

**§ 116-350.35. Finances.**

(a) System Budgeting. – The System, the UNC Hospitals, and designated component parts of The University of North Carolina shall not be subject to the provisions of the State Budget Act, except for General Fund appropriations, or otherwise subject to the authority, oversight, or control of the Office of the State Controller. The System, the UNC Hospitals, and designated component parts of The University of North Carolina shall be subject to the authority and oversight of the Office of the State Auditor. The Chief Executive Officer, subject to the Board, shall be responsible for all aspects of budget preparation, budget execution, and expenditure reporting for the System. Separate auditable accounts under the control of the Board shall be maintained for the UNC Hospitals and the clinical patient care programs of the School of Medicine of the University of North Carolina at Chapel Hill. Except for General Fund appropriations, all receipts of the UNC Hospitals may be invested pursuant to G.S. 116-350.40. General Fund appropriations for support of the UNC Hospitals shall be budgeted in a General Fund code under a single purpose, "Contribution to University of North Carolina Hospitals at Chapel Hill Operations" and be transferable to a special fund operating code as receipts. All revenues generated from operations, appropriations, or funds otherwise under the control of the Board shall exclusively be used in furtherance of the missions and goals of the System as determined or approved by the Board.

(b) Patient/Health Care System Benefit. – The Chief Executive Officer, or the Chief Executive Officer's designee, may expend operating budget funds, including State funds, of the System for the direct benefit of a patient, when, in the judgment of the Chief Executive Officer or the Chief Executive Officer's designee, the expenditure of these funds would result in a financial benefit to the System. Any such expenditures are declared to result in the provision of medical services and create charges of the University of North Carolina Health Care System for which the health care system may bill and pursue recovery in the same way as allowed by law for recovery of other health care systems' charges for services that are unpaid.

These expenditures shall be restricted (i) to situations in which a patient is financially unable to afford ambulance or other transportation for discharge; (ii) to afford placement in an after-care facility; (iii) to assure availability of a bed in an after-care facility after discharge from the hospitals; (iv) to secure equipment or other medically appropriate services after discharge; or (v) to pay health insurance premiums. The Chief Executive Officer or the Chief Executive Officer's designee shall reevaluate at least once a month the cost effectiveness of any continuing payment on behalf of a patient.

To the extent that the System advances anticipated government entitlement benefits for a patient's benefit, for which the patient later receives a lump sum "back pay" award from an agency of the State, whether for the current admission or subsequent admission, the State agency shall withhold from this back pay an amount equal to the sum advanced on the patient's behalf by the System, if, prior to the disbursement of the back pay, the applicable State program has received notice from the System of the advancement. (2023-134, s. 4.10(b).)