

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2017**

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**HOUSE BILL 367\***

Short Title: Community Health Centers Grant Program/Funds. (Public)

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Sponsors: Representatives Dobson, Presnell, and Jordan (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

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Referred to: Appropriations

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March 16, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN  
3 SERVICES, OFFICE OF RURAL HEALTH, FOR THE COMMUNITY HEALTH  
4 CENTERS GRANT PROGRAM.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** There is appropriated from the General Fund to the Department of  
7 Health and Human Services, Office of Rural Health, the sum of seven million five hundred  
8 thousand dollars (\$7,500,000) for the 2017-2018 fiscal year and the sum of seven million five  
9 hundred thousand dollars (\$7,500,000) for the 2018-2019 fiscal year, for the Community  
10 Health Centers Grant Program. Beginning with the 2017-2018 fiscal year, these funds shall be  
11 used to award grants on a competitive basis to free clinics, federally qualified health centers,  
12 State-designated rural health centers, local health departments, school-based health centers, and  
13 other nonprofit organizations (i) with at least an eighty percent (80%) patient population  
14 comprised of uninsured patients or any combination of patients who are uninsured or recipients  
15 of Medicare, Medicaid, or the Children's Health Insurance Program; (ii) that provide primary  
16 care and preventative health services to low-income populations across the State, including  
17 individuals who are uninsured or underinsured and recipients of Medicaid and Medicare; and  
18 (iii) that serve as a medical home to these vulnerable populations, in order to accomplish any of  
19 the following purposes:

- 20 (1) Increase access to primary care and preventative health services for these  
21 vulnerable populations in existing primary care locations.  
22 (2) Establish primary care and preventative health services in counties where no  
23 such services exist to serve these vulnerable populations.  
24 (3) Create new services, sustain existing service levels, or augment existing  
25 services provided to these vulnerable populations, including primary care  
26 and preventative health services, and including dental, pharmacy, and  
27 behavioral health services when integrated into the medical home.  
28 (4) Increase primary care capacity to serve these vulnerable populations,  
29 including enhancing or replacing facilities, equipment, or technologies  
30 necessary to participate in the exchange of data and tools to monitor and  
31 improve the quality of care provided.

32 **SECTION 1.(b)** The Office of Rural Health shall not use more than three hundred  
33 thousand dollars (\$300,000) of the funds appropriated in this section for the 2017-2018 fiscal  
34 year to administer the Community Health Centers Grant Program.



1           **SECTION 1.(c)** The Office of Rural Health shall work with the North Carolina  
2 Community Health Center Association, the North Carolina Association of Local Health  
3 Directors, the North Carolina Association of Free and Charitable Clinics, the North Carolina  
4 School-Based Health Alliance, and other organizations representing eligible grant recipients, to  
5 establish a Primary Care Advisory Committee to develop an objective and equitable process for  
6 grading applications for grants funded by this section and making recommendations to the  
7 Office of Rural Health for the award of grants funded by this section.

8           The Office of Rural Health shall make the final decision about awarding grants  
9 funded by this section, but no single grant award shall exceed one hundred fifty thousand  
10 dollars (\$150,000) during the fiscal year. In awarding grants, the Office of Rural Health shall  
11 give preference to applicants located in areas of the State with the highest incidences of poverty  
12 or that serve the highest percentage of indigent clients.

13           **SECTION 1.(d)** Grant recipients shall not use these funds to do any of the  
14 following:

- 15           (1) Enhance or increase compensation or other benefits of personnel,  
16 administrators, directors, consultants, or any other persons receiving funds  
17 for program administration.
- 18           (2) Supplant existing funds, including federal funds traditionally received by  
19 federally qualified community health centers. However, grant funds may be  
20 used to supplement existing programs that serve the purposes described in  
21 subsection (a) of this section.
- 22           (3) Finance or satisfy any existing debt.

23           **SECTION 1.(e)** The Office of Rural Health shall develop a standardized method  
24 for grant recipients to report objective, measurable quality health outcomes and shall require  
25 grant recipients to report these quality health outcomes to the Department. Beginning recipients  
26 of grant funds shall annually provide to the Office of Rural Health a written report detailing the  
27 number of patients that are cared for, the types of services that were provided, quality measures  
28 and outcomes, and any other information requested by the Office of Rural Health as necessary  
29 for evaluating the success of the Community Health Centers Grant Program.

30           **SECTION 2.** This act becomes effective July 1, 2017.