



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Adam Sholar
Legislative Counsel
Director of Government Affairs

April 1, 2014

SENT VIA ELECTRONIC MAIL

The Honorable Ralph Hise, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 1026, Legislative Building
Raleigh, NC 27603

The Honorable Justin Burr, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 307A, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Mark Hollo, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 639, Legislative Office Building
Raleigh, NC 27603-5925

Dear Senator Hise and Representatives Burr and Hollo:

Session Law 2013-366, Section 4, requires the Department of Health and Human Services, Division of Health Service Regulation, to study what resources the Division needs to adequately enforce regulations for clinics certified by the Department to be suitable facilities for the performance of abortions and by April 1, 2014, report the findings and any recommendations of this study to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. Pursuant to the provisions of the law, the Department is pleased to submit the attached report.

Please direct all questions concerning this report to Jesse Goodman at 919-855-3988.

Sincerely,

Adam Sholar

Cc: Sarah Riser
Kristi Huff
Susan Jacobs
Joyce Jones
Rod Davis
reports@ncleg.net

Pat Porter
Brandon Greife
Theresa Matula
Pam Kilpatrick
Drexal Pratt

www.ncdhhs.gov

Tel 919-855-4800 • Fax 919-715-4645

Location: Adams Building/Dix Campus • 101 Blair Drive • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

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Mr. Mark Trogdon, Director
Fiscal Research Division
North Carolina General Assembly
Room 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director Trogdon:

Session Law 2013-366, Section 4, requires the Department of Health and Human Services, Division of Health Service Regulation, to study what resources the Division needs to adequately enforce regulations for clinics certified by the Department to be suitable facilities for the performance of abortions and by April 1, 2014, report the findings and any recommendations of this study to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. Pursuant to the provisions of the law, the Department is pleased to submit the attached report.

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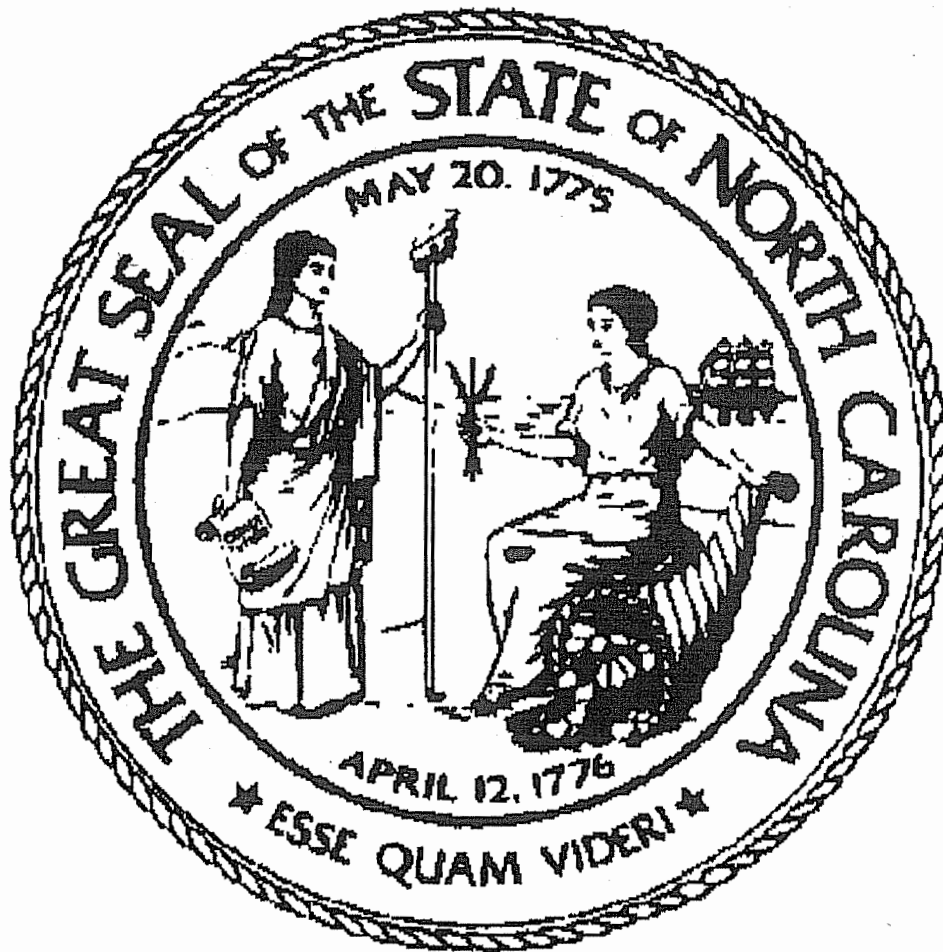
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**Legislative Report on Additional Needs to Survey Abortion
Clinics**

