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Focusing on Legislative Representation

## LEGISLATIVE REPORT June 27, 2017

### Closing Time

After weeks of negotiations the House and Senate agreed upon a budget, approved it in bi-partisan votes in both the House and Senate and on June 22nd sent their compromise proposal for the 2017-2019 State budget to the Governor. Gov. Cooper, a longtime member of the State Senate before his years as Attorney General, wasted no time in denouncing the proposal as “the most fiscally irresponsible” he’d ever seen, and the stage was set for a veto showdown.

As of that date, only 44 bills had been passed into law this session, compared to an average of over 100 in recent “long” sessions. This is likely due in part to the fact that, after 4 years of having a fellow Republican in the Governor’s mansion, legislative leaders are less interested in handing Cooper any “wins” he could take even partial credit for in the next election cycle. Another factor is that many of the reforms Republicans wanted to make after 140 years out of power have been achieved in the past 6 years, particularly the past 4. Yet another explanation is that, with the prospect of special elections later this year, and the certainty of new legislative maps for the 2018 election, legislators are reluctant to move legislation that would alienate interest groups they hope will be helpful to them during the upcoming campaign battles.

While the relative pace of this session has been quite slow compared to recent years, things are speeding up in a hurry as the session winds to a close. Bills that have been held as “hostages” to the budget process are beginning to be released, while advocates and legislators push to have their priorities heard before the final gavel falls. Once the session adjourns and legislators return home, there is a strong expectation they will have to return to Raleigh to deal with the governor’s expected vetoes of various bills, court-mandated redistricting and potentially other issues. Given that the previous legislature returned for five special sessions, House and Senate members are anxious to get home as quickly and for as long as they can before they’re called back once again. This means that, even as compared to recent sessions, a large number of issues will be held over until the “short” session in April of next year. Other issues will make it through the rest of the process this week and join the 44 that have passed across the Governor’s desk. We will be in the thick of the action, and will keep you posted as things unfold.



### NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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## BILL UPDATES

HOUSE BILL 156, Medicaid PHP Licensure/Food Svcs State Bldgs, was amended in the Senate Health Care Committee to require prepaid health plans to obtain a license from the Department of Insurance and ensure solvency of all prepaid health plan providers under the Medicaid and NC Health Choice programs. The bill would require the Commissioner of Insurance to regularly provide DHHS with information and documentation related to its licensing and regulation of PHPs, including licenses, examination results, penalties imposed, or other actions taken in regards to PHPs. **The bill as amended was approved by the Senate Health Care Committee and will next be considered by the Senate Finance Committee.**

HOUSE BILL 243, Strengthen Opioid Misuse Prevention (STOP) Act, was approved by the Senate after the bill was amended based upon the request of the North Carolina College of Emergency Physicians. The bill now contains the “shall” (versus “may”) language that the Emergency Physicians have worked hard to secure:

“The administrator of a hospital emergency department or hospital acute care facility **shall** provide the Department with a list of prescribers who are authorized to prescribe controlled substances for the purpose of providing medical care for patients of the hospital emergency department or hospital acute care facility and a list of delegates who are authorized to receive data on behalf of the providers listed.” (Emphasis added).

On the Senate floor, Senators again amended the bill on effective dates for pharmacies’ CSRS reporting requirements/penalties, and then **unanimously approved the bill which will next be considered by the House to consider the changes made by the Senate.**

HOUSE BILL 277, Naturopathic Study, was amended to direct DHHS to convene a Work Group to make recommendations for appropriate oversight of the practice of Naturopathic medicine in North Carolina to the Joint Legislative Oversight Committee on Health and Human Services by January 2018. The Senate removed the provisions of the original House version and now provides as follows:

- details reasons for why certification of professionals practicing naturopathic medicine is necessary, including protecting citizens from fraud or damage to their health;
- directs the Work Group to develop recommendations necessary to provide appropriate oversight and regulation of naturopathic medicine including the three specific considerations provided, one being whether the practice of naturopathic medicine should constitute the practice of medicine or surgery as defined in G.S. Chapter 90; and
- requires the report to include recommendations on appropriate fees for application, examination, certification, renewals, and late renewals as appropriate, to cover the costs associated with oversight.

