			
<b>3 State Aid to County Departments of Social Services</b>			
Budgets receipts transferred from the ARPA Temporary Savings Fund to invest in county departments of social services to address critical staffing shortages in Adult Protective Services, Child Protective Services, Medicaid application processing, and other mandated services. This flexible funding allows counties to address the specific challenges facing their local workforce including increasing pay, offering hiring and retention bonuses, and creating new positions to ease workload burden on existing staff and reduce turnover.	Req \$	-	\$ 25,000,000 \$ 25,000,000
	Rec \$	-	\$ 25,000,000 \$ 25,000,000
	App \$	-	\$ - \$ -
	FTE		0.000
<b>Total Change to Requirements</b>	\$	<b>277,000</b>	\$ <b>25,097,214</b> \$ <b>25,374,214</b>
<b>Total Change to Receipts</b>	\$	<b>-</b>	\$ <b>25,000,000</b> \$ <b>25,000,000</b>
<b>Total Change to Net Appropriation</b>	\$	<b>277,000</b>	\$ <b>97,214</b> \$ <b>374,214</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>			<b>0.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$		<b>374,214</b>
<b>Recommended Total FTE Changes</b>			<b>0.000</b>

**Division of Health Benefits (14445)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	21,496,057,317	28,709,046,967	31,617,082,685	1,219,538,196	(57,301,233)	1,162,236,963	32,779,319,648
Receipts	16,890,344,698	23,237,989,023	25,829,646,736	217,835,875	34,152,627	251,988,502	26,081,635,238
Net Appropriation	4,605,712,620	5,471,057,944	5,787,435,949	1,001,702,321	(91,453,860)	910,248,461	6,697,684,410
Positions (FTE)	469.000	460.000	460.000			20.000	480.000

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments

**Reserve for Salaries and Benefits**

**1 Compensation Increase Reserve**

Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.

Req \$	406,000	\$	-	\$	406,000
Rec \$	-	\$	-	\$	-
App \$	406,000	\$	-	\$	406,000
FTE					0.000

**2 Retiree Cost-of-Living Adjustment**

Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.

Req \$	-	\$	142,613	\$	142,613
Rec \$	-	\$	-	\$	-
App \$	-	\$	142,613	\$	142,613
FTE					0.000

**Division-wide**

**3 Innovation Waiver Slots**

Creates 1,000 new Innovation Waiver slots, effective January 1, 2025, with plans for additional slots each year through FY 2031-32 to reduce the waitlist for care. This waiver provides individualized services in the home and community for individuals who qualify for institutional level care due to intellectual or developmental disabilities. DHHS proposes to continue adding slots, including 1,800 slots each fiscal year of the 2025-27 biennium, 2,200 slots each fiscal year of 2027-29, and 2,400 slots each fiscal year of 2029-32.

Req \$	50,461,860	\$	-	\$	50,461,860
Rec \$	32,936,456	\$	-	\$	32,936,456
App \$	17,525,404	\$	-	\$	17,525,404
FTE					0.000

**4 Direct Care Worker Wage Increase**

Invests funds to build on the Home and Community Based Services Direct Care Worker wage increases in SL 2021-180. Funds will be used to increase wages by four dollars per hour, bringing the average wage to \$18 per hour.

Req \$	518,283,906	\$	-	\$	518,283,906
Rec \$	338,283,906	\$	-	\$	338,283,906
App \$	180,000,000	\$	-	\$	180,000,000
FTE					0.000

**5 Provider Rate Increase**

Invests funds to increase Medicaid reimbursement rates for physicians, specialty providers and all derivative fee schedules to 90% of 2023 Medicare rates. In cases where current provider rates are higher than 2023 Medicare rates, their rates will remain the same. These funds will also enable the division to raise reimbursement rates for dentists. Funds will sustain provider participation within the Medicaid program, supporting access to care statewide.

Req \$	763,341,466	\$	-	\$	763,341,466
Rec \$	498,232,975	\$	-	\$	498,232,975
App \$	265,108,491	\$	-	\$	265,108,491
FTE					0.000

**6 Healthy Opportunities Statewide Expansion**

Provides funding for the statewide expansion of Healthy Opportunities. Healthy Opportunities is a promising program that reduces social needs and lowers health care costs by connecting eligible individuals enrolled in Medicaid Managed Care programs to community resources that address non-medical needs including access to healthy food, safe housing, and transportation. The nonfederal share, \$20.8 million, will be transferred from the ARPA Temporary Savings Fund.

