

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 1265

Short Title: Quality Support/Skilled Nursing Facilities. (Public)

Sponsors: Representatives Wright and Earle (Primary Sponsors).

Referred to: Appropriations.

April 12, 2001

A BILL TO BE ENTITLED

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2 AN ACT TO DIRECT THE DEPARTMENT OF HEALTH AND HUMAN
3 SERVICES TO ESTABLISH A QUALITY IMPROVEMENT CONSULTATION
4 PROJECT; TO CONVENE A QUALITY STANDARDS WORK GROUP TO
5 EXPLORE ALTERNATIVES TO OVERSIGHT AND SURVEY PRACTICES;
6 AND PERTAINING TO SURVEY TEAM MEMBERS OF THE DEPARTMENT
7 OF HEALTH AND HUMAN SERVICES IN REVIEWING NURSING HOME
8 PROVIDER COMPLIANCE WITH STATE AND FEDERAL LAW.

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.(a)** The Department of Health and Human Services shall
11 establish a Quality Improvement Consultation Project to assist providers in the
12 development of quality improvement plans for each long-term care facility and program
13 that offers skilled nursing services to the public. In order to avoid conflict with federal
14 regulations, the Department shall locate the project in a section of the Division of
15 Facility Services other than the Licensure and Certification Section. Project staff shall
16 include nurses who have previous experience in long-term care. Staff shall be available
17 to all licensed nursing facilities and, upon request of the facility, shall provide on-site
18 consultation in the following areas:

- 19 (1) Analysis of recent survey results in order to assist the facility with its
20 efforts to correct problems or deficiencies identified by the survey.
21 (2) Training for in-house quality improvement programs.
22 (3) Specific area or issues of concern raised by the facility.
23 (4) Best practices information.

24 The Department may contract with a private entity to assist in the implementation of the
25 project.

26 **SECTION 1.(b)** There is appropriated from the General Fund to the
27 Department of Health and Human Services the sum of one million two hundred sixty
28 thousand dollars (\$1,260,000) for the 2001-2002 fiscal year and the sum of one million

1 two hundred sixty thousand dollars (\$1,260,000) for the 2002-2003 fiscal year to
2 develop and implement the Quality Improvement Consultation Project pursuant to
3 subsection (a) of this section.

4 **SECTION 2.(a)** The Department of Health and Human Services shall offer
5 joint training of survey team members and nursing home providers. The training shall
6 be offered not less than two times per year, and subject matter of the training should be
7 based on one or more of the 10 deficiencies cited most frequently in the State during the
8 immediately preceding calendar year. The joint training shall be designed to reduce
9 inconsistencies experienced by providers in the survey process, to increase objectivity
10 by survey team members in conducting surveys, and to promote a higher degree of
11 understanding between facility staff and survey team members in what is expected
12 during the survey process.

13 **SECTION 2.(b)** The Department of Health and Human Services shall
14 require survey team members who have no previous nursing home experience to spend
15 part of their basic training in a nursing home observing operations of the nursing home.
16 On-site training should be designed to provide the survey team member with experience
17 in the actual operation of a nursing facility outside of the survey process, and to achieve
18 a general understanding of the following facility functions: administration, nursing,
19 personal care services, and dietary services. On-site training requirement shall be for a
20 minimum of three days and must be completed before the survey team member assumes
21 survey work or oversight responsibilities. In addition to on-site training, at least fifty
22 percent (50%) of the annual continuing education requirement of survey team members
23 shall be in the subject area of geriatric care.

24 **SECTION 2.(c)** There is appropriated from the General Fund to the
25 Department of Health and Human Services, Division of Facility Services, the sum of
26 one hundred forty-eight thousand eight hundred dollars (\$148,800) for the 2001-2002
27 fiscal year and the sum of one hundred forty-eight thousand eight hundred dollars
28 (\$148,800) for the 2002-2003 fiscal year to implement the requirements of this section.

29 **SECTION 3.** The Department of Health and Human Services shall convene
30 a Quality of Standards Work Group to explore alternatives to existing oversight and
31 survey practices that will ensure quality in skilled nursing facilities. The Work Group
32 shall do the following:

- 33 (1) Clarify and provide guidance on terms applicable in the survey and
34 oversight process to ensure uniformity. Terms that should be clarified
35 include 'immediate jeopardy', 'harm', 'potential harm', 'avoidable', and
36 'unavoidable'. The Department shall ensure that clarification of terms
37 is included in basic and continuing survey training.
- 38 (2) Identify rules that impede the direct care of patients and develop a
39 proposal for repeal of those rules, including any necessary repeal of, or
40 amendment to, current law that is the basis for the rule.
- 41 (3) Examine possible incentives for providers such as extended survey
42 period, increased reimbursement rates, accreditation, and deemed

1 status. The Work Group shall consider all available quality
2 measurements in developing recommendations for incentives. The
3 Work Group shall also identify changes in current law necessary to
4 implement incentives.

5 (4) Explore aspects of quality assessment/monitoring that should be
6 changed to facilitate improvements and determine if a waiver from the
7 Health Care Financing Administration is necessary to implement
8 innovative approaches to the delivery and monitoring of long-term
9 care in this State.

10 The Work Group shall consist of representatives of the Division of Facility Services, the
11 North Carolina Health Care Facilities Association, and the Long-Term Care
12 Ombudsman office.

13 **SECTION 4.** The Department of Health and Human Services shall report to
14 the Joint Legislative Health Care Oversight Committee and the North Carolina Study
15 Commission on Aging on the status of implementation of this act. The report shall be
16 submitted on October 1, 2001, and March 1, 2002.

17 **SECTION 5.** This act becomes effective July 1, 2001.