INTRODUCTION

It has been an eventful time at the General Assembly as legislators work to see their bills on the Governor’s desk before the end of session and as the debate over the budget continues. House Republicans have worked tirelessly to convince a handful of Democrats to break from the Governor and vote with them on the override. Republican leadership has pointed to increased funding in specific legislators’ districts as reasons for Democrats to support the override. House Speaker Tim Moore said that they are waiting until the time is right, and wants everyone to have time to consider their position before voting. It’s unlikely that we will see a vote on the override any time soon, as various members of the majority have plans to be away and Republicans will need all of their members, as well as eight from the minority, in order to successfully override Governor Cooper’s veto.

The House carried on business as usual last week, while the Senate left town to return to Raleigh on August 6th. The Senate is primarily waiting on the House to make their move to override the veto, but this lengthy delay on taking up the vote suggests that the votes aren’t there to successfully override. The Governor has noticed, too. Governor Cooper’s office released a statement noting that it has been over 21 days since he made his counteroffer to Republicans. The Governor suggests that it is well-past time for Republicans to return a counter offer and work on a compromise with him instead of spending time on an override effort that is destined to fail. Meanwhile Republican leadership blames the Governor for holding the budget “hostage” over one issue: Medicaid expansion.

NC Health Care for Working Families, the Republican's Medicaid expansion compromise bill, has sat on the House agenda under “unfinished business” for weeks now, alongside the potential override vote. This version of expansion would include work requirements and premiums, which may be an issue with the courts now that a federal judge has struck down another state’s work requirement for Medicaid. With still no discussion of this bill on the floor and potential legal issues with its content, it seems this bargaining chip may be of little use in the ongoing budget debate.

With both sides still dug in their positions on Medicaid expansion, and both sides still blaming the other for the delay on the budget, the budget stalemate appears to be far from over.
BILL UPDATES

HOUSE BILL 822, Comprehensive Behavioral Health Plan, was heard in the House Rules Committee, where a committee substitute was approved. The new version would:

- change the language throughout to refer to a “publicly funded” behavioral health system, rather than a state funded one;
- expressly requires the Department of Health and Human Services (DHHS) to produce a Comprehensive Plan for the publicly funded Behavioral Health System; 
- modify the purpose of the Comprehensive Plan to be to provide a framework to ensure DHHS can oversee and monitor publicly funded behavioral health services, including Medicaid and NC Health Choice, county-funded programs, and federally funded programs;
- change the Comprehensive Plan submission timeline to require DHHS to submit an initial Comprehensive Plan for review by the Joint Legislative Oversight Committee on Health and Human Services by January 31, 2020, followed by annual updates each subsequent year;
- require DHHS to ensure that all stakeholders, including prepaid health plans, are fully engaged in developing the mission, vision, goals and objectives of the Comprehensive Plan;
- require the Comprehensive Plan to include a 10-year vision of a future State behavioral health system to be reviewed every three years and updated as appropriate to meet the State's needs and expectations;
- require the three-year goal statements in the Comprehensive Plan to be reviewed annually and updated as appropriate;
- direct DHHS to submit updated objectives with the annual updates of the Comprehensive Plan;
- remove the requirement that the Comprehensive Plan include activities to be undertaken to obtain the objectives; and
- make changes to the assessment required to develop the Comprehensive Plan, including:
  - add staffing levels, training and competency of prepaid health plans;
  - require assessment of access to behavioral health services provided by specific standards that can include six identified standards or others, as determined by DHHS; and
  - require the need and utilization of the behavioral health system by funding source, as well as coordination and integration of behavioral health care services that includes communication with, from, and between providers, LME/MCOs, and prepaid health plans.

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

SENATE BILL 458, PTS Injury Day/Cardiac Task Force/Titus's Law, was heard in the House Health Committee, where a committee substitute was approved. The new version would:

- establish the nine-member Joint Legislative Task Force on Sudden Cardiac Arrest in Student Athletes (Task Force) to study (1) sudden cardiac arrest or the frequency of other heart conditions in student athletes, (2) other jurisdictions' mitigating strategies that have been implemented, (3) the cost of requiring testing of heart conditions, and (4) any other relevant issues;
- require the attending physician or individual in charge at the facility where an unintended fetal death occurs to obtain consent from the mother before disposing of expelled or extracted fetal remains when fetal death results from accidental injury, stillbirth, or miscarriage;
- require consent from the father if the mother is unable to give consent and the father is known and able to be contacted within seven days;
- allow the fetal remains to be disposed of if neither parent is able or available to give consent;
- restrict disposal upon parental consent, or without consent when parental consent is not available, to burial, cremation, or incineration in accordance with applicable laws and regulations;
• further restrict disposal of fetal remains to burial or cremation only if disposing of fetal remains that have developed beyond completion of the second trimester of gestation; and
• apply the regulations on disposition of fetal remains on or after January 1, 2020.

