

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 287

Short Title: Health Reform Funds/HPC.

(Public)

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Sponsors: Representatives Dickson, Blue, Wright; Ives, Alexander, Earle, Shaw, Boyd-McIntyre, Wainwright, and Rogers.

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Referred to: Insurance, if favorable, Appropriations.

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February 23, 1995

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO IMPLEMENT THE HEALTH CARE REFORM RECOMMENDATIONS OF THE NORTH CAROLINA HEALTH PLANNING COMMISSION.

The General Assembly of North Carolina enacts:

**PART I – PRIMARY CARE**

Section 1.1. (a) There is appropriated from the General Fund to the Department of Human Resources the sum of ten million three hundred thousand dollars (\$10,300,000) for the 1995-96 fiscal year and the sum of twelve million dollars (\$12,000,000) for the 1996-97 fiscal year to enhance Medicaid reimbursement for primary care services to eligible primary care providers in areas designated by the Office of Rural Health and Resource Development as medically underserved. Providers eligible for payments under this subsection shall be those medical doctors, physician assistants, nurse practitioners, or certified nurse midwives whose practice serves a significant proportion of the Medicaid population in the provider's service area, and who provide primary care under the provider's practice of general pediatrics, general internal medicine, family medicine, or obstetrics-gynecology.

1 (b) There is appropriated from the General Fund to the Department of Human  
2 Resources the sum of six hundred thousand dollars (\$600,000) for the 1995-96 fiscal year  
3 and the sum of seven hundred thousand dollars (\$700,000) for the 1996-97 fiscal year to  
4 provide bonus payments to primary care providers in medically underserved areas.  
5 Bonus payments may be awarded only to medical doctors, physician assistants, nurse  
6 practitioners, and certified nurse midwives who provide primary care under the practice  
7 of general pediatrics, general internal medicine, family medicine, or obstetrics-  
8 gynecology, and who meet one or more of the following criteria:

- 9 (1) Participate in a group practice or network;
- 10 (2) Utilize mid-level providers;
- 11 (3) Provide obstetrical services;
- 12 (4) Teach medical students, primary care medical residents, and physician  
13 extenders;
- 14 (5) Provide services through the local health department;
- 15 (6) Participate in hospital practice;
- 16 (7) Provide backup services to State rural health clinics;
- 17 (8) Provide nursing home care;
- 18 (9) Establish satellite clinics in medically underserved areas.

19 Bonus payments made under this subsection shall be in addition to the  
20 payments made under subsection (a) of this section. A provider is eligible to receive  
21 bonus payments under one or more of the criteria listed in this subsection.

22 (c) In consultation with the Office of Rural Health and the Department of  
23 Environment, Health, and Natural Resources, the Department of Human Resources,  
24 Division of Medical Assistance, shall adopt rules for the implementation of this section.

25 Sec. 1.2. The Department of Human Resources may combine and allocate  
26 funds appropriated for the Office of Rural Health and Resource Development for  
27 recruitment and retention of primary care providers in medically underserved areas into  
28 one Provider Incentive Fund. Funds in the Provider Incentive Fund may be allocated for  
29 purposes of enhancing recruitment and retention of primary care providers in medically  
30 underserved areas and for other purposes related to the enhancement of health services to  
31 medically underserved communities.

32 Sec. 1.3. There is appropriated from the General Fund to the Department of  
33 Human Resources, Office of Rural Health and Resource Development, the sum of one  
34 million dollars (\$1,000,000) for the 1995-96 fiscal year and the sum of one million  
35 dollars (\$1,000,000) for the 1996-97 fiscal year for the development and implementation  
36 of a locum tenens program in the Office of Rural Health and Resource Development.  
37 Funds shall be used to provide interim clinical services to patients in medically  
38 underserved areas during the period that the physicians and other health care providers  
39 who serve these patients are away from their practice because of illness, continuing  
40 medical education, or vacation.

41 Sec. 1.4. (a) The Department of Human Resources, Office of Rural Health and  
42 Resource Development, shall award grants from the Aid for Clinic Construction Program  
43 and the Operational Subsidy Program. Grant funds awarded from these programs shall

1 be used to assist medically underserved communities in constructing and operating health  
2 centers in communities where no health centers currently exist, and for capital  
3 improvements and operating expenses for existing rural health centers. Funds allocated  
4 for capital expenditures shall be matched by local funds.