**The amended version of the bill was approved by the Senate Health Committee and will next be considered by the Senate Rules Committee.**

HOUSE BILL 403, LME/MCO Claims Reporting/Mental Health Amdts. This bill as approved by the House would have clarified that LME/MCO's are an entity of the State and would have provided more controls on those entities. The bill was heard in the Senate Health Committee where a revised bill was presented that would effectively dissolve North Carolina’s behavioral health managed care organizations (MCOs). Many in the health care community spoke against the bill in committee, but HB 403 received a favorable report in the Senate Health Care

Committee although many Senators spoke against the bill. Below is a summary of the main points of the revised bill:

- directs that on the date when the Medicaid capitated contracts with Prepaid Health Plans (PHPs) begin: (1) PHPs shall manage all publicly-funded behavioral health services; (2) the LME/MCOs shall be dissolved; and (3) all remaining LME/MCO assets shall be transferred to DHHS and used to satisfy LME/MCO liabilities or to pay for the cost of contracts with PHPs;
- requires that DHHS must specify a standardized electronic format that all LME/MCOs must use to submit data to DHHS regarding claims billed for Medicaid and State-funded services;
- requires DHHS to use contracts with LME/MCOs for the management of State-only funding, federal block grant funding, and Medicaid funding that include quality outcome measures for covered services;
- prohibits area authorities from using any resources for alcohol, first-class airfare, charter flights, holiday parties or similar social gatherings, or meetings outside the state;
- requires the Office of State Human Resources in collaboration with the Secretary of DHHS and the LME/MCO boards, to take certain actions to revise the job descriptions and salary range for LME/MCO area directors;
- voids the current salary range for area directors and prohibits area authorities from increasing any area director's salary until the new salary range is established;
- provides that DHHS shall have the authority to adopt rules related to the regulation of PHPs;
- eliminates the exclusion of dental services from PHP coverage;
- adds an exclusion for the coverage of eyeglasses from PHP coverage;
- requires Medicare and Medicaid dually-eligible recipients to be covered by PHPs beginning two years after capitated contracts begin and allows their enrollment to be phased in over a period of up to two years;
- adds to the list of populations excluded from PHP coverage recipients who are enrolled under the Medicaid Family Planning program and recipients who are inmates of prisons;
- changes the number of statewide PHP contracts that may be awarded from three to at least three but no more than five;
- changes the number of regional PLE (provider led entity) contracts that may be awarded from 12 to four and allows DHHS to specify any number of regions;
- replaces the requirement that PHPs must comply with Chapter 58 of the General Statutes (insurance protections for patients and providers) with a requirement to comply with recently-amended federal Medicaid managed care regulations;
- provides that DHHS is authorized to submit modifications to the 1115 waiver submissions to CMS and require notice to the General Assembly of the submission of any modifications;
- requires PHPs and hospitals to negotiate mutually acceptable rates;
- requires that PHP payments to hospitals may not exceed 125% of the fee-for-service rate unless a higher rate is approved by DHHS;
- **requires providers enrolling as a Medicaid provider to agree to accept 90% of the Medicaid fee-for-service rate for the services they provide to PHP enrollees if the provider has been offered a contract with the PHP but is not under a contract with the PHP or has been excluded from a contract with the PHP for failing to meet quality standards;**
- adds a requirement for DHHS to give notice to the Joint Legislative Oversight Committee and Medicaid and NC Health Choice and the Fiscal Research Division regarding the submission of State Plan amendments that are posted to DHHS's website;