Req \$	-	\$	43,331,649	\$	43,331,649
Rec \$	-	\$	43,331,649	\$	43,331,649
App \$	-	\$	-	\$	-
FTE					0.000

		R Changes	NR Changes	Adjustments
<b>7 Medicaid Administration</b>				
Provides funds to support the state's transition to Medicaid Managed Care. These nonrecurring funds will enable the division to sustain contracts needed to implement managed care while recurring funding will allow the division to transition up to 20 positions from time-limited to permanent. The nonfederal share, \$27.0 million, will be transferred from the ARPA Temporary Savings Fund.	Req \$	2,262,340	\$ 54,719,428	\$ 56,981,768
	Rec \$	1,131,170	\$ 54,719,428	\$ 55,850,598
	App \$	1,131,170	-	1,131,170
	FTE			20.000
<b>8 Medicaid Enterprise System</b>				
Provides funds to support the division's transition to the Medicaid Enterprise System, as required by the Centers for Medicare and Medicaid Services, in addition to the \$3.8 million appropriated for this purpose in SL 2023-134.	Req \$	-	\$ 45,212,773	\$ 45,212,773
	Rec \$	-	\$ 37,977,246	\$ 37,977,246
	App \$	-	\$ 7,235,527	\$ 7,235,527
	FTE			0.000
<b>9 Medicaid Rebase</b>				
Provides funds to reflect changes in the federal medical assistance percentage, as well as changes in enrollment, utilization, costs, capitation rates, and services associated with the Medicaid program for the upcoming fiscal year. Tailored Plans in managed care are projected to begin July 1, 2024.	Req \$	1,442,998,624	\$ (279,707,696)	\$ 1,163,290,928
	Rec \$	886,165,368	\$ (180,875,696)	\$ 705,289,672
	App \$	556,833,256	\$ (98,832,000)	\$ 458,001,256
	FTE			0.000
<b>NC Health Works</b>				
<b>10 NC Health Works Services</b>				
Funds the service costs for the new Medicaid population authorized in SL 2023-7, in addition to the funds appropriated in SL 2023-134. The nonfederal share, \$513.6 million in FY 2024-25, will be transferred from the Health Advancement Receipts Special Fund.	Req \$	(386,410,000)	-	\$ (386,410,000)
	Rec \$	(386,410,000)	-	\$ (386,410,000)
	App \$	-	-	-
	FTE			0.000
<b>11 Healthcare Access and Stabilization Program</b>				
Adjusts federal receipts to support the increased Medicaid managed care hospital reimbursements generated from the Healthcare Access and Stabilization Program (HASP). The nonfederal share for the increased reimbursements will be paid with departmental receipts from hospitals deposited in the Health Advancement Receipts Special Fund.	Req \$	(1,152,504,000)	-	\$ (1,152,504,000)
	Rec \$	(1,152,504,000)	-	\$ (1,152,504,000)
	App \$	-	-	-
	FTE			0.000
<b>12 Transfer of Gross Premiums Tax Offset</b>				
Transfers funds to the Health Advancement Receipts Special Fund in accordance with SL 2023-7. The transfer represents the increase in gross premiums tax revenue that results from the new Medicaid coverage authorized in SL 2023-7.	Req \$	(19,302,000)	-	\$ (19,302,000)
	Rec \$	-	-	-
	App \$	(19,302,000)	-	\$ (19,302,000)
	FTE			0.000
<b>13 American Rescue Plan Act (ARPA) Temporary Savings</b>				
Budgets \$88 million in savings for FY 2024-25, in addition to the \$838 million budgeted in SL 2023-134, generated from the ARPA 5 percentage point Medicaid match for states that expanded Medicaid after March 11, 2021. The additional savings for FY 2024-25 result from higher-than-expected enrollment in the Medicaid program. The state expects to recognize \$1.5 billion dollars in general fund savings across the FY 2023-25 biennium as a result of the ARPA temporary match.	Req \$	-	\$ (9,800,000)	\$ (9,800,000)
	Rec \$	-	\$ 79,000,000	\$ 79,000,000
	App \$	-	\$ (88,800,000)	\$ (88,800,000)
	FTE			0.000
<b>14 Transfer of Temporary Savings from Expansion Incentive</b>				
Transfers additional savings generated from the ARPA expansion incentive for FY 2024-25 to the ARPA Temporary Savings Fund.	Req \$	-	\$ 88,800,000	\$ 88,800,000
	Rec \$	-	-	-
	App \$	-	\$ 88,800,000	\$ 88,800,000
	FTE			0.000
<b>Total Change to Requirements</b>		<b>\$ 1,219,538,196</b>	<b>\$ (57,301,233)</b>	<b>\$ 1,162,236,963</b>
<b>Total Change to Receipts</b>		<b>\$ 217,835,875</b>	<b>\$ 34,152,627</b>	<b>\$ 251,988,502</b>
<b>Total Change to Net Appropriation</b>		<b>\$ 1,001,702,321</b>	<b>\$ (91,453,860)</b>	<b>\$ 910,248,461</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>				<b>20.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>		<b>\$</b>	<b>910,248,461</b>	
<b>Recommended Total FTE Changes</b>			<b>20.000</b>	

