

FISCAL RESEARCH DIVISION

A Staff Agency of the North Carolina General Assembly

**Division of Health Service
Regulation Base Budget
2019–2021 Fiscal Biennium**

**Joint House and Senate Appropriations
Committees on Health and Human Services**

March 27, 2019

Health Service Regulation (DHSR)

- Establish and enforce the regulation of facilities.
- Major functions:
 - Health care facilities planning - Certificates of Need.
 - Licensure and regulation of construction and operation of health care facilities.
 - Radiation Protection.
 - Establish curricula and competency testing of Nurse Aides and Medication Aides, maintain Nurse Aide Registry.
 - Foster statewide emergency medical services (EMS).



DHSR: Recommended Base Budget

		Actual	Certified	Authorized	Incr/Decr	Total	Incr/Decr	Total
		2017-18	2018-19	2018-19	2019-20	2019-20	2020-21	2020-21
I4470-DHHS - Health Services Regulation								
PERSONAL SERVICES		\$43,351,142	\$50,363,840	\$50,588,926	\$0	\$50,588,926	\$0	\$50,588,926
PURCHASED SERVICES		\$7,393,550	\$6,391,786	\$6,189,182	\$0	\$6,189,182	\$0	\$6,189,182
SUPPLIES		\$236,498	\$272,682	\$262,192	\$0	\$262,192	\$0	\$262,192
PROPERTY, PLANT & EQUIPMENT		\$703,450	\$597,897	\$426,507	(\$19,050)	\$407,457	(\$19,050)	\$407,457
OTHER EXPENSES & ADJUSTMENTS		\$1,524,096	\$1,356,626	\$1,344,527	\$0	\$1,344,527	\$0	\$1,344,527
AID & PUBLIC ASSISTANCE		\$5,167,854	\$10,229,800	\$10,229,800	(\$350,000)	\$9,879,800	(\$350,000)	\$9,879,800
RESERVES		(\$1)	\$1,320,471	\$1,320,471	(\$49,267)	\$1,271,204	(\$49,267)	\$1,271,204
INTRAGOVERNMENTAL TRANSACTIONS		\$3,542,645	\$1,553,217	\$1,553,217	\$0	\$1,553,217	\$0	\$1,553,217
Total Requirements		\$61,919,234	\$72,086,319	\$71,914,822	(\$418,317)	\$71,496,505	(\$418,317)	\$71,496,505
Receipts								
GRANTS		\$701,349	\$933,450	\$933,450	\$0	\$933,450	\$0	\$933,450
SALES, SERVICE, & RENTALS		\$515,128	\$485,889	\$485,889	\$0	\$485,889	\$0	\$485,889
FEES, LICENSES, & FINES		\$11,628,759	\$12,443,038	\$12,449,142	\$0	\$12,449,142	\$0	\$12,449,142
MISCELLANEOUS		\$1,557,613	\$1,280,304	\$1,337,033	\$0	\$1,337,033	\$0	\$1,337,033
INTRAGOVERNMENTAL TRANSACTIONS		\$1,635,821	\$1,489,559	\$1,508,665	\$0	\$1,508,665	\$0	\$1,508,665
INTRAGOVERNMENTAL TRANSACTIONS (Federal Funds)		\$27,976,490	\$36,044,102	\$35,933,140	(\$8,870)	\$35,924,270	(\$8,870)	\$35,924,270
Total Receipts		\$44,015,159	\$52,676,342	\$52,647,319	(\$8,870)	\$52,638,449	(\$8,870)	\$52,638,449
Net Appropriation		\$17,904,076	\$19,409,977	\$19,267,503	(\$409,447)	\$18,858,056	(\$409,447)	\$18,858,056
FTE								
Account Code	Account Title	Actual 2017-18	Certified 2018-19	Authorized 2018-19	Incr/Decr 2019-20	Total 2019-20	Incr/Decr 2020-21	Total 2020-21
531211	SPA-REG SALARIES-APPRO	28.250	30.250	28.250	0.000	28.250	0.000	28.250
531212	SPA-REG SALARIES-RECPT	72.250	71.250	71.250	0.000	71.250	0.000	71.250
531213	SPA-REG SALARIES-UNDESIG	473.000	464.000	468.000	0.000	468.000	0.000	468.000
531222	SPA TIME LIMITED SAL-REC	8.000	11.000	9.000	0.000	9.000	0.000	9.000
531223	SPA TIME LIMITED SAL-UNDE	2.000	2.000	2.000	0.000	2.000	0.000	2.000
Total FTE		583.500	578.500	578.500	0.000	578.500	0.000	578.500



