

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 6

Short Title: Rural/Primary Care Initiatives.

(Public)

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Sponsors: Senators Daniel; Forrester, Perdue, Tally, Cochrane, Edwards, and Warren.

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Referred to: Children and Human Resources.

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January 28, 1993

A BILL TO BE ENTITLED

1 AN ACT TO DEFINE PRIMARY CARE HOSPITAL AND RURAL HOSPITAL  
2 NETWORK, AND APPROPRIATE FUNDS FOR ENCOURAGING HEALTH  
3 CARE PROVIDERS TO PRACTICE PRIMARY CARE AND PROVIDE  
4 SERVICES TO RURAL AREAS.  
5

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 131E-76 is amended by adding two new subdivisions to read:

8 "(6) 'Primary care hospital' means a hospital which has been designated as  
9 a primary care hospital by the North Carolina Department of Human  
10 Resources, Office of Rural Health and Resource Development. To be  
11 designated as a primary care hospital under this subdivision, the  
12 hospital must be located in a rural community, provide primary care  
13 inpatient services which do not include inpatient surgery, and provide  
14 outpatient services which may include outpatient surgery. A primary  
15 care hospital shall have a maximum annual average daily census of 15  
16 patients and may have psychiatric and long-term care distinct part  
17 units. A primary care hospital must be part of a rural hospital network.

18 (7) 'Rural hospital network' means an alliance of members which must  
19 include at least one primary care hospital and one other hospital. To  
20 qualify as a rural hospital network, the members must submit a  
21 comprehensive, written memorandum of understanding to the  
22 Department of Human Resources for the Department's approval. The  
23 memorandum of understanding must include provisions for patient  
24 referral and transfer, a plan for network wide emergency services, and

1                   a plan for sharing patient information and services between hospital  
2                   members including medical staff credentialing, risk management,  
3                   quality assurance, and peer review."

4                   Sec. 2. (a) There is appropriated from the General Fund to the Department of  
5 Human Resources, Office of Rural Health, the sum of four hundred fifty thousand  
6 dollars (\$450,000) for the 1993-94 fiscal year and the sum of four hundred fifty  
7 thousand dollars (\$450,000) for the 1994-95 fiscal year for the purpose of providing  
8 financial incentives to encourage health care practitioners to practice in medically  
9 underserved areas. Funds appropriated under this section shall be used as follows:

10                   (1) To pay first, second, and third-year generalist residents in family  
11                   medicine, internal medicine, or general pediatric medicine in a North  
12                   Carolina residency program not more than ten thousand dollars  
13                   (\$10,000) per year per resident upon agreement by the resident to  
14                   practice in an area designated by the Office of Rural Health as  
15                   medically underserved; and

16                   (2) To pay students enrolled in an accredited educational program in  
17                   North Carolina leading to approval to practice as nurse practitioners,  
18                   nurse midwives, or physician assistants not more than ten thousand  
19                   dollars (\$10,000) per year per student, not to exceed a total of twenty  
20                   thousand dollars (\$20,000) per student, upon agreement by the student  
21                   to practice in an area designated by the Office of Rural Health as  
22                   medically underserved.

23                   (b) Repayment of the stipend is forgiven if the resident or student completes  
24 for each year's stipend one full year of service in a medically underserved area of North  
25 Carolina.

26                   (c) The Office of Rural Health shall report expenditures for this program to  
27 the 1993 General Assembly, Regular Session 1994, and to the 1995 General Assembly,  
28 by the end of the first week after convening.

29                   Sec. 3. Effective June 30, 1992, Section 51 of Chapter 1044 of the 1991  
30 Session Laws, reads as rewritten:

31                   "Sec. 51. The funds appropriated in this act to the Office of Rural Health for rural  
32 health recruitment shall be used to pay first, second, and third-year residents in family  
33 medicine, internal medicine, or general pediatric medicine the sum of ten thousand  
34 dollars (\$10,000) upon the resident's agreeing to practice in an area designated by the  
35 Office of Rural Health as medically underserved.

36                   Repayment of the stipend is forgiven if the resident completes ~~the~~ for each year's  
37 stipend one full year of service in a medically underserved area of North Carolina.

38                   The Office of Rural Health shall report expenditures for this program to the 1993  
39 General Assembly by the end of the first week after convening.