**Health Advancement Receipts (24448)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	-	368,208,000	627,235,000	(88,224,000)	-	(88,224,000)	539,011,000
Receipts	-	449,327,000	614,564,000	(51,647,000)	-	(51,647,000)	562,917,000
Δ in Fund Balance	-	81,119,000	(12,671,000)	36,577,000	-	36,577,000	23,906,000
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>1 Transfer for NC Health Works</b>			
Transfers funds to the Division of Health Benefits (DHB) to pay for the service and capitation costs associated with the NC Health Works Medicaid population.	Req \$ (41,602,000)	\$ -	\$ (41,602,000)
	Rec \$ -	\$ -	\$ -
	CFB \$ 41,602,000	\$ -	\$ 41,602,000
	FTE		0.000
<b>2 Gross Premiums Tax Offset Transfer</b>			
Deposits the transfer of the gross premiums tax offset from DHB into the Health Advancement Receipts special fund.	Req \$ -	\$ -	\$ -
	Rec \$ (19,302,000)	\$ -	\$ (19,302,000)
	CFB \$ (19,302,000)	\$ -	\$ (19,302,000)
	FTE		0.000
<b>3 Health Advancement Assessment Hospital Receipts</b>			
Budgets hospital receipts from the Health Advancement Assessments structure established in SL 2023-7.	Req \$ -	\$ -	\$ -
	Rec \$ (32,345,000)	\$ -	\$ (32,345,000)
	CFB \$ (32,345,000)	\$ -	\$ (32,345,000)
	FTE		0.000
<b>4 Transfer for NC Health Works HASP</b>			
Transfers funds to DHB to make the HASP directed payments to prepaid health plans for hospital services provided to the NC Health Works Medicaid population.	Req \$ (46,622,000)	\$ -	\$ (46,622,000)
	Rec \$ -	\$ -	\$ -
	CFB \$ 46,622,000	\$ -	\$ 46,622,000
	FTE		0.000
<b>Total Change to Requirements</b>	\$ (88,224,000)	\$ -	\$ (88,224,000)
<b>Total Change to Receipts</b>	\$ (51,647,000)	\$ -	\$ (51,647,000)
<b>Total Change to Net Appropriation</b>	\$ 36,577,000	\$ -	\$ 36,577,000
<b>Total Change to Full-Time Equivalent (FTE)</b>			<b>0.000</b>
<b>Recommended Fund Balance Changes (Recurring + Nonrecurring)</b>	\$	<b>36,577,000</b>	
<b>Recommended Total FTE Changes</b>		<b>0.000</b>	

**ARPA Temporary Savings (24449)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	-	625,500,000	838,000,000	-	88,800,000	88,800,000	926,800,000
Receipts	-	625,500,000	838,000,000	-	88,800,000	88,800,000	926,800,000
Δ in Fund Balance	-	-	-	-	-	-	-
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

