

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 2077

Short Title: NC Association of Free Clinics Funds. (Public)

Sponsors: Representatives Owens, England, Current (Primary Sponsors); Alexander, Barnhart, Bordsen, Brown, Cotham, Earle, Faison, Fisher, Glazier, Justus, Luebke, Neumann, Tarleton, Underhill, Wainwright, Walend, E. Warren, and Wray.

Referred to: Appropriations.

May 14, 2008

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF HEALTH AND
3 HUMAN SERVICES FOR PARTIAL FUNDING OF INFRASTRUCTURE TO
4 CONNECT FREE CLINICS IN AN INTEGRATED AND INTEROPERABLE
5 NETWORK.

6 Whereas, the North Carolina Association of Free Clinics, Inc., is a private,
7 nonprofit, 501(c)(3) tax-exempt organization, whose members are part of the "safety
8 net" of care for the uninsured and underinsured across the State; and

9 Whereas, North Carolina has more than 74 Free Clinics and Pharmacies in
10 both rural and urban locations that provide free medical and dental care, as well as
11 prescription medications, for low-income, uninsured, and medically underinsured
12 people in more than 77 counties and cities; and

13 Whereas, the North Carolina Association of Free Clinics, Inc., plans to
14 implement a \$3.5 million Information Technology Initiative to provide a framework for
15 free clinics to connect to other existing and developing health care networks; and

16 Whereas, some of the benefits of the Information Technology Initiative will
17 include the following: positioning free clinics for participation in Tele-Health programs
18 and research; moving all of the patients to the fully electronically managed Electronic
19 Medical Records System to address health information vulnerabilities that impact
20 patient care; enhancing patient scheduling and tracking to focus on chronic illnesses
21 such as diabetes and hypertension; improving medication management through
22 prescription monitoring; standardizing application for collecting, analyzing, and
23 disseminating information on patient demographics, disease registries, quality
24 assurance/risk management metrics, and program outcomes; securing the environment
25 for patient information; increasing efficiency for clinic operations through a repeatable

1 and scalable best practices mode; and reducing information technology expenditures for
2 individual clinics; and

3 Whereas, securing State funds would enable the North Carolina Association
4 of Free Clinics, Inc., to leverage additional funds from various charitable organizations
5 to complete the project and to utilize funds already awarded by the Federal
6 Communications Commission through its Rural Health Care Pilot Program to connect
7 the network to other networks; Now, therefore,
8 The General Assembly of North Carolina enacts:

9 **SECTION 1.(a)** There is appropriated from the General Fund to the
10 Department of Health and Human Services, Office of Rural Health and Community
11 Care (Office of Rural Health), the sum of two million dollars (\$2,000,000) for the
12 2008-2009 fiscal year to be allocated to the North Carolina Association of Free Clinics,
13 Inc., a 501(c)(3) organization, to partially fund the infrastructure to connect free clinics
14 in an integrated and interoperable network.

15 **SECTION 1.(b)** These shall be used for capital costs for hardware, software,
16 telecommunications, unified communications, peripheral equipment, and other related
17 hardware and software items to:

- 18 (1) Integrate and connect free clinics to the North Carolina Association of
19 Free Clinics, Inc., and to one another through the Internet or some
20 other network.
- 21 (2) Establish an Electronic Medical Records System and Patient Tracking
22 System for free clinics.
- 23 (3) Establish a central server infrastructure facility housed with the North
24 Carolina Association of Free Clinics, Inc.
- 25 (4) Upgrade or install medical grade infrastructure at free clinics with
26 appropriate security and communications protocols necessary for data
27 transmissions.
- 28 (5) Implement any related purposes.

29 **SECTION 1.(c)** Funds appropriated in this act shall not be used for
30 compensation or other benefits of personnel, administrators, directors, consultants, or
31 any other parties; to purchase or lease real property; to finance or satisfy any debt; or to
32 maintain the capital items obtained with these funds.

33 **SECTION 1.(d)** The Office of Rural Health shall condition its release of
34 funds upon receipt of documentation of costs and any other information from the North
35 Carolina Association of Free Clinics, Inc., that the expenditures for the project are
36 consistent with the project described in this act; and upon assurances that the additional
37 funds required for the project from third parties are committed. The Office of Rural
38 Health may directly pay vendors upon request of the North Carolina Association of Free
39 Clinics, Inc.

40 **SECTION 1.(e)** The State Chief Information Officer and Office of
41 Information Technology Services are authorized to provide consultation in furtherance
42 of the purposes of this act; however, the project for which these funds are appropriated
43 is not subject to Article 3D of Chapter 147 of the General Statutes.

1 **SECTION 1.(f)** These funds shall not revert at the end of the fiscal year but
2 shall remain available to the Office of Rural Health for the purposes set out in this act.
3 Any funds not expended by the Office of Rural Health by July 1, 2011, shall revert.

4 **SECTION 1.(g)** The Office of Rural Health shall report semiannually on the
5 status of North Carolina Association of Free Clinics, Inc., Information Technology
6 Initiative to the Senate Appropriations Committee on Health and Human Services, the
7 House of Representatives Appropriations Subcommittee on Health and Human
8 Services, the Joint Legislative Oversight Committee on Information Technology, and
9 the Fiscal Research Division. The report shall be made on January 15 and July 15 of
10 each year until the project is fully funded and operational. The report must include all of
11 the following:

- 12 (1) The projected date for implementation of the system.
- 13 (2) The status of the system development and implementation.
- 14 (3) Any issues that may impact the development and implementation of
15 the core system, along with the actions being taken to reduce the
16 impact.

17 **SECTION 2.** This act becomes effective July 1, 2008.