DHSR Base Budget

Explanation of Changes

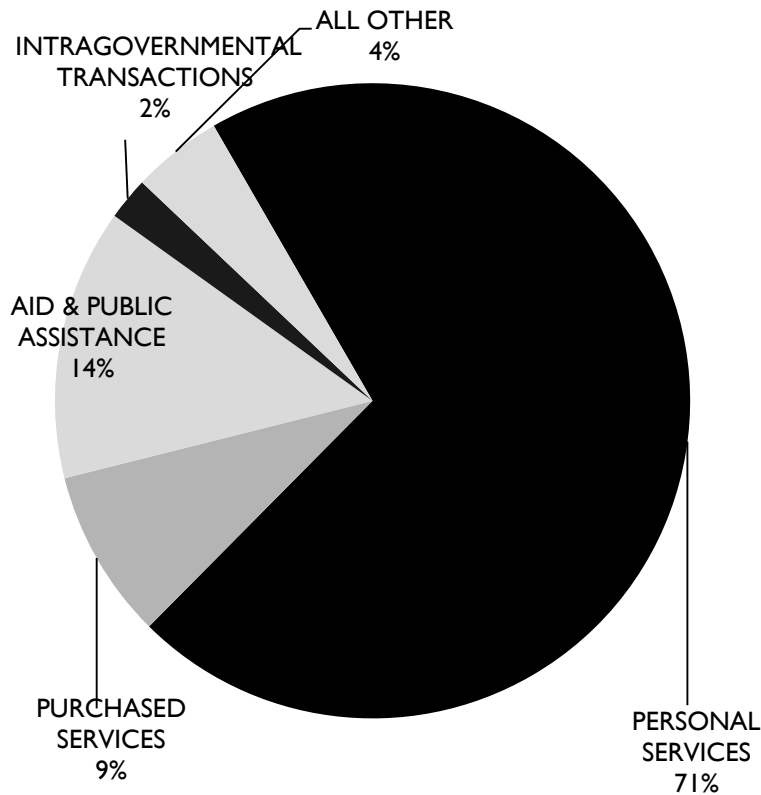
	FY 2019-20	FY 2020-21
NR Items Removed		
Adult and Acute Care Inspections – new FTE startup	(\$10,180)	(\$10,180)
State Retirement Contributions-One-time retiree cost-of-living adjustment	(\$49,267)	(\$49,267)
Community Paramedicine Pilot Project	(\$350,000)	(\$350,000)
<u>Total for NR Items</u>	<u>(\$409,447)</u>	<u>(\$409,447)</u>
TOTAL	(\$409,447)	(\$409,447)