	FY 2024-25 Recommended			
	R Changes	NR Changes	Adjustments	
<b>1 Savings from Expansion Incentive</b>				
Deposits the additional General Fund savings generated by the ARPA expansion incentive for FY 24-25.	Req \$ -	\$ -	\$ -	\$ -
	Rec \$ -	\$ 88,800,000	\$ 88,800,000	\$ 88,800,000
	CFB \$ -	\$ 88,800,000	\$ 88,800,000	\$ 88,800,000
	FTE			0.000
<b>2 School Behavioral Health Package</b>				
Transfers funds to the Department of Health and Human Services, Division of Child and Family Well Being for the expansion of evidence-based prevention and early intervention supports, including Youth and Teen Mental Health First Aid, to ensure students can access mental health resources at school.	Req \$ -	\$ 5,400,000	\$ 5,400,000	\$ 5,400,000
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (5,400,000)	\$ (5,400,000)	\$ (5,400,000)
	FTE			0.000
<b>3 Rural Aging in Place</b>				
Transfers funds to the Department of Health and Human Services, Division of Aging and Adult Services to fund household improvements and upfitting to support older North Carolinians in rural communities.	Req \$ -	\$ 10,500,000	\$ 10,500,000	\$ 10,500,000
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (10,500,000)	\$ (10,500,000)	\$ (10,500,000)
	FTE			0.000
<b>4 State Aid to County Departments of Social Services</b>				
Transfers funds to the Department of Health and Human Services, Division of Social Services to address critical staffing shortages in Adult Protective Services, Child Protective Services, Medicaid application processing, and other mandated services.	Req \$ -	\$ 25,000,000	\$ 25,000,000	\$ 25,000,000
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (25,000,000)	\$ (25,000,000)	\$ (25,000,000)
	FTE			0.000
<b>5 Medicaid Administration</b>				
Transfers funds to the Department of Health and Human Services, Division of Health Benefits to support the transition to Medicaid Managed Care.	Req \$ -	\$ 27,068,047	\$ 27,068,047	\$ 27,068,047
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (27,068,047)	\$ (27,068,047)	\$ (27,068,047)
	FTE			0.000
<b>6 Healthy Opportunities Statewide Expansion</b>				
Transfers funds to the Department of Health and Human Services, Division of Health Benefits for the statewide expansion of Healthy Opportunities.	Req \$ -	\$ 20,831,953	\$ 20,831,953	\$ 20,831,953
	Rec \$ -	\$ -	\$ -	\$ -
	CFB \$ -	\$ (20,831,953)	\$ (20,831,953)	\$ (20,831,953)
	FTE			0.000
<b>Total Change to Requirements</b>	\$ -	\$ 88,800,000	\$ 88,800,000	\$ 88,800,000
<b>Total Change to Receipts</b>	\$ -	\$ 88,800,000	\$ 88,800,000	\$ 88,800,000
<b>Total Change to Net Appropriation</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Change to Full-Time Equivalent (FTE)</b>				<b>0.000</b>

<b>Recommended Fund Balance Changes (Recurring + Nonrecurring)</b>	\$ -
<b>Recommended Total FTE Changes</b>	<b>0.000</b>

**Division of Services for the Blind, Deaf and Hard of Hearing (14450)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	39,514,601	45,351,158	45,470,847	5,061,695	34,722	5,096,417	50,567,264
Receipts	31,331,494	36,012,108	35,981,255	3,915,085	-	3,915,085	39,896,340
Net Appropriation	8,183,107	9,339,050	9,489,592	1,146,610	34,722	1,181,332	10,670,924
Positions (FTE)	336.510	336.500	336.500			0.000	336.500

