



2017-2018 General Assembly

SENATE BILL 257: Appropriations Act of 2017, Sec. 11A.13: Graduate Medical Funding for Cape Fear Valley Medical Center

Committee:
Introduced by:
Analysis of: Sec. 11A.13 of S.L. 2017-57

Date: September 28, 2017
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Staff Attorney

OVERVIEW: *Sec. 11A.13 of S.L. 2017-57 directs the Department of Health and Human Services, Division of Central Management and Support, to allocate up to \$3 million dollars in recurring funds to be used to for graduate medical education to support the establishment of residency programs at the Cape Fear Medical Center (Center) affiliated with Campbell University School of Medicine.*

The recurring amount of funds allocated to the Center will not exceed the lesser of: (1) the total amount of actual lost Medicare payments attributed to the Center's reclassification as a rural hospital prior to October 1, 2017, or (2) any other charge approved by CMS, up to a maximum of \$3 million dollars.

No funds will be paid to the Center until the Office of State Budget and Management (OSMB) certifies: (1) the amount of actual lost Medicare payments, (2) that the Center has maintained approval from the Centers for Medicare and Medicaid Services (CMS) for reclassification as a rural hospital or rural referral center, and (3) the Center has maintained approval from the Accreditation Council for Graduate Medical Education or the American Osteopathic Association for residency programs with at least 130 additional residency slots.

The Center must report on its progress in establishing residency programs to the House Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division no later than April 1, 2018.

Any funds not obligated to, or encumbered by, the Center by June 30, 2018, must revert to the General Fund.

This section became effective July 1, 2017.

Karen Cochrane-Brown
Director



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Legislative Analysis
Division
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