- requires DHHS to give notice when a State Plan amendment is submitted for federal approval and to give notice when DHHS decides not to submit a proposed State Plan amendment that was posted;
- amends the LME/MCO definitions regarding grievances and appeals by replacing the term “managed care action” with the term “adverse benefit determination” in accordance with a change to that terminology in federal regulations;
- allows enrollees 60 days instead of 30 days to request an LME/MCO level appeal after receiving a notice of adverse benefit determination;
- requires LME/MCOs to resolve an LME/MCO level appeal and send a notice of resolution to the enrollee within 30 days instead of 45 days after receiving the request for appeal;
- allows an enrollee to request a contested care hearing when the LME/MCO level appeal is deemed to have been exhausted in accordance with federal requirements;
- requires LME/MCOs to resolve expedited LME/MCO level appeals within 72 hours instead of three working days after receiving the request for expedited appeal;
- allows an enrollee to request a contested care hearing when the LME/MCO level appeal is deemed to be exhausted; and
- allows enrollees 120 days instead of 30 days after the mailing date of the notice of resolution to file a request for an appeal at the Office of Administrative Hearings.

**The bill was approved by the Senate Health Committee and the Senate Rules Committee and will next be heard by the full Senate.**

HOUSE BILL 464, *Revise Schedule of Controlled Substances*. This bill was revised in the Senate Health Committee to add two more examples of synthetic cannabinoids and six opioids to the list of Schedule I controlled substances. The new version also amends the circumstances when a person who commits second degree murder must be punished as a Class B2 felon to include murder proximately caused by the unlawful distribution and ingestion of certain controlled substances. **The bill was approved by the Senate Judiciary Committee and will next be considered by the Senate Rules Committee.**

HOUSE BILL 511, *Game Nights/Nonprofit Fund-Raiser*. This bill to allow nonprofit organizations to operate "game nights" was amended in the Senate Commerce and Insurance Committee to:

- define a nonprofit organization as an organization or association recognized by the Department of Revenue as tax exempt or any bona fide branch, chapter, or affiliate of that organization;
- require each regional or county chapter of a nonprofit organization to be eligible to conduct raffles independently of its parent organization;
- allow a nonprofit organization to hold no more than four raffles per year;
- increase the maximum total cash prize that can be offered or paid by a nonprofit organization from \$125,000 to \$250,000;
- provide for the reissuance of permit to a nonprofit organization that has received a limited special occasion permit or a special onetime within the preceding 18 months if the same individual representing the organization requests the reissuance of the permit for the same location; and
- amend the provisions regarding special permits for local governments and nonprofit or political organizations to serve wine, malt beverages, and spirits at a ticketed fundraiser event to allow nonprofit organizations to offer alcoholic beverages in the manufacturer's original closed container as a prize in a raffle or sell alcoholic beverages in the

manufacturer's original closed container at auction at the ticketed event to allow the nonprofit organization to raise funds.

**The bill as amended was approved in the Senate Commerce and Insurance Committee and will next be considered the Senate Finance Committee.**

HOUSE BILL 863, Require Driver Retraining Course, was amended in the House Finance Committee to:

- remove the provision that limited the length of suspension under the point system, based on the number of such suspensions, and the provision that limited the length of suspension under the three speeding-related reasons;
- provide that a license suspension under the point system, or for any of the three speeding-related reasons, is indefinite until the person completes the driver retraining course;
- increase the fee for the driver retraining course from \$150 to \$175, of which \$25 will be retained by the DMV; and
- require the driver retraining course to: (1) be demonstrated scientifically to be associated with decreases in traffic violations (was, to be scientifically proven effective at changing driver behavior); and include psychology-based principles or methodologies (was, scientifically proven educational or psychological principles or methodologies), as related to behind-the-wheel driving behavior.