5 (b) There is appropriated from the General Fund to the Department of Human  
6 Resources, Office of Rural Health and Resource Development, the sum of three million  
7 dollars (\$3,000,000) for the 1995-96 fiscal year and the sum of three million dollars  
8 (\$3,000,000) for the 1996-97 fiscal year for the allocation of grant funds for the  
9 construction and operation of new health centers and for the expansion of existing health  
10 centers in medically underserved communities. Of the funds appropriated under this  
11 subsection, not more than one million five hundred thousand dollars (\$1,500,000) may be  
12 allocated in each fiscal year for grants from the Aid for Clinic Construction Program and  
13 not more than one million five hundred thousand dollars (\$1,500,000) in each fiscal year  
14 may be allocated for grants from the Operational Subsidy Program.

15 (c) There is appropriated from the General Fund to the Department of Human  
16 Resources, Office of Rural Health and Resource Development, the sum of three million  
17 seven hundred fifty thousand dollars (\$3,750,000) for the 1995-96 fiscal year and the sum  
18 of three million seven hundred fifty thousand dollars (\$3,750,000) for the 1996-97 fiscal  
19 year for grants to assist existing rural health centers in making capital improvements and  
20 recruiting and retaining health care providers. Of the funds appropriated under this  
21 subsection, not more than two million dollars (\$2,000,000) in each fiscal year may be  
22 allocated from the Aid to Clinic Construction Program for capital expenditures and not  
23 more than one million seven hundred fifty thousand dollars (\$1,750,000) in each fiscal  
24 year may be allocated from the Operational Subsidy Program for operational costs to  
25 recruit and retain health care providers. Appropriations made pursuant to this subsection  
26 are one-time appropriations and shall not be part of the Department's continuation budget.

27 Sec. 1.5. There is appropriated from the General Fund to the Department of  
28 Human Resources the sum of one hundred seventy thousand dollars (\$170,000) for the  
29 1995-96 fiscal year and the sum of one hundred seventy thousand dollars (\$170,000) for  
30 the 1996-97 fiscal year to award planning grants to establish incentives that lead to the  
31 development of integrated service networks for health care systems serving rural and  
32 urban underserved populations. The networks would link primary care facilities, small  
33 rural hospitals in small communities, and urban underserved neighborhoods to larger  
34 secondary and tertiary care centers. These linkages would enable small providers to  
35 attain the most appropriate intervention services for their patients. The incentives should  
36 be aimed at providers in rural and underserved areas and should be designed so that  
37 health services in those areas are coordinated and case management provided for at-risk  
38 populations. To be eligible for grant funds, an applicant must be an organization  
39 consisting of a consortium of three or more health care providers or facilities, at least two  
40 of which are located in a rural, underserved area as defined by the Office of Rural Health  
41 and Resource Development. Of the funds appropriated under this section, the sum of one  
42 hundred thousand dollars (\$100,000) in each fiscal year may be used for grants, and the  
43 sum of seventy thousand dollars (\$70,000) in each fiscal year may be used to provide

1 technical assistance to networks and communities. The Department of Human Resources  
2 shall, in consultation with the Office of Rural Health and Resource Development and the  
3 Department of Environment, Health, and Natural Resources, develop guidelines for  
4 awarding the planning grants.

## 6 **PART II – PRIMARY CARE TRAINING FUNDS**

7 Sec. 2.1. There is appropriated from the General Fund to the Board of  
8 Governors of The University of North Carolina the sum of one million eight hundred  
9 thousand dollars (\$1,800,000) for the 1995-96 fiscal year and the sum of one million  
10 eight hundred thousand dollars (\$1,800,000) for the 1996-97 fiscal year to be allocated to  
11 health professional schools that offer outreach programs in geographic areas with high  
12 percentages of under-represented racial and ethnic groups, or that offer required courses  
13 during nontraditional and flexible hours to accommodate students training to be primary  
14 care providers who have young families or daytime jobs that interfere with efforts to  
15 complete their training in as timely a manner as possible. As used in this section, the  
16 term 'primary care provider' includes physicians, physician assistants, nurse practitioners,  
17 and certified nurse midwives.

