

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**S**

**1**

**SENATE BILL 1667**

Short Title: Funds/Aid to Community Health Centers. (Public)

---

Sponsors: Senators Purcell; Atwater, Berger of Franklin, Dannelly, Forrester, McKissick, Queen, Snow, and Weinstein.

---

Referred to: Appropriations/Base Budget.

---

May 20, 2008

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 SERVICES TO  
5 UNINSURED OR MEDICALLY INDIGENT PATIENTS.  
6

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.(a)** There is appropriated from the General Fund to the  
9 Department of Health and Human Services, Office of Research, Demonstrations, and  
10 Rural Health Development (Office), the sum of ten million dollars (\$10,000,000) for the  
11 2008-2009 fiscal year. These funds shall be allocated to federally qualified health  
12 centers and those health centers that meet the criteria for federally qualified health  
13 centers, State-designated rural health centers, free clinics, public health departments,  
14 and other nonprofit organizations that provide primary and preventive medical services  
15 to uninsured or medically indigent patients. These funds shall be allocated as grants on  
16 a competitive basis to assist in the provision of care to uninsured or medically indigent  
17 patients. Grant funds appropriated in this act shall only be used to:

- 18 (1) Increase access to preventive and primary care services by uninsured  
19 or medically indigent patients in existing or new health center  
20 locations;
- 21 (2) Establish community health center services in counties where no such  
22 services exist;
- 23 (3) Create new services or augment existing services provided to  
24 uninsured or medically indigent patients, including primary care and  
25 preventive medical services, dental services, pharmacy, and behavioral  
26 health; and
- 27 (4) Increase capacity necessary to serve the uninsured by enhancing or  
28 replacing facilities, equipment, or technologies.

1 Grant funds may not be used to enhance or increase compensation or other  
2 benefits of personnel, administrators, directors, consultants, or any other parties. Grant  
3 funds may not be used to supplant federal funds traditionally received by federally  
4 qualified community health centers and may not be used to finance or satisfy any  
5 existing debt. In distributing funds, the Department of Health and Human Services shall  
6 consider the availability of other funds for the agency, the incidence of poverty or  
7 indigent clients served, arrangements for after-hours care, and collaboration with the  
8 applicant's community hospital and other safety net organizations.

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

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

21 **SECTION 1.(d)** The Office shall work with the NCCHCA and NCPHA to  
22 study and present recommendations for continuing funds to support the expansion of  
23 community health centers, State-designated rural health centers, free clinics, and public  
24 health departments to serve more of the State's uninsured and indigent population. The  
25 Department of Health and Human Services shall report on the use of these funds to the  
26 House Appropriations Subcommittee on Health and Human Services, the Senate  
27 Appropriations Committee on Health and Human Services, and the Fiscal Research  
28 Division not later than March 1, 2009.

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