**The bill as amended was approved by the House and will next be considered by the Senate Rules Committee.**

SENATE BILL 350, LME/MCO Claims Reporting/Mental Health Amdts. This bill was completely stripped of its original provisions and renamed. The amended Senate Bill 350 is now another version of the original House Bill 403. This amended version received a favorable report in the House Health Committee and was approved unanimously in the House. As a reminder, the bill includes the following:

- directs the Department of Health and Human Services (DHHS) to work with LME/MCOs to ensure successful submission of encounter claims through NC Tracks;
- directs DHHS to report to the Joint Legislative Oversight Committee on Health and Human Services by February 1, 2018, on the success of the data submission process;
- directs the Secretary of DHHS to further develop standard contracts for LME/MCOs for management of State appropriations and federal block grant funds (in addition to contracts for the operation of the 1915(b)(C) Medicaid Waiver);
- requires that the contracts include quality outcome measures for mental health, developmental disabilities, and substance use disorders;
- deletes the terms county program, and program director, to redefine area board and area director, and make conforming changes;
- amends the definition of area director to apply regulations of area directors to the administrative heads of area authorities, LMEs, or LME/MCOs, regardless of title or contract;
- defines LME as an area authority (was, an area authority, county program, or consolidated human services agency);
- requires an LME to obtain the prior written approval of the Secretary of the Department of Health and Human Services to enter into a contract with another entity to perform the primary functions of an LME;
- clarifies the definition of area authority to mean a local political subdivision established by counties for the management and delivery of services for individuals with mental illness, intellectual or other developmental disabilities, and substance use disorders under a 1915(b)/(c) Medicaid Waiver, and clarifies its status and functions as an LME;

- directs an area authority to maintain disability specific infrastructure and competency to address the needs of disabilities covered by the 1915(b)/(c) Medicaid Waiver, to maintain administrative and clinical functions, and to maintain full accountability for all aspects of Medicaid Waiver operations and meeting contract requirements;
- authorizes area authorities to subcontract to other entities the following functions upon the written approval of the Secretary: information systems; customer service operations; claims processing; provider, enrollment, credentialing, and monitoring; professional services; treatment plan development; and referral to services;
- authorizes county commissioners to appoint an alternative area board appointment process subject to the Secretary's approval;
- requires a member of the board to have expertise in health insurance, health plan administration, or business expertise (currently this seat requires an individual with insurance expertise consistent with the scale and nature of the managed care organization);
- requires that at least three-quarters of the constituent counties adopt a resolution to appoint area board members using an alternative process, in addition to obtaining approval from the Secretary, before the boards of county commissioners in a specified sized area can use the alternative appointment method;
- no longer limits the power to remove members to the initial appointing authority ;
- requires LME/MCOs to annually notify the Secretary of 7 pieces of information, including the area board appointment process, beginning on July 1, 2017;
- directs area boards not currently in compliance with the revised composition requirements to comply no later than October 1, 2017;
- directs LME/MCOS to use funds only for purposes related to their functions and responsibilities under GS Chapter 122C, or to carry out functions and responsibilities required by state law, federal law, or contract with DHHS;
- directs the Secretary to take the described actions regarding notification of noncompliance when the Secretary determines that an LME/MCO has failed to comply;
- clarifies that area directors are fulltime employees who may not be employed in any other capacity for the performance of services while serving as area director;
- provides new requirements for salaries higher than those established by the State Human Resources Commission, requiring the area board to submit a request for the higher salary to the Director of the Office of State Human Resources and the Secretary, and obtain prior written approval from both the Director of the Office of State Human Resources and the Secretary;
- sets limits on authorizing or paying higher salaries based on the average range of other area directors;
- prohibits the area board from authorizing a salary for an area director without complying with the above-described requirements;
- directs the area board to reduce an area director's compensation that does not comply with the above-described requirements and notify the Secretary within 60 days of the Secretary's determination of noncompliance;
- authorizes the Secretary to appoint a caretaker board of directors if noncompliance continues past 60 days;
- subjects the total compensation to area directors to review and written approval by the Director of the Office of State Human Resources and the Secretary on at least an annual basis to determine compliance with the statute's requirements;
- directs each area board to submit to the Secretary and the Director of the Office of State Human Resources a copy of all current employment agreements, contracts, and amendments, with its area director;

- requires the area director to ensure compliance by the area authority with the powers and duties of the area authority;
- requires the appointment of the area director to be based on the recommendations of at least two candidates by a search committee;
- requires 30 days' notice of termination of an area director;
- directs each LME/MCO to submit a copy of all current employment agreements, contracts, and amendments to the Secretary and the Director of the Office of State Human Resources within 30 days of this act's effective date;
- provides that the merger or consolidation of two or more LME/MCOs requires a new petition to determine whether any portion of its total personnel system meets the requirements of the statute; and
- directs DHHS, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, to distribute 1/11 of each LME/MCO's single stream allocation which remains after subtracting the amount of the distribution that was made to the LME/MCO in July of the fiscal year, on the first Tuesday of each month of the fiscal year after July, effective July 1, 2017.