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>Reserve for Salaries and Benefits</b>			
<b>1 Compensation Increase Reserve</b>			
Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.	Req \$	87,000	\$ - \$ 87,000
	Rec \$	-	\$ - \$ -
	App \$	87,000	\$ - \$ 87,000
	FTE		0.000
<b>2 Retiree Cost-of-Living Adjustment</b>			
Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.	Req \$	-	\$ 34,722 \$ 34,722
	Rec \$	-	\$ - \$ -
	App \$	-	\$ 34,722 \$ 34,722
	FTE		0.000
<b>Division-wide</b>			
<b>3 State Match for Rehabilitation Services Administration Federal Grant</b>			
Provides state matching funds to ensure the division can access an additional \$3.9 million in Rehabilitation Services Administration federal grant funds. The division will use the funds to increase rehabilitation counselor pay to address a 26% vacancy rate, sustaining the vocational rehabilitation workforce, and ensuring individuals with disabilities seeking paid employment can continue to access services. This grant provides total federal funding of \$16.6M across the Division of Services for the Blind, Deaf, and Hard of Hearing and the Division of Employment and Independence for People with Disabilities.	Req \$	4,974,695	\$ - \$ 4,974,695
	Rec \$	3,915,085	\$ - \$ 3,915,085
	App \$	1,059,610	\$ - \$ 1,059,610
	FTE		0.000
<b>Total Change to Requirements</b>	\$	<b>5,061,695</b>	\$ <b>34,722</b> \$ <b>5,096,417</b>
<b>Total Change to Receipts</b>	\$	<b>3,915,085</b>	\$ - \$ <b>3,915,085</b>
<b>Total Change to Net Appropriation</b>	\$	<b>1,146,610</b>	\$ <b>34,722</b> \$ <b>1,181,332</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>			<b>0.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$		<b>1,181,332</b>
<b>Recommended Total FTE Changes</b>			<b>0.000</b>

**Division of Mental Health/Developmental Disabilities/Substance Use Services (14460)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	1,787,159,165	1,910,273,634	1,952,695,867	6,369,000	4,776,456	11,145,456	1,963,841,323
Receipts	982,046,778	1,067,611,251	1,099,049,960	-	2,000,000	2,000,000	1,101,049,960
Net Appropriation	805,112,387	842,662,383	853,645,907	6,369,000	2,776,456	9,145,456	862,791,363
Positions (FTE)	11,274.100	11,280.300	11,280.300			0.000	11,280.300

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments

**Reserve for Salaries and Benefits**

**1 Compensation Increase Reserve**

Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.

Req \$	6,369,000	\$ -	\$ 6,369,000
Rec \$	-	\$ -	-
App \$	6,369,000	\$ -	\$ 6,369,000
FTE			0.000

**2 Retiree Cost-of-Living Adjustment**

Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.

Req \$	-	\$ 2,776,456	\$ 2,776,456
Rec \$	-	\$ -	-
App \$	-	\$ 2,776,456	\$ 2,776,456
FTE			0.000

**Division-wide**

**3 Critical IT Systems Upgrade**

Authorizes the division to use Mixed Beverage Tax revenue established in GS 18B-805(b)(3) to replace outdated IT systems that support the division's substance use prevention and treatment goals. The new system will integrate existing platforms, improve processes, and enable data collection within one system to enhance the Driving While Impaired Services, Drug Education School, and the Drug Control Unit programs.

Req \$	-	\$ 2,000,000	\$ 2,000,000
Rec \$	-	\$ 2,000,000	\$ 2,000,000
App \$	-	\$ -	-
FTE			0.000

<b>Total Change to Requirements</b>	\$ 6,369,000	\$ 4,776,456	\$ 11,145,456
<b>Total Change to Receipts</b>	\$ -	\$ 2,000,000	\$ 2,000,000
<b>Total Change to Net Appropriation</b>	\$ 6,369,000	\$ 2,776,456	\$ 9,145,456
<b>Total Change to Full-Time Equivalent (FTE)</b>			0.000

<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$ 9,145,456
<b>Recommended Total FTE Changes</b>	0.000

**Opioid Abatement Fund (24491)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	11,180,466	3,692,461	4,478,462	-	11,682,260	11,682,260	16,160,722
Receipts	20,074,500	3,692,461	4,478,462	-	11,682,260	11,682,260	16,160,722
Δ in Fund Balance	(8,894,034)	-	-	-	-	-	-
Positions (FTE)	0.000	0.000	0.000			0.000	0.000

			FY 2024-25 Recommended		
			R Changes	NR Changes	Adjustments

**1 Opioid Settlement Funds**

Budgets funds from the multi-state opioid settlements to the Division of Mental Health to be allocated within the allowable uses of the Opioid Abatement Fund, including overdose prevention and response, the purchase of naloxone, and to improve opioid treatment access. North Carolina experienced a 22% drug overdose increase from 2020 to 2021. These funds will ensure the division can address the growing misuse of and addiction to prescriptions and illicit opioids statewide, saving lives.