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

SENATE BILL 537, ACH Pmt/Counselor-SA-SW Act Amend/ DHHS Rev. The provisions of this bill were removed in the House Health Committee and replaced with a proposed committee substitute that would establish the North Carolina Impaired Professionals Program (Program). The Program would:
• provide screening, referral, monitoring, educational, and support services for professionals credentialed pursuant to GS Chapter 90, Article 5C (North Carolina Substance Abuse Professionals Certification Act), for treatment and rehabilitation of an impairment attributed to physical or mental illness, substance use disorder, or professional sexual misconduct;
• enter into an agreement with credentialed substance use disorder professionals for the purpose of identifying, reviewing, and evaluating referred or self-referred substance abuse professionals to function in their professional capacity and coordinate regimens for treatment and rehabilitation;
• immediately report to the Board information about credentialed substance-abuse professionals who meet any of four listed criteria, including constituting an immediate danger to patient care;
• provide that materials in the possession of the Program or its staff, employees, legal counsel, and volunteers, related to a member's participation or prospective participation in the Program are not public records;
• allow persons participating in good faith in the Program to withhold that fact in a civil action or proceeding, and provide that activities in good faith under an agreement authorized by this statute are not grounds for civil action;
• provide for written assessments by the Program, and to the extent permitted by law any written assessment created by a treatment provider or facility at the recommendation of the Program to be provided to certified substance abuse professionals and their legal counsel at the request of the professional, and provide that the information is inadmissible as evidence in any civil action or proceeding; and
• direct the Addiction Specialist Board to adopt rules to apply to the operation of the Program.

The bill as amended was approved by the House Health Committee and will next be considered by the Full House.

SENATE BILL 681, Rur Hlth Care/Loc. Sales Tax Flex/Util. Acct, was approved by the Senate and was heard in the House Finance Committee and the House Rules Committee where committee substitutes were approved. The latest version would:
• change the Rural Health Care Stabilization Fund to be a non-reverting special fund in the Office of State Budget and Management and under the custody of the State Treasurer, rather than controlled and under the direction of UNC Health Care;
• change the interest rate and maturity for loans awarded under the Program, requiring that the interest rate not exceed the interest rate obtained by the State on its most recent general obligation bond offering and that the maturity not exceed 20 years, with the one-time option to extend the loan for another ten years;
• add changes to the county sales and use tax by:
  o requiring that these taxes levied be approved in a referendum, as specified,
  o restricting a referendum to an increase in increment of .25%, and limiting the total local sales and use tax rate to 2.5% or 2.75%, as specified,
  o restricting the levy of the additional 0.25% sales and use tax allowed under the until on or after October 1, 2020, if the levy results in a 2.5% county sales and use tax rate, and
  o prohibiting holding a referendum on the levy of these taxes within one year from the date of the last preceding election for the same.
• restrict a county's use of the net proceeds of county sales and use taxes to any public purpose and/or public education purposes, which must be indicated on the ballot question presented at the referendum, as specified;
• define public education purposes to mean (1) public school capital outlay purposes or to retire any of the county's related indebtedness, (2) classroom teacher salary supplements, or (3) financial support of community colleges;
• add changes to the local government sales and use taxes for public transportation by requiring these taxes only be levied when the total local sales and use tax rate in the county does not exceed a 2.5% or 2.75% as specified;
• amend the definition of Combined general rate to mean the sum of: the State's general rate, the sum of the rates of the local sales and use taxes authorized for every county, and half of the maximum rate authorized for one-quarter cent or one-half cent county sales and use taxes;
• amend the Industrial Development Fund Utility Account by expanding the definition of economically distressed county to mean a county that has one of the 87 highest rankings under development tiers.

The bill as amended was approved by the House Finance and Rules Committees and will next be considered by the Full House.

LEGISLATION ENACTED

HOUSE BILL 50, Allow Hyperbaric Oxygen Therapy for TBI/PTSD, was signed into law by Governor Cooper on July 26th. The new law:
• prohibits any person other than an authorized medical professional from prescribing hyperbaric oxygen therapy treatment to a veteran for the treatment of traumatic brain injury or posttraumatic stress disorder;
• authorizes any veteran NC resident who has been diagnosed with a traumatic brain injury or posttraumatic stress disorder by an authorized medical professional to receive hyperbaric oxygen therapy treatment in NC; and
• requires prescribers and providers of such treatment to do so in a manner compliant with the standard approved treatment protocols for hyperbaric oxygen therapy.

Effective: October 1, 2019.

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