SENATE BILL 656, Electoral Freedom Act of 2017. This bill would change the definition of a "political party" by reducing the number of signatures required for the formation of a new political party and for unaffiliated candidates to obtain ballot access eligibility. The bill would also authorize participation by political parties in presidential primaries and elections for parties recognized in a substantial number of states in the prior presidential election; correct timing of filing of petitions; and reduce the threshold for a substantial plurality. The number of required signatures needed to form a new political party would be reduced to 10,000 and requiring signatures of at least 200 registered voters from at least three (previously, each of the four) NC congressional districts. **The bill as amended was approved by the House Elections Committee and will next be heard by the full House.**

## FINAL BUDGET

**Health Information Exchange.** Establishes a successor HIE Network and provides that the following providers shall establish connectivity and commence submission of demographic and clinical data or encounter and claims data, in accordance with the following time line:

- Hospitals, physicians, physician assistants, and nurse practitioners by June 1, 2018
- All other providers of Medicaid and State-funded health care services must submit demographic and clinical data by June 1, 2019
- Prepaid Health Plans by the commencement date of a capitated contract with the Division of Health Benefits
- LME/MCOs by 2020.

**Prepayment Claims Review Modifications.** Expands basis for prepayment claims review to include failure of the provider to timely respond to a request for documentation made by the Department or one of its authorized representatives.

**MCO Single Stream Reduction.** The MCO single stream reduction for 2017-2018 is \$31 million recurring and \$55 million nonrecurring. The reduction for 2018-2019 is \$36 million recurring and \$54 million nonrecurring. As also covered in this report, certain single stream funds are directed to support three-way beds, the US DOJ Settlement, Disability Rights Settlement, expanding 400 Developmental Disability Innovation Waiver slots, group homes, case management, and community substance abuse services.

**Balanced Billing.** The final budget **DID NOT** include language from SB 629, the balanced billing bill. Keeping this language out of the final budget was a top legislative priority for the NC College of Emergency Physicians.

**Department of Health and Human coordination of health information technology.** Provides that DHHS, in cooperation with the State Chief Information Officer, must coordinate health information technology policies and programs within NC.

**Controlled Substance Abuse Reporting System (CSRS).** Provides \$1.2 million in funding for the next two years for contractual hours to develop and implement software via existing Government Data Analytic Center public- private partnerships for the performance of advanced analytics within the CSRS.

**Graduate Medical Education.** Provides up to \$3 million in nonrecurring funds to be allocated to Cape Fear Valley Medical Center to support the establishment of residency programs affiliated with Campbell University School of Medicine.

**Recommendation to Appoint a Subcommittee on Aging.** Joint Legislative Oversight Committee on Health and Human Services may consider appointing a subcommittee on aging to examine the State's delivery of services for older adults.

**Traumatic Brain Injury Funding.** Provides \$2.3 million for the 2017-2018 fiscal year and the sum of \$2.3 million for the 2018-2019 fiscal year to be used exclusively to support traumatic brain injury (TBI) services.

**Automated Background Check Management System.** Provides funding for the ongoing support of the Automated Background Check Management System used by long term care providers to fund background checks on non-licensed staff providing hands-on care to patients/residents as required by general statute.

**Study Continuing Education for Health Care Providers Licensed to Prescribe Controlled Substances.** Provides that by December 1, 2017, the NC Area Health Education Centers Program is encouraged to report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the feasibility of providing a continuing education course for health care providers licensed to prescribe controlled substances in the State.