Req	\$	-	\$	11,682,260	\$	11,682,260
Rec	\$	-	\$	11,682,260	\$	11,682,260
CFB	\$	-	\$	-	\$	-
FTE						0.000

<b>Total Change to Requirements</b>	\$	-	\$	<b>11,682,260</b>	\$	<b>11,682,260</b>
<b>Total Change to Receipts</b>	\$	-	\$	<b>11,682,260</b>	\$	<b>11,682,260</b>
<b>Total Change to Net Appropriation</b>	\$	-	\$	-	\$	-
<b>Total Change to Full-Time Equivalent (FTE)</b>						<b>0.000</b>

<b>Recommended Fund Balance Changes (Recurring + Nonrecurring)</b>	\$			-		
<b>Recommended Total FTE Changes</b>						<b>0.000</b>

**Division of Health Services Regulation (14470)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	73,502,370	81,765,736	82,341,123	2,976,183	280,610	3,256,793	85,597,916
Receipts	58,445,481	56,854,010	56,649,546	435,312	-	435,312	57,084,858
Net Appropriation	15,056,889	24,911,726	25,691,577	2,540,871	280,610	2,821,481	28,513,058
Positions (FTE)	578.500	588.500	588.500			20.000	608.500

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>Reserve for Salaries and Benefits</b>			
<b>1 Compensation Increase Reserve</b>			
Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.	Req \$ 467,000	\$ -	\$ 467,000
	Rec \$ -	\$ -	\$ -
	App \$ 467,000	\$ -	\$ 467,000
	FTE		0.000
<b>2 Retiree Cost-of-Living Adjustment</b>			
Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.	Req \$ -	\$ 207,110	\$ 207,110
	Rec \$ -	\$ -	\$ -
	App \$ -	\$ 207,110	\$ 207,110
	FTE		0.000
<b>Division-wide</b>			
<b>3 Acute Care Workforce Capacity</b>			
Creates positions to ensure the section can investigate the rising number of acute care and psychiatric hospitals complaints, and meet federal and state requirements, protecting patient safety and health within acute care facilities across the state.	Req \$ 1,151,621	\$ 31,500	\$ 1,183,121
	Rec \$ 172,743	\$ -	\$ 172,743
	App \$ 978,878	\$ 31,500	\$ 1,010,378
	FTE		9.000
<b>4 Adult Care Workforce Capacity</b>			
Creates a position to enhance the section's capacity to investigate the growing number of complex complaints and address serious violations within adult care facilities across the state. This position is needed to ensure the section can comply with state and federal regulations and prevent negative outcomes in adult and family care home facilities.	Req \$ 123,683	\$ 3,500	\$ 127,183
	Rec \$ 30,921	\$ -	\$ 30,921
	App \$ 92,762	\$ 3,500	\$ 96,262
	FTE		1.000
<b>5 Complaint Intake Workforce Capacity</b>			
Establishes positions to increase the section's capacity to determine the severity and urgency of complaints, and to process and refer complaints and facility reported incidents in a timely manner and within federal requirements.	Req \$ 371,510	\$ 10,500	\$ 382,010
	Rec \$ 74,302	\$ -	\$ 74,302
	App \$ 297,208	\$ 10,500	\$ 307,708
	FTE		3.000
<b>6 Nursing Home Workforce Capacity</b>			
Creates positions to increase the section's capacity to eliminate the existing backlog and address the growing number of nursing home related complaints in accordance with state and federal requirements, ensuring the safety of nursing home residents statewide.	Req \$ 267,751	\$ 7,000	\$ 274,751
	Rec \$ 66,938	\$ -	\$ 66,938
	App \$ 200,813	\$ 7,000	\$ 207,813
	FTE		2.000
<b>7 Licensing and Regulation Workforce Capacity</b>			
Funds positions to enable the section to complete all required annual building inspection and address the growing demand for the licensure mental health facilities across the state. These positions are critical in ensuring that facilities are safe and adequate, protecting residents and preventing harm.	Req \$ 232,984	\$ 10,500	\$ 243,484
	Rec \$ -	\$ -	\$ -
	App \$ 232,984	\$ 10,500	\$ 243,484
	FTE		2.000

