

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE BILL 481*

Short Title: Aid To Community Health Centers/Funds. (Public)

Sponsors: Representatives E. Floyd; Hughes and Lucas.

Referred to: Appropriations.

March 9, 2009

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, OFFICE OF RESEARCH, DEMONSTRATIONS, AND RURAL HEALTH DEVELOPMENT, FOR A GRANT PROGRAM TO ASSIST IN THE PROVISION OF PRIMARY AND PREVENTIVE MEDICAL SERVICES TO UNINSURED OR MEDICALLY INDIGENT PATIENTS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is appropriated from the General Fund to the Department of Health and Human Services, Office of Research, Demonstrations, and Rural Health Development (Office), the sum of ten million dollars (\$10,000,000) for the 2009-2010 fiscal year. These funds shall be allocated to federally qualified health centers and those health centers that meet the criteria for federally qualified health centers, State-designated rural health centers, free clinics, public health departments, and other nonprofit organizations that provide primary and preventive medical services to uninsured or medically indigent patients. These funds shall be allocated as grants on a competitive basis to assist in the provision of care to uninsured or medically indigent patients. Grant funds appropriated in this act shall only be used to:

- (1) Increase access to preventive and primary care services by uninsured or medically indigent patients in existing or new health center locations;
- (2) Establish community health center services in counties where no such services exist;
- (3) Create new services or augment existing services provided to uninsured or medically indigent patients, including primary care and preventive medical services, dental services, pharmacy, and behavioral health; and
- (4) Increase capacity necessary to serve the uninsured by enhancing or replacing facilities, equipment, or technologies.

Grant funds may not be used to enhance or increase compensation or other benefits of personnel, administrators, directors, consultants, or any other parties. Grant funds may not be used to supplant federal funds traditionally received by federally qualified community health centers and may not be used to finance or satisfy any existing debt. In distributing funds, the Department of Health and Human Services shall consider the availability of other funds for the agency, the incidence of poverty or indigent clients served, arrangements for after-hours care, and collaboration with the applicant's community hospital and other safety net organizations.

SECTION 1.(b) The Office shall work with the North Carolina Community Health Center Association (NCCHCA) and the North Carolina Public Health Association (NCPHA) to establish an advisory committee to develop an objective and equitable process for awarding grant funds. The Office shall also develop auditing and accountability procedures. Not more



1 than one percent (1%) of the funds appropriated in this section may be used to reimburse the
2 Office for administering the grant program in collaboration with the NCCHCA and the
3 NCPHA.

4 **SECTION 1.(c)** Recipients of grant funds shall annually provide to the Office a
5 written report detailing the number of uninsured and medically indigent patients that are cared
6 for, the types of services that were provided, and any other information requested by the Office
7 as necessary for evaluating the success of the grant program.

8 **SECTION 1.(d)** The Office shall work with the NCCHCA and NCPHA to study
9 and present recommendations for continuing funds to support the expansion of community
10 health centers, State-designated rural health centers, free clinics, and public health departments
11 to serve more of the State's uninsured and indigent population. The Department of Health and
12 Human Services shall report on the use of these funds to the House Appropriations
13 Subcommittee on Health and Human Services, the Senate Appropriations Committee on Health
14 and Human Services, and the Fiscal Research Division not later than March 1, 2010.

15 **SECTION 2.** This act becomes effective July 1, 2009.