## 19 **PART III – MEDICAID EXPANSION**

20 Sec. 3.1. Effective October 1, 1995, the Department of Human Resources  
21 shall, to the fullest extent possible, expand Medicaid coverage to the following groups  
22 according to the following priorities:

- 23 (1) Priority one – Infants under the age of one year who are at or below two  
24 hundred percent (200%) of the federal poverty level, as adjusted  
25 annually;
- 26 (2) Priority two – Elderly and disabled persons who are at or below one  
27 hundred percent (100%) of the federal poverty level, as adjusted  
28 annually;
- 29 (3) Priority three – Two years' postpartum coverage of women who are at or  
30 below one hundred eighty-five percent (185%) of the federal poverty  
31 level, as adjusted annually;
- 32 (4) Priority four – Children ages one through five years who are at or below  
33 one hundred eighty-five percent (185%) of the federal poverty level, as  
34 adjusted annually;
- 35 (5) Priority five – Children ages one through five years who are at or below  
36 two hundred percent (200%) of the federal poverty level, as adjusted  
37 annually;
- 38 (6) Priority six – Pregnant women who are at or below two hundred percent  
39 (200%) of the federal poverty level, as adjusted annually;
- 40 (7) Priority seven – Children ages six through eighteen years who are at or  
41 below one hundred thirty-three percent (133%) of the federal poverty  
42 level, as adjusted annually;

- 1 (8) Priority eight – Children ages six through eighteen years who are at or  
2 below one hundred eighty-five percent (185%) of the federal poverty  
3 level, as adjusted annually;
- 4 (9) Priority nine – Children ages six through eighteen years who are at or  
5 below two hundred percent (200%) of the federal poverty level, as  
6 adjusted annually;
- 7 (10) Priority ten – Two years' postpartum coverage of women who are at or  
8 below two hundred percent (200%) of the federal poverty level, as  
9 adjusted annually; and
- 10 (11) Priority eleven – Elderly and disabled persons who are at or below two  
11 hundred percent of the federal poverty level, as adjusted annually.

12 Sec. 3.2. (a) There is appropriated from the General Fund to the Department of  
13 Human Resources the sum of one hundred forty-seven million eight hundred ninety-one  
14 thousand nine hundred sixty-six dollars (\$147,891,966) for the 1995-96 fiscal year and  
15 the sum of three hundred forty-nine million sixty-nine thousand two hundred sixty-five  
16 dollars (\$349,069,265) for the 1996-97 fiscal year to implement fully the expansion  
17 required by Section 1 of this act. Of these funds, the following amounts are for the  
18 following priority groups:

- 19 (1) Priority one – Five million five hundred thirty-one thousand nine  
20 hundred two dollars (\$5,531,902) for the 1995-96 fiscal year and seven  
21 million nine hundred ninety-five thousand two hundred fifty-four  
22 dollars (\$7,995,254) for the 1996-97 fiscal year. Of these funds, eight  
23 hundred twenty-nine thousand seven hundred eighty-five dollars  
24 (\$829,785) for the 1995-96 fiscal year and one million one hundred  
25 ninety-nine thousand sixty-three dollars (\$1,199,063) for the 1996-97  
26 fiscal year shall be allocated to counties as grants-in-aid to offset the  
27 costs of providing benefits to infants newly eligible as a result of the  
28 program expansion authorized under Section 1(1) of this act.
- 29 (2) Priority two – Four million seven hundred sixty thousand seven hundred  
30 fifty-one dollars (\$4,760,751) for the 1995-96 fiscal year and thirteen  
31 million sixty-one thousand four hundred forty-nine dollars  
32 (\$13,061,449) for the 1996-97 fiscal year. Of these funds, seven  
33 hundred fourteen thousand one hundred thirteen dollars (\$714,113) for  
34 the 1995-96 fiscal year and one million nine hundred fifty-nine  
35 thousand two hundred and seventeen dollars (\$1,959,217) in the 1996-  
36 97 fiscal year shall be allocated to counties as grants-in-aid to offset the  
37 costs of providing benefits to elderly and disabled persons eligible as a  
38 result of the program expansion authorized under Section 1(2) of this  
39 act.
- 40 (3) Priority three – Four million five hundred eighty-one thousand four  
41 hundred fifty-eight dollars (\$4,581,458) for the 1995-96 fiscal year and  
42 eighteen million ninety-three thousand eight hundred two dollars  
43 (\$18,093,802) for the 1996-97 fiscal year. Of these funds, six hundred