		<b>R Changes</b>		<b>NR Changes</b>		<b>Adjustments</b>
<b>8 Mental Health Workforce Capacity</b>						
Creates positions to increase timely processing of expedited applications for residential facilities, conduct mandated annual surveys for residential mental health services, and investigate allegations related to unlicensed mental health facilities as required by Michelle's Law, SL 2021-77.	Req	\$ 361,634	\$	10,500	\$	372,134
	Rec	\$ 90,408	\$	-	\$	90,408
	App	\$ 271,226	\$	10,500	\$	281,726
	FTE					3.000
<b>Total Change to Requirements</b>		<b>\$ 2,976,183</b>	<b>\$</b>	<b>280,610</b>	<b>\$</b>	<b>3,256,793</b>
<b>Total Change to Receipts</b>		<b>\$ 435,312</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>435,312</b>
<b>Total Change to Net Appropriation</b>		<b>\$ 2,540,871</b>	<b>\$</b>	<b>280,610</b>	<b>\$</b>	<b>2,821,481</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>						<b>20.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>		<b>\$</b>		<b>2,821,481</b>		
<b>Recommended Total FTE Changes</b>				<b>20.000</b>		

**Division of Employment and Independence for People with Disabilities (14480)**

	2023 Session Law-Enacted			2024 Legislative Session Recommended - FY 2024-25			
	2022-23 Actual	2023-24 Certified	2024-25 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2024-25 Revised
Requirements	165,996,967	186,405,070	184,426,242	16,494,067	151,696	16,645,763	201,072,005
Receipts	129,017,577	142,882,705	140,253,360	12,711,677	-	12,711,677	152,965,037
Net Appropriation	36,979,390	43,522,365	44,172,882	3,782,390	151,696	3,934,086	48,106,968
Positions (FTE)	989.250	1,001.750	1,001.750			0.000	1,001.750

	FY 2024-25 Recommended		
	R Changes	NR Changes	Adjustments
<b>Reserve for Salaries and Benefits</b>			
<b>1 Compensation Increase Reserve</b>			
Guarantees at least a 5% across-the-board increase for all state-funded employees. In addition to the 3% provided in SL 2023-134, most state employees receive an additional 2%, while employees paid on an experience-based salary schedule or with a salary set in law receive an additional 3%. State agency teacher salaries are increased in accordance with the statewide salary schedules. Corresponding special provisions show additional details on compensation increases.	Req \$	342,000	\$ - \$ 342,000
	Rec \$	-	\$ - \$ -
	App \$	342,000	\$ - \$ 342,000
	FTE		0.000
<b>2 Retiree Cost-of-Living Adjustment</b>			
Provides a 3% one-time retiree supplement in FY 2024-25 for over 240,000 retired members and survivors of deceased members.	Req \$	-	\$ 151,696 \$ 151,696
	Rec \$	-	\$ - \$ -
	App \$	-	\$ 151,696 \$ 151,696
	FTE		0.000
<b>Division-wide</b>			
<b>3 State Match for Rehabilitation Services Administration Federal Grant</b>			
Provides state matching funds to ensure the division can access an additional \$12.7 million in Rehabilitation Services Administration federal grant funds. The division will use the funds to increase rehabilitation counselor pay to address a nearly 40% vacancy rate. This investment will sustain the vocational rehabilitation workforce, ensuring individuals with disabilities seeking paid employment can continue to access services. This grant provides total federal funding of \$16.6M across the Division of Employment and Independence for People with Disabilities and the Division of Services for the Blind, Deaf, and Hard of Hearing.	Req \$	16,152,067	\$ - \$ 16,152,067
	Rec \$	12,711,677	\$ - \$ 12,711,677
	App \$	3,440,390	\$ - \$ 3,440,390
	FTE		0.000
<b>Total Change to Requirements</b>	\$	<b>16,494,067</b>	\$ <b>151,696</b> \$ <b>16,645,763</b>
<b>Total Change to Receipts</b>	\$	<b>12,711,677</b>	\$ - \$ <b>12,711,677</b>
<b>Total Change to Net Appropriation</b>	\$	<b>3,782,390</b>	\$ <b>151,696</b> \$ <b>3,934,086</b>
<b>Total Change to Full-Time Equivalent (FTE)</b>			<b>0.000</b>
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$		<b>3,934,086</b>
<b>Recommended Total FTE Changes</b>			<b>0.000</b>