as

Required by SL 2013-366

April 1, 2014

Report Findings

Pursuant to S.L. 2013-366 the Division of Health Service Regulation is providing up to date information on the Division's study and identification of resources need to adequately enforce regulations for clinics certified to be suitable to perform abortions.

Contemporaneously with the passage of S.L. 2013-366, the Division of Health Service Regulation was asked to identify its staffing needs to conduct complaints and surveys inspections for uncredentialed hospitals and to monitor abortion clinics on an annual basis. That report, which is attached, identified 10 new positions that would be needed to accomplish the annual survey and complaint investigation workload. As a result of the request an appropriation of \$100,000 was included in S.L. 2013-360. The appropriated amount was to be used in conjunction with receipts in the amount of \$900,000 to totally fund the additional 10 positions. To date the Division has not had success in securing the necessary receipts to create the positions.

The Division's needs remain unchanged—10 new positions will be needed to accomplish the annual survey and complaint investigations workload.

Worksheet II Expansion Budget Request

Attachment 6-2

Complete appropriate yellow boxes throughout.

1

Budget Cycle

2013-15

2

Budget Code

14470

Department

Department of Health and Human Services

Division/Institution

Division of Health Service Regulation

3

Fund Code

1151

Fund Title

Health Care Licensure Certification

4

Title of Request

Health and Safety Inspections

5

Specify Type of Request

Additional operating funds beyond those allowed in continuation budget

6

Description of Request

The Acute and Home Care Licensure and Certification Section is responsible for surveying/monitoring over 1,000 CMS certified facilities, 1800 state licensed agencies/facilities and 7,800 certified laboratories. DHSR conducts all the on-site inspections of certified health care providers and suppliers. CMS writes an annual Mission & Priority Document that guides the surveyors in their workload. North Carolina has for the past 4 years been unable to meet the State Performance Standards required by CMS. Specifically, we are unable to investigate hospital complaints (non Immediate Jeopardy) within the 45 day requirement, unable to conduct timely surveys for hospitals that not accredited, unable to monitor abortion clinics on an annual basis. The 10 positions will enable DHSR to comply with current survey frequency requirements that will enhance the Division's ability to protect the health and safety of citizens receiving these services.

7

Problem/Issue Being Addressed

This expansion will help the Division meet it state and federal mandate and provide annual inspections for the state's abortion clinics for health and safety inspections.

8

Anticipated Outcome/Impact After Implementation of Changes

Improved oversight and monitoring of health and safety standards for acute care and abortion clinic providers

9

Relationship to Agency Goals and Agency Key Indicators

Relates to DHHS' Goal 1: Mange resources to provide effective and efficient delivery of services to North Carolinians

	2013-14	2014-15
10 Total Requirements	\$ 845,776	\$ 1,000,000
11 Total Receipts	761,198	900,000
12 Appropriation	84,578	100,000
13 Total Positions	10.00	10.00

2013-14	2013-14
Recurring	Nonrecurring
-	-
-	-
-	-

2014-15	2014-15
Recurring	Nonrecurring
	\$ -
-	-
-	-
-	-

Budget for Request (G.S. 143C-3-3)
Requirements

Detail of budget is to be provided at the NCAS Agency Management Report detail level.