1 eighty-seven thousand two hundred nineteen dollars (\$687,219) in the  
2 1995-96 fiscal year and two million seven hundred thirteen thousand  
3 five hundred sixty-one dollars (\$2,713,561) for the 1996-97 fiscal year  
4 shall be allocated to counties as grants-in-aid to offset the costs of  
5 providing benefits to postpartum women eligible as a result of the  
6 program expansion authorized under Section 1(3) of this act.

7 (4) Priority four – Six million one hundred two thousand seven hundred  
8 thirty-nine dollars (\$6,102,739) for the 1995-96 fiscal year and fourteen  
9 million one hundred sixty-one thousand four hundred twenty-six dollars  
10 (\$14,161,426) for the 1996-97 fiscal year. Of these funds, nine hundred  
11 fifteen thousand four hundred eleven dollars (\$915,411) in the 1995-96  
12 fiscal year and two million one hundred twenty-three thousand eight  
13 hundred fifteen dollars (\$2,123,815) for the 1996-97 fiscal year shall be  
14 allocated to counties as grants-in-aid to offset the costs of providing  
15 benefits to children ages one through five eligible as a result of the  
16 expansion authorized under Section 1(4) of this act.

17 (5) Priority five – One million six hundred seventy-five thousand three  
18 hundred ninety-nine dollars (\$1,675,399) for the 1995-96 fiscal year and  
19 three million eight hundred eighty-seven thousand seven hundred  
20 eighty-eight dollars (\$3,887,788) for the 1996-97 fiscal year. Of these  
21 funds, two hundred fifty-one thousand three hundred ten dollars  
22 (\$251,310) for the 1995-96 fiscal year and five hundred eighty-three  
23 thousand fifty-nine dollars (\$583,059) for the 1996-97 fiscal year shall  
24 be allocated to counties as grants-in-aid to offset the costs of providing  
25 benefits to children ages one through five years newly eligible as a  
26 result of the program expansion authorized under Section 1(5) of this  
27 act.

28 (6) Priority six – Two million four hundred four thousand four hundred  
29 eighty-four dollars (\$2,404,484) for the 1995-96 fiscal year and three  
30 million four hundred seventy-five thousand one hundred thirty-five  
31 dollars (\$3,475,135) for the 1996-97 fiscal year. Of these funds, three  
32 hundred sixty thousand six hundred seventy-three dollars (\$360,673) for  
33 the 1995-96 fiscal year and five hundred twenty-one thousand one  
34 hundred seventy-two dollars (\$521,172) for the 1996-97 fiscal year shall  
35 be allocated to counties as grants-in-aid to offset the costs of providing  
36 benefits to pregnant women newly eligible as a result of the program  
37 expansion authorized under Section 1(6) of this act.

38 (7) Priority seven – Six million six hundred eighty-seven thousand seven  
39 hundred ninety-eight dollars (\$6,687,798) for the 1995-96 fiscal year  
40 and fifteen million seven hundred forty-three thousand four hundred  
41 forty-one dollars (\$15,743,441) for the 1996-97 fiscal year. Of these  
42 funds, one million three thousand one hundred seventy dollars  
43 (\$1,003,170) for the 1995-96 fiscal year and two million three hundred

1 sixty-one thousand seventy-three dollars (\$2,361,073) for the 1996-97  
2 fiscal year shall be allocated to counties as grants-in-aid to offset the  
3 costs of providing benefits to children ages six through eighteen years  
4 newly eligible as a result of the program expansion authorized under  
5 Section 1(7) of this act.