40                   This item shall not become a part of the continuation budget request for the 1993-95  
41 fiscal biennium."

42                   Sec. 4. There is appropriated from the General Fund to the Department of  
43 Human Resources, Office of Rural Health, the sum of five hundred thousand dollars  
44 (\$500,000) for the 1993-94 fiscal year and the sum of five hundred thousand dollars

1 (\$500,000) for the 1994-95 fiscal year to be used to provide financial incentives to  
2 primary care physicians and other primary care professionals practicing or being  
3 recruited to practice in rural and underserved areas. Funds may be used to provide such  
4 incentives as loan repayments, signing bonuses, moving expenses, practice supports, or  
5 other expenses related to the practice, in order to recruit or retain a primary care  
6 provider in a rural or underserved area.

7         Sec. 5. There is appropriated from the General Fund to the Department of  
8 Human Resources, Office of Rural Health, the sum of eight hundred thousand dollars  
9 (\$800,000) for the 1993-94 fiscal year and the sum of eight hundred thousand dollars  
10 (\$800,000) for the 1994-95 fiscal year to be used to provide support for the 54 health  
11 centers in rural and underserved areas, enabling them to increase the number of  
12 uninsured persons served and to increase the number of providers of services.

13         Sec. 6. There is appropriated from the General Fund to the Department of  
14 Human Resources, Office of Rural Health, the sum of two hundred fifty thousand  
15 dollars (\$250,000) for the 1993-94 fiscal year and two hundred fifty thousand dollars  
16 (\$250,000) for the 1994-95 fiscal year to be used to establish 10 scholarships for North  
17 Carolina medical students who agree to serve in rural and underserved areas. The  
18 scholarships are to be awarded according to procedures established by the Office of  
19 Rural Health.

20         Sec. 7. There is appropriated from the General Fund to the Department of  
21 Human Resources, Office of Rural Health, the sum of one hundred sixty thousand  
22 dollars (\$160,000) for the 1993-94 fiscal year and the sum of one hundred sixty  
23 thousand dollars (\$160,000) for the 1994-95 fiscal year to be used to establish and  
24 administer a Community Primary Care Grant Program to encourage community  
25 development of primary care clinics through collaborative arrangements with existing  
26 providers. The main focus of any project provided planning grant funds shall be to meet  
27 the primary care needs of the community, especially the provision of primary care  
28 services at night and on weekends.

29         Sec. 8. There is appropriated from the General Fund to the Department of  
30 Environment, Health, and Natural Resources, Division of Maternal and Child Health,  
31 for the Rural Obstetrical Care Program, the sum of four hundred thousand dollars  
32 (\$400,000) for the 1993-94 fiscal year and the sum of four hundred thousand dollars  
33 (\$400,000) for the 1994-95 fiscal year to be used as follows:

- 34         (1) To expand Rural Obstetrical Care Incentive Program payments to  
35             physicians and certified nurse midwives in more counties than are  
36             currently served;
- 37         (2) To increase the amounts paid to providers; and
- 38         (3) To increase the total amount that counties may receive under the  
39             Program.

40 General surgeons who provide cesarean section backup to family physicians in counties  
41 where there are no obstetricians or where there are no obstetricians willing or able to  
42 provide such backup are also eligible for the program. Physicians and certified nurse  
43 midwives covered under the Rural Obstetrical Care Incentive Program are required to  
44 participate in an obstetrical care coverage plan developed by their local health

1 department or community, migrant, or rural health center, and must agree to provide  
2 services to pregnant women regardless of their ability to pay for the services.

3           Sec. 9. There is appropriated from the General Fund to The University of  
4 North Carolina, Board of Governors, for the Area Health Education Center Program, the  
5 sum of two million one hundred ninety-seven thousand dollars (\$2,197,000) for the  
6 1993-94 fiscal year and the sum of two million one hundred ninety-seven thousand  
7 dollars (\$2,197,000) for the 1994-95 fiscal year to be used, according to Area Health  
8 Education Center Program plans, to expand programs for training primary care medical  
9 students, residents, and other health professionals in community settings. These settings  
10 include private practices, health departments, and community health services. Funds  
11 may be used to develop new programs and to expand existing programs to assure well-  
12 supervised outreach training sites.

13           Sec. 10. This act becomes effective July 1, 1993.