NC Department of Health and Human Services

# State Consumer and Family Advisory Committee (SCFAC)

## SFY 2025-2026 Annual Recommendations

**July 8, 2026**

# SCFAC Annual Report Recommendations – SFY 2025-2026

| Recommendation # | Area | Deliverable | SCFAC Due Date | Progress |
|---|---|---|---|---|
| Recommendation 1 | I/DD & Medicaid (General Assembly) | Increase Medicaid funded Direct Support Professional (DSP) wages. | Long Session | |
| Recommendation 2 | I/DD & Medicaid | Prioritize Innovations Waiver slots and develop a two-tiered Waiver System | March 30, 2027 | |
| Recommendation 3 | Traumatic Brain Injury | Develop and fund a statewide TBI ECHO (Extension for Community Healthcare Outcomes) | October 1, 2026 | |
| Recommendation 4 | Veterans | Integrate AskMeNC Statewide | June 30, 2029 | |
| Recommendation 5 | Medicaid | Standardize Medicaid Waiver Terminology | December 31, 2026 | |
| Recommendation 6 | Traumatic Brain Injury | Include “Relative as Provider” in CAP Waivers | October 1, 2026 | |

# SCFAC Annual Report Recommendations – SFY 2025-2026

| Recommendation # | Area | Deliverable | SCFAC Due Date | Progress |
|---|---|---|---|---|
| Recommendation 7 | Medicaid (General Assembly) | Expand Medicaid Coverage to Include Transcranial Magnetic Stimulation (TMS) | December 31, 2026/Long Session | |
| Recommendation 8 | I/DD (General Assembly) | Appropriate funding for housing | Long Session | |
| Recommendation 9 | Traumatic Brain Injury (General Assembly) | TBI Waiver Statewide Expansion | Long Session | |
| Recommendation 10 | Medicaid | Prioritize and Fund ICF Community Waiver Home Study | December 31, 2026 | |

# SCFAC Recommendations

**Due Date:** Long Session

## Recommendation 1: Increase in Direct Support Professional (DSP) Wages (General Assembly)

Increase in DSP wages for Medicaid funded DSP wages to a minimum of $20/hour with NCDHHS request for increase of Waiver capitation rates to address inflation and competitive wages.

# SCFAC Recommendations

**Due Date:** March 30, 2027

## Recommendation 2: Prioritize Innovations Waiver slots and develop a two-tiered Waiver System

- Prioritize allocation of Innovations Waiver slots and complete a full review of the waitlist using verifiable, assessment and current status within six months.
- Include:
  - Current number on the waitlist each quarter (timelier than current 6-month delay).
  - Length of time individuals have been waiting.
  - Number removed from the waitlist and reasons (clinical ineligibility, financial ineligibility, received other services, refused service, moved, died).
  - Clarification that individuals who refuse services should not retain their position without valid justification.
  - Report number of new additions to the Innovations Waiver Waitlist each quarter.
  - Consideration of a tiered system addressing actual needs of each consumer under waiver services.

# SCFAC Recommendations

**Due Date:** October 1, 2026

## Recommendation 3: Develop and fund a statewide TBI ECHO (Extension for Community Healthcare Outcomes)

Develop and fund a statewide TBI ECHO program, leveraging available grant opportunities (Rural Health Transformation Program (RHTP), Administration for Community Living (ACL) Grant, Managed Care Organization) partnering with a North Carolina Academic Medical Institutions.

**Note:** This recommendation is supported by the Brain Injury Advisory Council (BIAC)

# SCFAC Recommendations

**Due Date:** June 30, 2029 (2 Phases)

## Recommendation 4: Integrate AskMeNC Statewide

Allocate funding and adopt policy guidance to embed AskMeNC training and practices into state and local government operations statewide.

# SCFAC Recommendations

**Due Date:** December 31, 2026

## Recommendation 5: Standardize Medicaid Waiver Terminology

SCFAC recommends for DHHS to establish a Stakeholder Workgroup to standardize service terminology across all four NC Medicaid Waivers (Innovations, Community Alternatives Program for Children (CAP/C), Community Alternatives Program for Disabled Adults (CAP/DA), and Traumatic Brain Injury (TBI)).