6 (8) Priority eight – Seventeen million nine hundred twenty-six thousand  
7 seven hundred six dollars (\$17,926,706) for the 1995-96 fiscal year and  
8 forty-two million forty-five thousand dollars eight hundred fifty-four  
9 (\$42,045,854) for the 1996-97 fiscal year. Of these funds, two million  
10 six hundred eighty-nine thousand six dollars (\$2,689,006) for the 1995-  
11 96 fiscal year and six million three hundred five thousand ninety-seven  
12 dollars (\$6,305,097) for the 1996-97 fiscal year shall be allocated to  
13 counties as grants-in-aid to offset the costs of providing benefits to  
14 children ages six through eighteen years newly eligible as a result of the  
15 program expansion authorized under Section 1(8) of this act.

16 (9) Priority nine – Two million two hundred forty-two thousand eight  
17 hundred seventeen dollars (\$2,242,817) for the 1995-96 fiscal year and  
18 five million five hundred eighty-eight thousand nine hundred six dollars  
19 (\$5,588,906) for the 1996-97 fiscal year. Of these funds, three hundred  
20 thirty-six thousand four hundred twenty-three dollars (\$336,423) for the  
21 1995-96 fiscal year and eight hundred thirty-eight thousand one hundred  
22 seventy-nine dollars (\$838,179) for the 1996-97 fiscal year shall be  
23 allocated to counties as grants-in-aid to offset the costs of providing  
24 benefits to children ages six through eighteen years newly eligible as a  
25 result of the program expansion authorized under Section 1(9) of this  
26 act.

27 (10) Priority ten – Four hundred eighty-seven thousand five hundred forty-  
28 two dollars (\$487,542) for the 1995-96 fiscal year and six hundred  
29 seventy-one thousand seven hundred eighty-seven dollars (\$671,787)  
30 for the 1996-97 fiscal year. Of these funds, seventy-three thousand one  
31 hundred thirty-one dollars (\$73,131) for the 1995-96 fiscal year and one  
32 hundred thousand seven hundred forty-nine dollars (\$100,749) for the  
33 1996-97 fiscal year shall be allocated to counties as grants-in-aid to  
34 offset the costs of providing postpartum benefits to women newly  
35 eligible as a result of the program expansion authorized under Section  
36 1(10) of this act.

37 (11) Priority eleven – Ninety-five million four hundred ninety thousand three  
38 hundred seventy dollars (\$95,490,370) for the 1995-96 fiscal year and  
39 two hundred twenty four million three hundred forty-four thousand four  
40 hundred twenty-four dollars (\$224,344,424) for the 1995-96 fiscal year.  
41 Of these funds, fourteen million three hundred twenty-three thousand  
42 five hundred fifty-six dollars (\$14,323,556) for the 1995-96 fiscal year  
43 and thirty-three million six hundred forty-five thousand three hundred

1 fifty-one dollars (\$33,645,351) for the 1996-97 fiscal year shall be  
2 allocated to counties as grants-in-aid to offset the costs of providing  
3 benefits to elderly and disabled persons newly eligible as a result of the  
4 program expansion authorized under Section 1(11) of this act.

5 (b) The grants-in-aid amount to each county for each priority item shall be  
6 calculated by a formula that estimates the county's relative share of the statewide total of  
7 new eligibles who qualify due to the program expansion authorized under Section 1 of  
8 this act.

#### 10 **PART IV – LOAN GUARANTEES/RURAL HEALTH CARE FACILITIES**

11 Sec. 4.1. (a) G.S. 131A-4 is amended by inserting a new subdivision to read:

12 "(8a) To provide at its discretion, loan guarantees of from fifty percent (50%)  
13 to seventy-five percent (75%) of the principal amount borrowed through  
14 the Commission by any public or nonprofit agency for rural hospitals  
15 and other health care facilities in underserved areas for the development,  
16 expansion, renovation, or equipping of physical facilities for more  
17 appropriate uses. The total amount of such guarantee is not to exceed  
18 the amount of funds appropriated for this purpose, including any interest  
19 earnings thereon, plus any other funds the Commission receives and  
20 designates for this purpose."

21 (b) There is appropriated from the General Fund to the Department of Human  
22 Resources the sum of two million five hundred thousand dollars (\$2,500,000) for the  
23 1995-96 fiscal year and the sum of two million five hundred thousand dollars  
24 (\$2,500,000) for the 1996-97 fiscal year to implement this section.

