

Item Title: NC Division of Social Services Emergency Placement Fund

Specific Action Requested:

That the Board of Commissioners accepts and appropriates \$21,656 into the General Fund from the North Carolina Division of Social Services (DSS) Emergency Placement Fund for addressing identified placement needs for children in DSS custody who are awaiting Medicaid-level treatment placements.

Item Summary:

Purpose: In accordance with the North Carolina Local Government Budget and Fiscal Control Act, the Board of Commissioners must approve all amendments that increase the budget for a fund.

Background: The North Carolina Division of Social Services (DSS) established the Emergency Placement Fund to help counties address urgent placement challenges for children in DSS custody awaiting Medicaid-level treatment placements. The Fund supports crisis placements, temporary enhanced rates for placement providers, and other local solutions to prevent children from having to stay overnight in DSS offices. Statewide allocations were \$2.29 million in SFY 2023–2024 and \$5.5 million in SFY 2024–2025. Remaining balances are being reallocated in SFY 2025–2026.

Strategic Plan: This action supports Community Health and Wellbeing Goal 3: By 2029, 5% more residents asked will indicate low barriers to healthcare and behavioral health services, such as access to providers, insurance coverage, affordability and appointment wait times; and Community Health and Wellbeing Goal 4: By 2029, three out of four residents asked will indicate low barriers to accessing benefits and assistance programs and resources, such as food and utilities, childcare, employment services, housing, etc.

Fiscal Impact: This action will increase the FY2026 expenditure and revenue budgets by \$21,656 in the Human Services General Fund for Emergency Placement Services. There is no matching funds requirement. Funds must be expended by May 31, 2026.

Additional Information:

The North Carolina Division of Social Services (DSS) recognizes the challenge in locating required residential treatment placements for children in DSS custody with complex behavioral health needs. NCDSS has allocated funds in the SFY 2023-2024 and SFY 2024-2025 budgets for the DSS Emergency Placement Fund pilot program. At the end of SFY 2024–2025, \$1,237,010 in unused Emergency Placement Funds remained and will be reallocated for SFY 2025–2026.

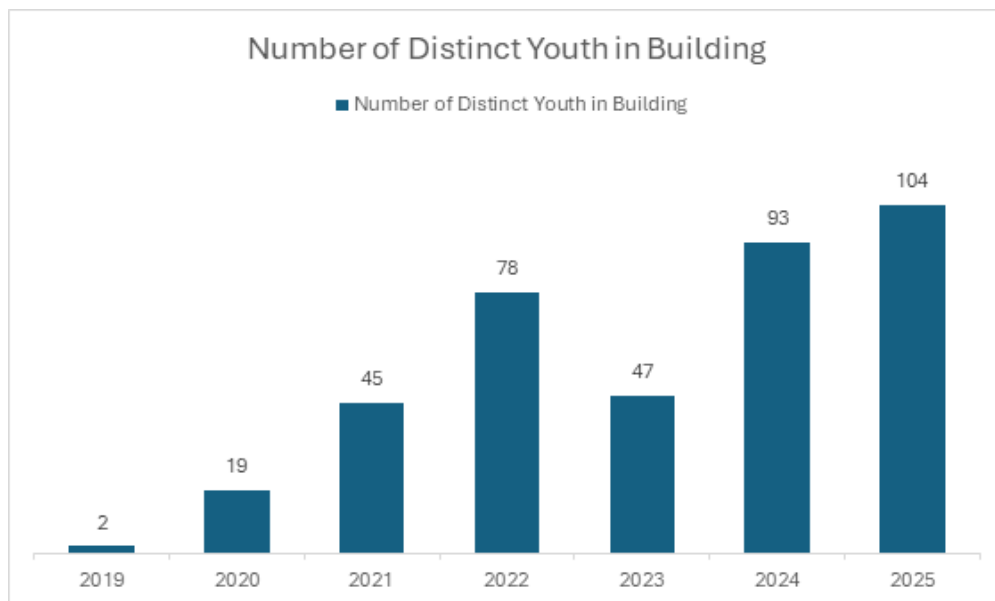
This fund aims to temporarily assist county departments of social services in providing essential needs for children awaiting Medicaid leveled treatment placements to prevent them from staying in DSS offices. The following practices can be supported with these funds:

1. Maintain a crisis placement through a contract that pays a retainer to an identified placement provider who will accept a temporary emergency placement until the appropriate behavioral health treatment placement is located.
2. Provide a short-term enhanced rate to an identified placement provider who is currently or will provide care and supervision to youth who have behaviors that require an exceptional level of supervision.
3. Other local solutions that prevent a child in DSS custody from spending a night in the DSS office while waiting for an appropriate treatment placement.

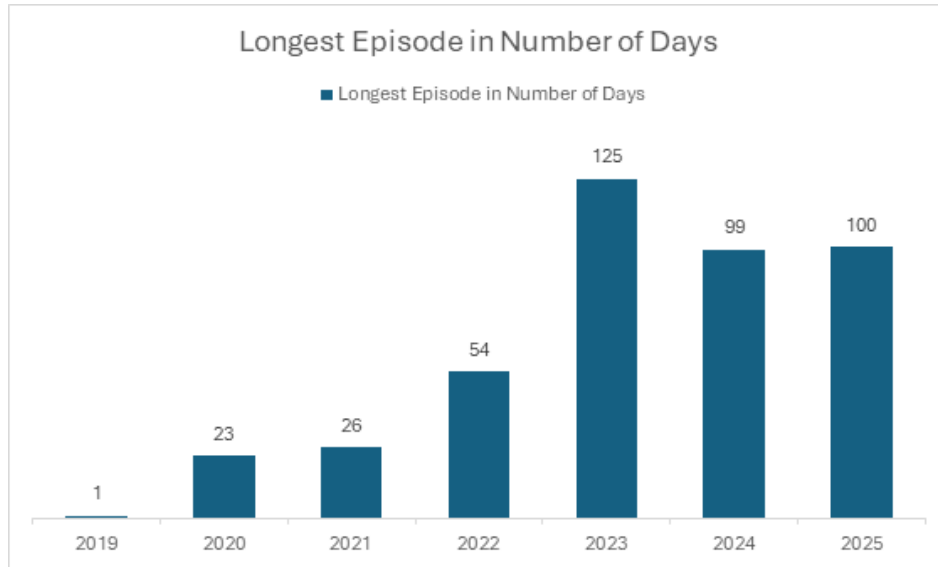
Social Services will allocate the funding from DSS as follows:

Budget Categories	FY23-24	FY24-25	FY25-26
Contractual Services	\$69,246	\$166,191	\$21,656

Data on foster youth awaiting placements at the Swinburne Building are provided in the attached charts and tables.



This graph highlights the longest number of days a youth in foster care has awaited placement in the Swinburne Building.



On the left, the graph below shows how many days Social Services had more than one foster youth awaiting placement in the Swinburne Building and the column on the right shows how many days Social Services did not have youth in the building during that year.

Year	Number of Days with 1 or more Youth in Building	Number of Days without Youth in Building
2019	2	363
2020	80	286
2021	120	245
2022	278	87
2023	337	28
2024	359	7
2025	269	0

Attachments:

1. Budget Memo FY2026 - Human Services