# SCFAC Recommendations

**Due Date:** October 1, 2026

## Recommendation 6: Include "Relative as Provider" in CAP Waivers

- SCFAC recommends that the Department include the option of "Relative as Provider" under the CAP waivers.
  - Provides essential services to help individuals remain in their homes, reducing the need for institutionalization.
  - Ensures relatives serving as providers receive a fair hourly rate for their services under the waiver provision.
  - Ensures coordination of Waiver services and State Plan Medicaid services are met (such language currently exists in the Innovations Waiver Clinical Coverage Policy 8P).
- Develop a CAP Waiver Advisory Committee to involve beneficiaries, families, and stakeholders in addressing service barriers and policy improvements.

# SCFAC Recommendations

**Due Date:** Long Session

## Recommendation 7: Expand Medicaid Coverage to Include Transcranial Magnetic Stimulation (TMS) (General Assembly)

- Establish TMS as a viable treatment option for individuals with major depression disorders and treatment-resistant depression.
- Request funding from the General Assembly for Medicaid to cover Transcranial Magnetic Stimulation (TMS).

# SCFAC Recommendations

**Due Date:** Long Session

## Recommendation 8: Appropriate funding for housing (General Assembly)

- Provide funding for Transitions to Community Living (TCL)
  - Expand support for people with serious mental illness by increasing housing resources, providing tenancy assistance, and sustaining wraparound mental health services to help individuals transition from institutional settings to community-based care, in alignment with the US Department of Justice Olmstead Settlement.
- Provide funding to assess the needs of persons with developmental disabilities, traumatic brain injury, and mental illness who rely on aging parent caregivers
  - Identify how the state can provide housing and support when caregivers can no longer do so.
  - Prevent unnecessary institutionalization by planning for sustainable community-based supports.
- Provide funding for emergency and supportive housing assistance for people with MH/DD/SUS/TBI.
  - Offset costs in areas with limited affordable housing and minimal housing supports for people with disabilities.

# SCFAC Recommendations

**Due Date:** Long Session

## Recommendation 9: TBI Waiver Statewide Expansion (General Assembly)

- Increase access to medically necessary, specializes services, improving outcomes and reducing long-term disability and facility-based care.
- Include funding in the biennial state budget to support full statewide TBI Waiver expansion.

# SCFAC Recommendations

**Due Date:** December 31, 2027

## Recommendation 10: Prioritize and Fund ICF and Community Waiver Home Study

- Create and fund Intermediate Care Facilities Community Waiver Home Study to evaluate placement options for families and caregivers over 60 who lack supportive residential choices.
- Provide structured feedback from affected families.
- Goals:
  - Increase available choices for family-based placement
  - Access long-term use of residential facilities and the populations they serve





# DMH/DD/SUS SCFAC Update


## Renee Rader, Deputy Director & Chief Operating Officer

**Mental Health, Developmental Disabilities, and Substance Use Services**

**NC Department of Health & Human Services**


**July 8, 2026**

# Legislative & Budget Update

Implications for North Carolina's public mental health, I/DD, substance use, TBI, and problem gambling systems

# State Budget Highlights: Single Stream Funding

- Continues monthly advance payments to LMEs to improve cash flow.
- Allows up to $30 million from a Medicaid surplus to be transferred to single-stream funding, if available.
- Maintains expectations that LMEs continue providing at least the same overall level of single-stream (state-funded) services.

# State Budget Highlights: Crisis Services and Inpatient Capacity

- Reduces local inpatient psychiatric bed (three-way beds) funding by an additional $2 million.
  - Reflects Legislature's expectation that Medicaid expansion will offset some of the costs for state-funded services
- Continues higher reimbursement for higher-acuity patients.
- Up to 40% of funding may continue supporting:
  - Facility-based crisis
  - Non-hospital detoxification
  - Peer respite
- Continued emphasis on equitable statewide distribution of beds.

