

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 1038*

Short Title: Rest Home Increase/Funds.

(Public)

Sponsors: Senators Walker; and Plyler.

Referred to: Appropriations.

June 1, 1992

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO ESTABLISH REIMBURSEMENT RATES FOR DOMICILIARY CARE FACILITIES TO COMPENSATE FOR MANDATED COSTS, FOR THE CERTIFIED MEAN AVERAGE DEFICIT OF MONTHLY BED COSTS, AND FOR THE NORTH CAROLINA SERVICE WAGE INCREASE.

Whereas, North Carolina relies on domiciliary care to meet the long-term care needs of its frail elderly, mentally ill, and mentally retarded residents, and of its residents with Alzheimers and related dementia disorders; and

Whereas, on December 10, 1991, North Carolina adopted by reference a federal OSHA standard that governs exposure to blood-borne diseases such as Hepatitis B Virus (HBV) and Human Immunodeficiency Virus (HIV) by all employees who could be "reasonably anticipated" to face contact with blood or other potentially infectious materials on the job; and

Whereas, the costs to implement these OSHA standards for vaccinations, education, coverage for staff in training, housekeeping, personal protective equipment, and physician and laboratory fees to protect from exposure to only one type of blood-borne pathogen, HBV, as developed by the Department of Human Resources for rest home employees is projected at a rate of nineteen dollars and twenty-five cents (\$19.25) per bed per month; and

Whereas, the Department of Human Resources' accountant-certified cost study of domiciliary rates issued May 1, 1992, reported that the current reimbursement rates per bed per month of eight hundred thirty-two dollars (\$832.00) for semiambulatory care and eight hundred seventy-one dollars (\$871.00) for

1 nonambulatory care resulted in a deficit of forty-four dollars and twenty-eight cents
2 (\$44.28) per bed per month for the 1991-92 fiscal year; and

3 Whereas, the Office of State Budget and Management's 1991-92 inflation
4 forecast, based on the Data Resources Inc. (DRI) Control Forecast of May 1991,
5 predicts an increase in North Carolina service wages of four and seven-tenths percent
6 (4.7%) in the 1992-93 fiscal year; and

7 Whereas, the total projected cost resulting from implementation of OSHA
8 standards to protect from only one type of blood-borne pathogen, compensation for a
9 certified mean average deficit of monthly bed costs, and the North Carolina service
10 wage increase is one hundred two dollars and sixty-seven cents (\$102.67) per bed per
11 month; Now, therefore,

12 The General Assembly of North Carolina enacts:

13 Section 1. Section 127 of Chapter 689 of the 1991 Session Laws, as rewritten
14 by Section 221 of Chapter 689 of the 1991 Session Laws, reads as rewritten:

15 "Sec. 127. Effective July 1, 1991, the maximum monthly rate for ambulatory
16 residents in domiciliary care facilities shall be ~~\$832.00~~ eight hundred thirty-two dollars
17 (\$832.00) and the maximum monthly rate for semiambulatory residents shall be ~~\$871.00~~
18 eight hundred seventy-one dollars (\$871.00). Effective July 1, 1992, the maximum
19 monthly rates for ambulatory residents shall be increased to ~~\$843.00~~ nine hundred thirty-
20 four dollars (\$934.00) and for semiambulatory residents to ~~\$882.00~~ nine hundred
21 seventy-three dollars (\$973.00)."

22 Sec. 2. There is appropriated from the General Fund to the Department of
23 Human Resources the sum of one million six hundred ninety-one thousand five hundred
24 dollars (\$1,691,500) for the 1992-93 fiscal year to provide for the increases required by
25 this act.

26 Sec. 3. This act becomes effective July 1, 1992.