

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL 359*

Short Title: Community Health Centers Grant Program/Funds. (Public)

Sponsors: Senators Ballard and Hise (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 23, 2017

A BILL TO BE ENTITLED
AN ACT APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN
SERVICES, OFFICE OF RURAL HEALTH, FOR THE COMMUNITY HEALTH
CENTERS GRANT PROGRAM.

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 Rural Health, the sum of seven million five hundred thousand dollars (\$7,500,000) for the 2017-2018 fiscal year and the sum of seven million five hundred thousand dollars (\$7,500,000) for the 2018-2019 fiscal year, for the Community Health Centers Grant Program. Beginning with the 2017-2018 fiscal year, these funds shall be used to award grants on a competitive basis to free clinics, federally qualified health centers, State-designated rural health centers, local health departments, school-based health centers, and other nonprofit organizations (i) with at least an eighty percent (80%) patient population comprised of uninsured patients or any combination of patients who are uninsured or recipients of Medicare, Medicaid, or the Children's Health Insurance Program; (ii) that provide primary care and preventative health services to low-income populations across the State, including individuals who are uninsured or underinsured and recipients of Medicaid and Medicare; and (iii) that serve as a medical home to these vulnerable populations, in order to accomplish any of the following purposes:

- (1) Increase access to primary care and preventative health services for these vulnerable populations in existing primary care locations.
- (2) Establish primary care and preventative health services in counties where no such services exist to serve these vulnerable populations.
- (3) Create new services, sustain existing service levels, or augment existing services provided to these vulnerable populations, including primary care and preventative health services, and including dental, pharmacy, and behavioral health services when integrated into the medical home.
- (4) Increase primary care capacity to serve these vulnerable populations, including enhancing or replacing facilities, equipment, or technologies necessary to participate in the exchange of data and tools to monitor and improve the quality of care provided.

SECTION 1.(b) The Office of Rural Health shall not use more than three hundred thousand dollars (\$300,000) of the funds appropriated in this section for the 2017-2018 fiscal year to administer the Community Health Centers Grant Program.

SECTION 1.(c) The Office of Rural Health shall work with the North Carolina Community Health Center Association, the North Carolina Association of Local Health



1 Directors, the North Carolina Association of Free and Charitable Clinics, the North Carolina
2 School-Based Health Alliance, and other organizations representing eligible grant recipients, to
3 establish a Primary Care Advisory Committee to develop an objective and equitable process for
4 grading applications for grants funded by this section and making recommendations to the
5 Office of Rural Health for the award of grants funded by this section.

6 The Office of Rural Health shall make the final decision about awarding grants
7 funded by this section, but no single grant award shall exceed one hundred fifty thousand
8 dollars (\$150,000) during the fiscal year. In awarding grants, the Office of Rural Health shall
9 give preference to applicants located in areas of the State with the highest incidences of poverty
10 or that serve the highest percentage of indigent clients.

11 **SECTION 1.(d)** Grant recipients shall not use these funds to do any of the
12 following:

- 13 (1) Enhance or increase compensation or other benefits of personnel,
14 administrators, directors, consultants, or any other persons receiving funds
15 for program administration.
- 16 (2) Supplant existing funds, including federal funds traditionally received by
17 federally qualified community health centers. However, grant funds may be
18 used to supplement existing programs that serve the purposes described in
19 subsection (a) of this section.
- 20 (3) Finance or satisfy any existing debt.

21 **SECTION 1.(e)** The Office of Rural Health shall develop a standardized method
22 for grant recipients to report objective, measurable quality health outcomes and shall require
23 grant recipients to report these quality health outcomes to the Department. Beginning recipients
24 of grant funds shall annually provide to the Office of Rural Health a written report detailing the
25 number of patients that are cared for, the types of services that were provided, quality measures
26 and outcomes, and any other information requested by the Office of Rural Health as necessary
27 for evaluating the success of the Community Health Centers Grant Program.

28 **SECTION 2.** This act becomes effective July 1, 2017.