

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 803

Short Title: Community Health Center Funds.

(Public)

Sponsors: Senators Hartsell; and Bingham.

Referred to: Appropriations/Base Budget.

March 23, 2005

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR COMMUNITY HEALTH GRANTS.

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, Division of Public Health, the sum of eleven million dollars (\$11,000,000) for the 2005-2006 fiscal year. Of these funds, the sum of six million dollars (\$6,000,000) shall be used for federally qualified health centers and for those health centers that meet the criteria for federally qualified health centers, and the sum of five million dollars (\$5,000,000) shall be used for State-designated rural health centers and public health departments and other nonprofit health care organizations with a mission to serve the uninsured and other medically underserved populations. Funds shall be used to:

- (1) Increase access to preventative 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 preventative medical services, dental services, pharmacy, and behavioral health;
- (4) Increase capacity necessary to serve the uninsured by enhancing or replacing facilities, equipment, or technologies;
- (5) Expand the Medical Access Program of the Office of Research, Demonstrations, and Rural Health Development to safety net providers who currently receive no financial support for indigent care and who are located in high-needs counties; and

1 (6) Create or augment community collaborations or integrated delivery
2 systems that have the capacity to expand health services to the
3 uninsured or medically indigent patients.

4 Of the five million dollars (\$5,000,000) allocated under this section to
5 State-designated rural health centers, public health departments, and other nonprofit
6 health care organizations, the sum of one hundred forty thousand dollars (\$140,000)
7 shall be allocated to the Office of Research, Demonstrations, and Rural Health
8 Development to develop planning packages for local communities interested in
9 developing safety net programs, to provide technical assistance, and collect data on the
10 capacity of the existing safety net to meet the needs of the uninsured and medically
11 underserved.

12 Grant funds may not be used to enhance or increase compensation or other
13 benefits of personnel, administrators, directors, consultants, or any other parties. Grant
14 funds may not be used to supplant federal funds traditionally received by federally
15 qualified community health centers and may not be used to finance or satisfy any
16 existing debt.

17 **SECTION 1.(b)** The Office shall work with the North Carolina Community
18 Health Center Association (hereafter "NCCHCA") and the North Carolina Public Health
19 Association (hereafter "NCPHA") to establish an advisory committee to develop an
20 objective and equitable process for awarding grant funds. The Office shall also develop
21 auditing and accountability procedures. Not more than one percent (1%) of the funds
22 appropriated in this section may be used to reimburse the Office for administering the
23 grant program in collaboration with the NCCHCA and the NCPHA.

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

29 **SECTION 2.** This act becomes effective July 1, 2005.