#### 26 **PART V – QUALITY IMPROVEMENT COMMISSION FUNDS**

27 Sec. 5.1. There is appropriated from the General Fund to the Department of  
28 Human Resources the sum of one hundred fifty thousand dollars (\$150,000) for the 1995-  
29 96 fiscal year and the sum of one hundred fifty thousand dollars (\$150,000) for the 1996-  
30 97 fiscal year for allocation to the North Carolina Quality Improvement Commission for  
31 its operations. Funds appropriated under this section are contingent upon enactment of a  
32 bill establishing the North Carolina Quality Improvement Commission.

#### 34 **PART VI – HEALTH PLANNING COMMISSION FUNDS**

35 Sec. 6.1. There is appropriated from the General Fund to the North Carolina  
36 Health Planning Commission the sum of eight hundred seventy-five thousand dollars  
37 (\$875,000) for the 1995-96 fiscal year and the sum of eight hundred seventy-five  
38 thousand dollars (\$875,000) for the 1996-97 fiscal year for the operations of the  
39 Commission.

#### 41 **PART VII – PUBLIC HEALTH FUNDS**

42 Sec. 7.1. (a) There is appropriated from the General Fund to the Department of  
43 Environment, Health, and Natural Resources, the sum of one million dollars (\$1,000,000)



1 for the 1995-96 fiscal year and the sum of one million dollars (\$1,000,000) for the 1996-  
2 97 fiscal year to be allocated to local governments who apply for funds from the Healthy  
3 Community Block Grant Program established pursuant to this section.

4 (b) There is established in the Department of Environment, Health, and Natural  
5 Resources, Office of the State Health Director, the North Carolina Healthy Community  
6 Block Grant Program (hereinafter referred to as "Program" ). The purpose of the  
7 Program is to enable county governments to apply for funds to assist them in addressing  
8 public health needs in the county. The program shall be implemented as follows:

9 (1) In order to be eligible for funds, a county must apply to the Department  
10 and include with the application a plan for meeting local health  
11 priorities determined by the results of a community health assessment  
12 conducted by the local health department serving the county and  
13 indicating the specific health needs for which funds are applied. A  
14 county may receive funds for one or more of the following core public  
15 health functions:

- 16 a. Assessment of community health status, health services, and  
17 needs;
- 18 b. Prevention, detection, and remediation of environmental health  
19 risks;
- 20 c. Monitoring the adequacy of health facilities and health providers  
21 to meet the needs of the community;
- 22 d. Health data collection and evaluation to measure progress toward  
23 health outcome objectives;
- 24 e. Promulgation of public health policies and regulations necessary  
25 to promote and protect the health of individuals and  
26 communities;
- 27 f. Communicable disease investigation and control;
- 28 g. Community education and advocacy for preventive health  
29 services;
- 30 h. Provision of essential public health services for all citizens;
- 31 i. Outreach to assure access to all basic health services; and
- 32 j. Provision of clinical health services as needed to assure primary  
33 health care for all citizens.

34 (2) Funds shall be awarded first on a per capita basis to all eligible counties;  
35 if there are funds remaining after all eligible counties have been  
36 awarded grants, then the remaining funds may be awarded according to  
37 rules established by the Health Services Commission.

38 (c) The Department shall report to the General Assembly and the Fiscal Research  
39 Division of the Legislative Services Office the amount of funds allocated to each county  
40 including additional funds awarded, and the specific purposes for which the funds were  
41 allocated. The Department's initial report shall be submitted on or before April 1, 1996.  
42 Thereafter the report shall be submitted on or before April 1 of each year for which funds  
43 were appropriated for that fiscal year for the Program.

1           Sec. 7.2. There is appropriated from the General Fund to the Department of  
2 Environment, Health, and Natural Resources the sum of three hundred eighty thousand  
3 dollars (\$380,000) for the 1995-96 fiscal year and the sum of three hundred thirty  
4 thousand dollars (\$330,000) for the 1996-97 fiscal year to expand the capacity of the  
5 State center for Health and Environmental Statistics to provide technical assistance to  
6 local health departments in conducting community health assessments.