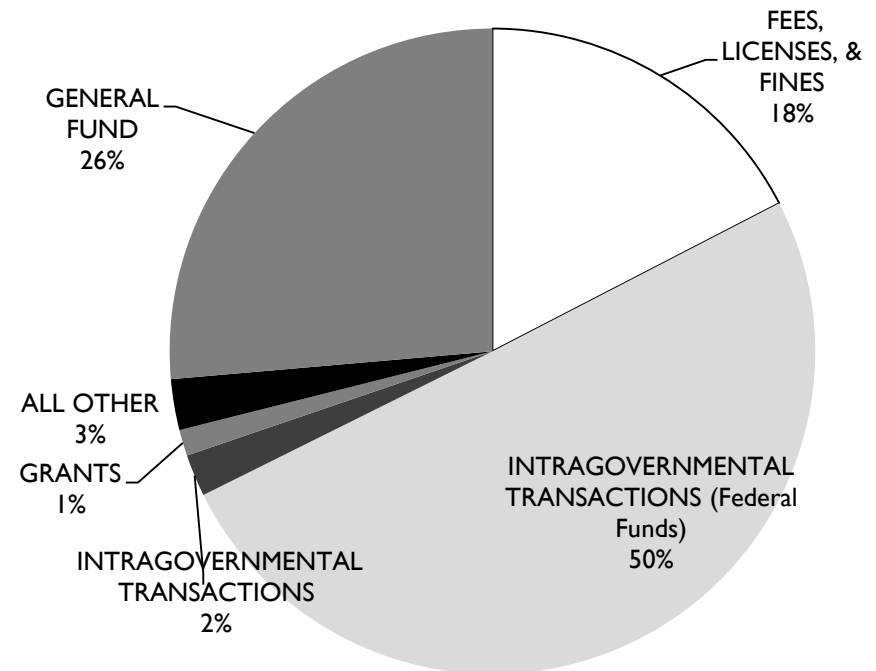
DHSR Base Budget

Expenditures and Funding Sources

Expenditures



Funding Sources



DHSR Base Budget

2017-2019 Significant Budget Actions

- S.L. 2017-57, Appropriations Act of 2017:
 - Provides 7 FTEs in FY 2017-18 and an additional 7 FTEs in FY 2018-19 to support adult and acute and home care inspections.
 - Provides \$350,000 (NR) in each year of the biennium to support a Community Paramedicine Pilot Project.
 - Provides \$119,927 (R) in FY 2017-18 and \$128,493 (R) in FY 2018-19 for ongoing support of the Automated Background Check Management System used by long term care providers to perform background checks on non-licensed staff.
- S.L. 2018-5, Appropriations Act of 2018 :
 - Eliminated 5 positions in the Construction Section that had been vacant for over 1 year.



DHSR Base Budget

2017-2019 Significant Provisions

- S.L. 2017-57, Appropriations Act of 2017,
 - Continues paramedicine pilot program aimed at expanding the role of paramedics thus enhancing community-based initiatives that provide appropriate alternatives to emergency rooms.
 - Prohibits DHSR, with certain exceptions, from issuing any licenses for special care units, as defined in G.S. 131D-4.6 and G.S. 131E-114, from July 1, 2017 to June 30, 2019.



Health Care Facilities Planning

- **Healthcare Planning and Certificates of Need** - staffs the North Carolina State Health Coordinating Council in development of the annual State Medical Facilities Plan (SMFP).
 - Projects need for health care facilities and equipment.
- **N.C. Medical Care Commission:**
 - Establishes rules regarding the regulation and licensing or certification, as applicable, of most health care facilities.
 - Establishes rules regarding the regulation and licensing or certification of home care agencies, home health agencies, nursing pools, and emergency medical services personnel.
 - Facilitates issuance of tax-exempt financing for construction and equipment for nonprofit and public construction.
- **Construction Section** - performs construction plan reviews and inspections of healthcare facilities and jails.

<https://www2.ncdhhs.gov/dhsr/whatwedo.htm#hpcon>
<https://www2.ncdhhs.gov/dhsr/ncmcc/index.html>, accessed 26 March 2019



Licensure and Certification

- **Mental Health Licensure and Certification Section** - licenses, surveys operation of, and investigates complaints regarding facilities providing treatment for individuals with intellectual and developmental disabilities, individuals with mental illness, and individuals with substance abuse issues.
- **Nursing Home Licensure and Certification Section** – licenses and regulates nursing homes by conducting routine surveys and complaint investigations for compliance with State regulation and Medicare certification requirements.
- **Acute and Home Care Licensure and Certification Section** – licenses, surveys, and investigates complaints of State licensed and Medicare certified providers.
- **Adult Care Licensure Section:**
 - licenses, surveys, and collaborates with county DSS offices in their monitoring and investigating complaints related to family and adult care homes.
 - Certifies adult care home administrators.
- **Complaint Intake** -receives consumer complaints about providers regulated by DHSR, receives provider self-reports of incidents in their facilities. Triage reports for investigation by the appropriate licensure section or county DSS office.

<https://www2.ncdhhs.gov/dhsr>, accessed 26 March 2019



Radiation Protection Section

- Licenses and inspects radioactive material producers, handlers, users, and x-ray and mammography equipment.
- Conducts radiation monitoring and administers regulatory programs for protection from the harmful effects of radiation for occupational workers, the public, and the environment.
- Provides technical assistance to other agencies and the public.
- Staffs Radiation Protection Commission with responsibility for adopting rules relative to radioactive materials.
- Authorized by the US Nuclear Regulatory Commission to license and regulate certain byproduct materials (radioisotopes), source materials (uranium and thorium), and certain quantities of special nuclear materials.
- Administers US Environmental Protection Agency Radon Program grant.
- Emergency response to incidents involving radioactive materials.

Source: NC DHHS



Health Care Personnel Education and Credentialing

- Evaluates and approves nurse aide education programs offered in the state.
- Facilitates competency testing programs:
 - Nurse Aide I
 - Medication Aide
 - Geriatric Aide
 - Home Care Aide
- Maintains registries:
 - Nurse Aide Registry
 - Medication Aide Registry
- Receives & investigates complaints/reports against unlicensed health care workers.

Source: NC DHHS



Office of Emergency Medical Services

- Licenses EMS agencies, permits vehicles, and tests and credentials EMTs and Paramedics.
- Provides technical assistance, services, and regulatory oversight to all local EMS systems in North Carolina.
- Establishes, maintains, and coordinates state-wide emergency medical response.
- Works in conjunction with Division of Public Safety - Emergency Management.

Source: NC DHHS



Questions?

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