Fund Code	Cost Center	Account Number	Account Title	Actual		Authorized				
				2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
14	1151	531213	SPA-Reg Salaries - Undesignated	\$ -	\$ -	\$ 511,167	\$ 681,555	\$ 681,555	\$ 681,555	\$ 681,555
	1151	531513	Social Security - Undesignated	-	-	39,104	52,139	52,139	52,139	52,139
	1151	531523	Reg Retirement Contrib - Undesignated	-	-	67,065	89,420	89,420	89,420	89,420
	1151	531563	Medical Insurance Contri - Undesignated	-	-	38,940	51,920	51,920	51,920	51,920
	1151	532714	Transportation - Ground - In State	-	-	30,000	30,000	30,000	30,000	30,000
	1151	532721	Lodging - In State	-	-	25,000	25,000	25,000	25,000	25,000
	1151	532724	Meals - In State	-	-	8,500	11,966	11,966	11,966	11,966
	1151	532840	Postage	-	-	5,000	5,000	5,000	5,000	5,000
	1151	532811	Telephone Service	-	-	25,000	25,000	25,000	25,000	25,000
	1151	532850	Print/Bind/Duplicate	-	-	10,000	10,000	10,000	10,000	10,000
	1151	533110	General Office Supplies	-	-	8,000	8,000	8,000	8,000	8,000
	1151	532930	Registration Fees	-	-	10,000	10,000	10,000	10,000	10,000
	1151	534511	Furniture - Office	-	-	25,000				
	1151	534534	PC/Printer Equipment	-	-	35,000				
	1151	534713	Software	-	-	8,000				
				-	-					
				-	-					
				-	-					
15			Requirements	-	-	845,776	1,000,000	1,000,000	1,000,000	1,000,000
16			Number of FTE*	-	-	10.00	10.00	10.00	10.00	10.00
17				-	-					

Receipts

Fund Code	Cost Center	Account Number	Account Title	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1151		53883B	Medicare	-	-	761,198	900,000	900,000	900,000	900,000
				-	-	-	-	-	-	-
				-	-	-	-	-	-	-
				-	-	-	-	-	-	-
				-	-	-	-	-	-	-
				-	-	-	-	-	-	-
				-	-	-	-	-	-	-
				-	-	-	-	-	-	-
18			Total Receipts	-	-	761,198	900,000	900,000	900,000	900,000
19			APPROPRIATION	-	-	84,578	100,000	100,000	100,000	100,000

Detail of the positions included in this expansion request.

21

#Total FTEs equal the number of total FTEs shown on Line 14 of this request.

Other

- 22 Does this request require additional resources from another agency ? Yes No
- 23 Name the agency and the funds required: Funds Requested:
- 24 Does this change impact local government(s)? Yes No
- 25 Are statutory changes or special provisions required to implement expansion? Yes No
- 26 If YES, attach a copy of the draft legislation.

Relationship to capital improvement projects

- 27 Does this expansion request relate to a capital improvement project? Yes No
- 28 If YES, give title of C.I. Project:
- 29 C.I. Budget Code: Item Number: Projected completion date:

Space Requirements (G.S. 120-36.7 C)

- 30 Does this request require additional space? Yes No
- If yes, complete the following:
- | | Office | Storage | Other |
|---|----------------------|----------------------|----------------------|
| 31 Type of Space: | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 32 Additional Square Footage Required | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| 33 Estimated Cost of Space Requirements | <input type="text"/> | <input type="text"/> | <input type="text"/> |
- | | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |
| | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> | <input type="text"/> |

Motor Pool Requirements

- 34 Does this request require additional vehicles from the state motor pool? Yes No
- 35 If YES, how many?

IT Component Requirements

- 36 Does this request include an IT component that exceeds \$100,000 in total requirements ? Yes No
- 37 If required per OSBM budget instructions, has the project been entered into the SCIO's PPM tool? Yes No