7           Sec. 7.3. There is appropriated from the General Fund to the Department of  
8 Environment, Health, and Natural Resources the sum of two million dollars (\$2,000,000)  
9 for the 1995-96 fiscal year and the sum of two million dollars (\$2,000,000) for the 1996-  
10 97 fiscal year to improve the availability and quality of case management services for  
11 persons living with HIV and AIDS, and to expand AIDS prevention work. Of this  
12 amount, the sum of one million dollars (\$1,000,000) shall be allocated for prevention and  
13 the sum of one million dollars (\$1,000,000) shall be allocated for case management.

14           Sec. 7.4. There is appropriated from the General Fund to the Department of  
15 Environment, Health, and Natural Resources the sum of two million four hundred  
16 thousand dollars (\$2,400,000) for the 1995-96 fiscal year and the sum of two million four  
17 hundred thousand dollars (\$2,400,000) for the 1996-97 fiscal year to be used to provide  
18 needed improvements to the Safe Drinking Water Program.

#### 19 20 **PART VIII – HEALTH DATA COLLECTION FUNDS**

21           Sec. 8.1. There is appropriated from the General Fund to the Department of  
22 Human Resources the sum of three hundred thousand dollars (\$300,000) for the 1995-96  
23 fiscal year and the sum of three hundred thousand dollars (\$300,000) for the 1996-97  
24 fiscal year to be used for full-time staff positions for the Health Data Policy Council.

25           Sec. 8.2. There is appropriated from the General Fund to the Department of  
26 Insurance the sum of two million dollars (\$2,000,000) for the 1996-97 fiscal year to use  
27 electronic data interchange methodology to phase in the cost of expanding data collection  
28 from ambulatory care sites as required under G.S. 131G-2-3.

29           Sec. 8.3. There is appropriated from the General Fund to the Department of  
30 Human Resources the sum of five hundred thousand dollars (\$500,000) for the 1996-97  
31 fiscal year to provide electronic patient identification cards for the Medicaid patient  
32 population. The cards shall be in the form required under G.S. 131G-2-3.

33           Sec. 8.4. There is appropriated from the General Fund to the Teachers' and  
34 State Employees' Comprehensive Major Medical Plan the sum of five hundred thousand  
35 dollars (\$500,000) for the 1996-97 fiscal year to provide electronic patient identification  
36 cards for State employee members of the Plan. The cards shall be in the form required  
37 under G.S. 131G-2-3.

38           Sec. 8.5. There is appropriated from the General Fund to the Department of  
39 Insurance the sum of one hundred twenty thousand dollars (\$120,000) for the 1995-96  
40 fiscal year and the sum of one hundred twenty thousand dollars (\$120,000) for the 1996-  
41 97 fiscal year for two additional staff positions to carry out the responsibilities of the  
42 North Carolina Health Care Database created under the Health Care Data Coordination  
43 and Assessment Act.

1       Sec. 8.6. (a)    The North Carolina Health Care Database shall design and  
2 implement a program to provide technical, educational, and implementation assistance to  
3 health care providers and payers to enable them to transition to the use of electronic data  
4 interchange. The program may include assisting in the development of partnerships with  
5 private groups to promote EDI funding and utilization through the State. It is the intent  
6 of the General Assembly that this program will be implemented for a three- to five-year  
7 period, as needed to educate payers and providers concerning EDI standards and  
8 technology implementation.

9       (b)    There is appropriated from the General Fund to the Department of Insurance  
10 the sum of two hundred thousand dollars (\$200,000) for the 1995-96 fiscal year and the  
11 sum of two hundred thousand dollars (\$200,000) for the 1996-97 fiscal year to be used  
12 for design and start-up implementation of the program authorized under this section.

13  
14 **PART IX – EFFECT OF HEADINGS**

15       Sec. 9.1. The headings to the Parts of this act are a convenience to the reader  
16 and are for reference only. The headings do not expand, limit, or define the text of this  
17 act.

18  
19 **PART X – EFFECTIVE DATE**

20       Sec. 10.1. This act becomes effective July 1, 1995. Funds appropriated under  
21 Sections 8.1 through 8.6 of this act are contingent upon the enactment of a bill enacting  
22 the Health Care Data Coordination and Assessment Act.