**Study of Site-of-Use Solutions for Safe Disposal of Prescription Medications.** Requires DHHS to study and report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on simple site-of-use solutions for the safe disposal of prescription medications.

**Community Paramedicine Pilot Project.** Provides funding to continue the pilot to expand the role of paramedics to allow them to divert persons to community-based initiatives designed to avoid non-emergency use of hospital emergency departments. The revised net appropriation for the Community Paramedicine Pilot Project is \$350,000 in each year of the biennium.

**Graduate Medical Education Medicaid Reimbursement.** Provides that for the period of July 1, 2017 through June 30, 2019, the Division of Medical Assistance shall no longer be required to implement the prohibitions on reimbursement for Graduate Medical Education payments.

**Plan to Establish Medicaid Coverage for Ambulance Transports to Alternative Appropriate Care Locations.** Requires DHHS to design a plan for adding Medicaid coverage for ambulance transports of Medicaid recipients in behavioral health crisis to behavioral health clinics or other alternative appropriate care locations instead of emergency rooms.

**Community Health Grants.** Increases by \$7.5 million the recurring funding for grants to community health centers, rural health centers, federally qualified health centers, free clinics, and other health services providers in rural and medically underserved community.

**Alzheimer's Registry.** Provides \$600,000 in funding to support the development of an Alzheimer's Registry through the Duke Brain Research Center.

**Guardianship Contract.** Provides federal Social Services Block Grant funding of \$605,101 to serve additional individuals in the state level guardianship contract and provides for a 15% increase to the rate paid to providers of corporate guardianship services.

**Medicaid Non-Emergency Medical Transportation.** Realigns funding provided by county departments of social services for Medicaid non-emergency medical transportation to the Division of Medical Assistance. Funding for Medicaid non-emergency medical transportation is eliminated in the Division of Social Services budget. The revised net appropriation is \$356,326 in each year of the biennium.

**Communicable Disease Testing.** Provides \$300,000 in recurring funding and \$300,000 in nonrecurring funding for Hepatitis C and other priority communicable disease testing.

**Advisory Council on Rare Diseases.** Provides \$100,000 in nonrecurring funds for the Advisory Council on Rare Diseases.

**UNC Craniofacial Center.** Provides \$250,000 in nonrecurring funds to the UNC Craniofacial Center.

**Federal Elevated Blood Lead Standard.** Budgets Medicaid receipts to conform the State's elevated blood lead standard with the federal standard.

**Traumatic Brain Injury Pilot.** Provides \$150,000 nonrecurring funding each year of the biennium to increase compliance with internationally approved evidence-based treatment guidelines.

**Substance Abuse Services.** Provides funding for substance abuse services by redirecting \$5,000,000 from single stream funds each year of the biennium.

**Funds for Overdose Medications.** Provides that \$100,000 of the funds appropriated to DHHS must be used to provide opioid antagonists.

**Inpatient Behavioral Health Beds and Case Management.** Transfers funds to the Department of Health and Human Service for the purpose of expanding inpatient capacity in rural areas near

counties with limited inpatient capacity relative to their needs through constructing new beds or renovating existing beds to form new inpatient psychiatric units. Of the funds transferred up to \$4 million will be used for inpatient beds at the Caldwell/UNC Health Care, \$4 million at Mission Health, \$4 million at Cape Fear Valley Medical Center, \$3 million at Good Hope Hospital and \$2 million for inpatient beds at Dix Crisis Intervention Center in Onslow County. Beds converted or constructed with these funds shall be named in honor of Dorothea Dix.

**Child Facility-Based Crisis Centers.** Provides funds to DHHS for start up costs to establish new child facility-based crisis centers.

**Adult and Acute Care Inspections.** Provides funding to increase staff in the Acute and Home Care Section and the Adult Care Section to improve timeliness of inspections of various facilities, including hospitals, hospices, home care agencies, Ambulatory Surgical Centers, End Stage Renal Disease facilities and adult and family care homes. The additional positions will assist in meeting the Center for Medicare and Medicaid Services requirements for inspecting certain facilities.