# State Budget Highlights:  Substance Use Services

- **Medication for Opioid Use Disorder**
  - Establishes a permanent grant program supporting medications for opioid use disorder (MOUD) in county jails.
  - Prioritizes counties with greatest opioid burden.
  - Requires a multidisciplinary review process.
- **Opioid Settlement Funds**
  - Transfers $14 million recurring from the Opioid Abatement Reserve to support single-stream funding.
  - Provides:
    - $4 million for opioid remediation through the LMEs
    - $2 million for naloxone procurement and distribution

# State Budget Highlights: Strengthening I/DD Services & Workforce

- Continues investment in Direct Support Professional (DSP) compensation through provider rate increases.
- Directs DHSR to adopt rules allowing live-in DSPs in certain licensed group homes to support workforce recruitment and retention.
- Eliminates Medicaid copayments for Innovations and TBI Waiver participants.

# Other Notable Budget Provisions

- **Substance Use Prevention Infrastructure**
  - Replaces outdated IT systems supporting:
    - DWI Services
    - Drug Education School
    - Drug Control Unit

# House Bill 1104

## Major Themes

- Updates involuntary commitment procedures
- Revises transportation and custody provisions
- Clarifies responsibilities among hospitals, providers, law enforcement, clerks, magistrates, and LMEs
- Includes multiple implementation dates extending into 2027

# What We're Watching

**Over the coming year, DHHS will focus on:**

- Implementing budget provisions
- Implementing House Bill 1104
- Continuing collaboration with LME and providers
- Supporting access to community services, crisis services, and inpatient care
- Monitoring the impact of these investments

# Other Updates

## NCDHHS Releases 2026-2029 TBI State Action Plan

A new statewide roadmap, shaped by lived experience and the Brain Injury Advisory Council, sets four strategic priorities to improve TBI services and outcomes.

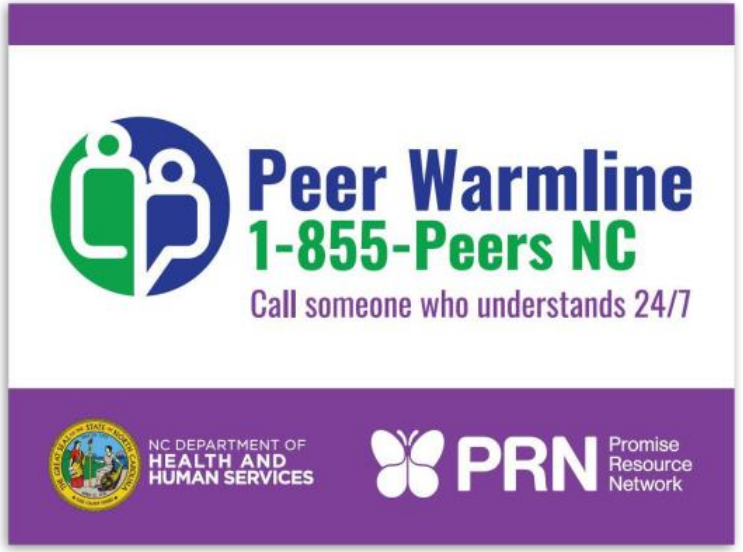
## Public Invited to Help Shape TBI Disability Evaluation Standards

The National Academies and Social Security Administration are gathering input from people with TBI and caregivers to inform future disability evaluations.

# Strengthen the Crisis System


## Text and Chat Now Available on the NC Peer Warmline

New options expand access to the 24/7 crisis service operated by Promise Resource Network, connecting more people with trained peer specialists.



# July Side by Side: Minority Mental Health Month

Please join us for a conversation with NC organizations that are working to reach people in new ways, build trust within their communities, and improve access to care.


**Date/Time: Monday, July 13, 2026, 2:00-3:30 p.m.**

**Registration:** Register for the webinar

**Closed-Captioning & ASL Interpreters will be provided.**