

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 425*

Short Title: Medicaid Billing by Local Health Departments. (Public)

Sponsors: Representative Barnhart (Primary Sponsor).
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Health and Human Services.

March 23, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE LOCAL PUBLIC HEALTH DEPARTMENTS TO BILL
3 MEDICAID THROUGH AN APPROVED MEDICAID CLEARINGHOUSE OR
4 THROUGH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION
5 OF PUBLIC HEALTH.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 130A-45.01 reads as rewritten:

8 "§ 130A-45.01. Definitions.

9 As used in this Part, unless otherwise specified:

10 (1) "Aggregate data" means high-level reports about services provided, such as
11 the number of patients meeting particular criteria served by a health
12 department or the count of a particular service being performed by a health
13 department.

14 ~~(1)~~(2) "Authority service area" means the area within the boundaries of the
15 authority as provided for in G.S. 130A-45.4.

16 ~~(2)~~(3) "Board" means a public health authority board created under this Part.

17 ~~(3)~~(4) "County" means the county which is, or is about to be, included in the
18 territorial boundaries of a public health authority when created hereunder.

19 ~~(4)~~(5) "County board of commissioners" means the legislative body charged with
20 governing the county.

21 ~~(5)~~(6) "Department" means the Department of Health and Human Services.

22 (7) "Encounter level data" means patient identified data specific to each medical
23 encounter used to bill medical services.

24 ~~(6)~~(8) "Federal government" means the United States of America, or any agency,
25 instrumentality, corporate or otherwise, of the United States of America.

26 ~~(7)~~(9) "Government" means the State and federal governments and any
27 subdivision, agency, or instrumentality, corporate or otherwise, of either of
28 them.

29 (10) "Health Information System" or "HIS" means the system operated by the
30 North Carolina Division of Public Health and used by local health
31 departments to record information about services the local health
32 departments provide.

33 ~~(8)~~(11) "Public health authority" means a public body and a body corporate and
34 politic organized under the provisions of this Part.



1 ~~(9)~~(12) "Public health facility" means any one or more buildings, structures,
2 additions, extensions, improvements, or other facilities, whether or not
3 located on the same site or sites, machinery, equipment, furnishings or other
4 real or personal property suitable for providing public health services; and
5 includes, without limitation, local public health departments or centers;
6 public health clinics and outpatient facilities; nursing homes, including
7 skilled nursing facilities and intermediate care facilities, adult care homes for
8 the aged and disabled; public health laboratories; administration buildings,
9 central service and other administrative facilities; communication, computer
10 and other electronic facilities; pharmaceutical facilities; storage space;
11 vehicular parking lots and other such public health facilities, customarily
12 under the jurisdiction of or provided by public health departments, or any
13 combination of the foregoing, with all necessary, convenient or related
14 interests in land, machinery, apparatus, appliances, equipment, furnishings,
15 appurtenances, site preparation, landscaping, and physical amenities.

16 (13) "Public health program services" means services normally provided by a
17 local health department under agreements with the North Carolina Division
18 of Public Health or the North Carolina Division of Medical Assistance.

19 ~~(10)~~(14) "Real property" means lands, lands under water, structures, and any and
20 all easements, franchises and incorporeal hereditaments and every estate and
21 right therein, legal and equitable, including terms for years and liens by way
22 of judgment, mortgage or otherwise.

23 ~~(11)~~(15) "State" means the State of North Carolina."

24 **SECTION 2.** Part 1B of Article 2 of Chapter 130A of the General Statutes is
25 amended by adding a new section to read:

26 "**§ 130A-45.14. Local health department billing of Medicaid.**

27 (a) Local health departments shall have the following two options to bill public health
28 program services to Medicaid:

29 (1) Submit claim data to HIS and manage 837/835 billing files within HIS.

30 (2) Submit claim data to any approved Medicaid clearinghouse and manage
31 837/835 billing files within that system.

32 (b) The Division of Public Health may require local health departments, regardless of
33 how those local health departments choose to bill public health program services to Medicaid,
34 to submit aggregate data to the Division of Public Health.

35 (c) Local health departments shall not be required under this section to submit
36 encounter level data to the Division of Public Health or the Health Information System.

37 (d) Local health departments that bill services through a Medicaid clearinghouse shall
38 be entitled to the same reimbursement rates negotiated for agencies classified as public health
39 entities and the same Medicaid cost settlement reimbursement as those agencies that bill
40 services through HIS.

41 (e) The Division of Public Health shall provide aggregate data requirements for the
42 purposes of Medicaid cost study reimbursement on behalf of the local health departments that
43 choose to bill services through a Medicaid clearinghouse. Those local health departments shall
44 submit to the Division of Public Health the data required for the purposes of Medicaid cost
45 study reimbursement."

46 **SECTION 3.** This act becomes effective October 1, 2011.