**Joint Oversight Subcommittees on Medical Education Programs and Medical Residency Programs.** Provides that the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Education Oversight Committee shall each appoint a subcommittee to jointly examine the use of State funds to support medical education and medical residency programs. In conducting the study, the subcommittees shall examine at least all of the following:

- (1) The health care needs of the State's residents and the State's goals in meeting those health care needs through the support and funding of medical education and medical residency programs located within the State.
- (2) The short-term and long-term benefits to the State for allocating State funds to medical education and medical residency programs located within the State.
- (3) An assessment of the role of PACE in the continuum of care, including opportunities to apply the PACE model to additional populations under the PACE Innovations Act of 2015.
- (4) Recommended changes and improvements to the State's current policies with respect to allocating State funds and providing other support to medical education programs and medical residency programs located within the State.
- (5) Development of an evaluation protocol to be used by the State in determining (i) the particular medical education programs and medical residency programs to support with State funds and (ii) the amount of State funds to allocate to these programs.
- (6) Any other relevant issues the subcommittees deem appropriate.

The subcommittees may seek input from other states, stakeholders, and national experts on medical education programs, medical residency programs, and health care as it deems necessary. By February 1, 2018, the Department of Health and Human Services and the University of North Carolina shall provide the subcommittees the following information regarding State funds and

other support provided by the State to medical education programs and medical residency programs located in North Carolina:

- (1) The identity, location, and number of positions available in these medical education programs and medical residency programs, broken down by geographic area.
- (2) The specific amount of State funds or the nature of any other support provided by the State to medical education programs and medical residency programs, broken down by program.
- (3) The number of graduates of medical education programs and medical residency programs who are currently practicing in North Carolina, broken down by specialty areas in which North Carolina is experiencing a shortage, including: Anesthesiology, Neurology, Neurosurgery, Obstetrics/Gynecology, Primary Care, Psychiatry, Surgery, Urology, and any other specialty areas determined by the Department of Health and Human Services or the University of North Carolina to be experiencing a shortage.
- (4) The number of program graduates who practiced in North Carolina for at least five years after graduation.
- (5) Any other information requested by the subcommittees

The subcommittees shall jointly develop a proposal for a statewide plan to support medical education programs and medical residency programs within North Carolina in a manner that maximizes the State's financial and other support of these programs and addresses the short-term and long-term health care needs of the State's residents. Each subcommittee shall submit a report to its respective oversight committee on or before March 15, 2018, at which time each subcommittee shall terminate.

**Expansion and Renaming of Prescription Drug Abuse Advisory Committee.** The budget renames the Prescription Drug Abuse Advisory Committee the Opioid and Prescription Drug Abuse Advisory Committee.

**UNC School of Medicine.** The budget provides \$1M (recurring) to increase the number of available medical student slots at the UNC School of Medicine.

**Western School of Medicine – Asheville.** The budget provides \$3.6M (recurring) and \$4.3M (non-recurring) for the UNC School of Medicine's Asheville Campus, a joint program between the UNC School of Medicine, other UNC system universities, and the Mountain Area Health Education Center. Funding will support administration, faculty, and related programs for this multi-disciplinary effort.

**NCSU Innovation in Manufacturing Biopharmaceuticals.** The budget provides \$2M (non-recurring) for a collaborative effort to accelerate the development of innovative manufacturing processes for biopharmaceutical products. Funds will support the Biomanufacturing Training and Education Center at NCSU and serve as matching funds for a federal grant from the National Institute of Standards and Technology.

**ECU Brody School of Medicine Stabilization Funds.** The budget provides \$4M (recurring) to stabilize the Brody School of Medicine at East Carolina University.

**Graduate Medical Education Expansion.** The budget provides \$162,857 (recurring) in FY 2017-18 and \$803,804 (recurring) in FY 2018-19 for the planning and initial implementation of new residency programs at Vidant Duplin Hospital, Halifax Regional Medical Center, Carolina East, and Vidant Ahoskie Hospital. The new residency positions are intended to help expand medical services and increase the number of health-care providers in rural and under-served areas.

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