

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1374*
Corrected Copy 6/3/92

Short Title: Rest Home Increase/Funds.

(Public)

Sponsors: Representatives Nye; Bowman, Culp, Easterling, Flaherty, Gottovi, Justus, and Woodard.

Referred to: Appropriations.

May 28, 1992

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO ESTABLISH REIMBURSEMENT RATES
3 FOR DOMICILIARY CARE FACILITIES TO COMPENSATE FOR
4 MANDATED COSTS, FOR THE CERTIFIED MEAN AVERAGE DEFICIT OF
5 MONTHLY BED COSTS, AND FOR THE NORTH CAROLINA SERVICE
6 WAGE INCREASE.

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

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

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

21 Whereas, the Department of Human Resources' accountant-certified cost
22 study of domiciliary rates issued May 1, 1992, reported that the current reimbursement

1 rates per bed per month of eight hundred thirty-two dollars (\$832.00) for
2 semiambulatory care and eight hundred seventy-one dollars (\$871.00) for
3 nonambulatory care resulted in a deficit of forty-four dollars and twenty-eight cents
4 (\$44.28) per bed per month for the 1991-92 fiscal year; and

5 Whereas, the Office of State Budget and Management's 1991-92 inflation
6 forecast, based on the Data Resources Inc. (DRI) Control Forecast of May 1991,
7 predicts an increase in North Carolina service wages of four and seven-tenths percent
8 (4.7%) in the 1992-93 fiscal year; and

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

14 The General Assembly of North Carolina enacts:

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

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

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

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