

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2003**

**S**

**D**

**SENATE DRS85322-LN-160A\* (5/10)**

Short Title: Funds for Community Health Centers. (Public)

---

Sponsors: Senator Hartsell.

---

Referred to:

---

A BILL TO BE ENTITLED

1 AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND  
2 HUMAN SERVICES, OFFICE OF RESEARCH, DEMONSTRATIONS, AND  
3 RURAL HEALTH DEVELOPMENT, FOR A GRANT PROGRAM TO ASSIST IN  
4 THE PROVISION OF PRIMARY AND PREVENTIVE MEDICAL AND  
5 DENTAL SERVICES TO UNINSURED OR MEDICALLY INDIGENT  
6 PATIENTS.  
7

8 Whereas, federally qualified community health centers provide high quality  
9 primary and preventive medical and dental services to over a quarter million  
10 low-income and uninsured North Carolinians each year; and

11 Whereas, these health centers provide care to persons of all ages on a  
12 sliding-fee basis and have proven to be cost-effective providers of quality health care  
13 services for over 30 years; and

14 Whereas, there is a need for more North Carolinians to have access to  
15 federally qualified community health centers; Now, therefore,  
16 The General Assembly of North Carolina enacts:

17 **SECTION 1.(a)** There is appropriated from the General Fund to the  
18 Department of Health and Human Services, Office of Research, Demonstrations, and  
19 Rural Health Development (hereafter "Office"), the sum of five million dollars  
20 (\$5,000,000) for the 2004-2005 fiscal year. These funds shall be allocated as grants to  
21 federally qualified community health centers on a competitive basis to assist in the  
22 provision of care to uninsured or medically indigent patients. Grant program funds shall  
23 be subject to the following restrictions:

24 (1) Eligibility. – To be eligible for grant funding community health centers  
25 must:

26 a. Be a public or 501c(3) nonprofit entity that provides  
27 comprehensive primary medical or dental services;

- b. Meet the criteria established for federally qualified health centers by the United States Bureau of Primary Health Care; and
  - c. Serve a designated medically underserved area or population, as provided in Section 330 of the United States Public Health Service Act.
- (2) Federally qualified community health centers may use grant funds appropriated in this act only to:
- a. Increase access to preventative and primary care services by uninsured or medically indigent patients in existing or new health center locations;
  - b. Establish community health center services in counties where no such services exist;
  - c. Create new services or augment existing services provided to uninsured or medically indigent patients including, primary care and preventive medical services, dental services, pharmacy, and behavioral health; and
  - d. Increase capacity necessary to serve the uninsured by enhancing or replacing facilities, equipment, or technologies.
- (3) Grant funds may not be used to supplant federal funds traditionally received by federally qualified community health centers and may not be used to finance or satisfy any existing debt.

**SECTION 1.(b)** The Office shall work with the North Carolina Community Health Center Association (hereafter "NCCHCA") to establish an advisory committee to develop an objective and equitable process for awarding grant funds. The Office shall also develop auditing and accountability procedures. Not more than one and one-half percent (1.5%) of the funds appropriated in this section may be used to reimburse the Office for administering the grant program in collaboration with the NCCHCA.

**SECTION 1.(c)** Recipients of grant funds shall provide to the Office annually a written report detailing the number of additional uninsured and medically indigent patients that are cared for, the types of services that were provided, and any other information requested by the Office as necessary for evaluating the success of the grant program.

**SECTION 1.(d)** The Office shall work with the NCCHCA to study and present recommendations for continuing funds to support the expansion of community health centers to serve more of the State's uninsured and indigent population. The Office shall submit the report to the 2005 General Assembly upon its convening.

**SECTION 2.** This act becomes effective July 1, 2004.