



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 575: Establish Birth Center Licensure Act.

2019-2020 General Assembly

Committee:	House Health. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 29, 2019
Introduced by:	Reps. Murphy, Lambeth, Dobson, White	Prepared by:	Theresa Matula
Analysis of:	PCS to First Edition H575-CSSH-9		Committee Staff

OVERVIEW: House Bill 575 would provide the Birth Center Licensure Act establishing licensing requirements for birth centers including: limitations of services, fees, inspections, the creation of a NC Birth Center Commission, and requirements for rules to be adopted by the Commission.

The PCS amends the appointing authorities for Commission members and provides for the staggering of terms, adds a section pertaining to the treatment of confidential information, and makes several other changes.

[As introduced, this bill was identical to S633, as introduced by Sens. Hise, Krawiec, Woodard, which is currently in Senate Rules and Operations of the Senate.]

BILL ANALYSIS: Section 1(a) of HB 575 establishes the Birth Center Licensure Act in Part 4A, Article 6, of Chapter 131E, to provide licensing requirements for birth centers that promote public health, safety, and welfare and to provide for the development, establishment, and enforcement of basic standards for the care and treatment of mothers and infants in birth centers. The Act includes the following broad components:

- Definitions** (G.S. 131E-153.1) – Defines the following terms: "birth center", "commission" and "low-risk pregnancy" A birth center is defined as a facility licensed for the primary purpose of performing normal, uncomplicated deliveries that is not a hospital or ambulatory surgical facility, and where births are planned to occur away from the mother's usual residence following a low-risk pregnancy.
- Licensure** (G.S. 131E-153.2) - A birth center in the State must obtain a license from the Department of Health and Human Services. Information required on the licensure application is specified in the bill. Upon receipt of the application, the Department will issue a license upon the recommendation of the NC Birth Center Commission. The Department may charge a \$100 nonrefundable annual license fee.
- NC Birth Center Commission** (G.S. 131E-153.7) – The Commission will consist of seven members (three licensed physicians providing obstetric care, three certified nurse midwives providing obstetric care, and one public member) and is charged with adopting rules establishing standards for licensure, operation and regulation of birth centers and reviewing and making recommendations to the Department about whether to approve or disapprove birth center license applications. The PCS provides that the Governor appoints five members, the Speaker appoints one member, and the President Pro Tempore of the Senate appoints one member. **Section 1(c)** of the bill provides for the staggering of terms by setting the initial terms of office.

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- **Adverse Action on a License** (G.S. 131E-153.3) – The Department is allowed to deny, suspend, or revoke a license when there is substantial failure to comply, the Secretary may suspend admission or services.
- **Limitations of Services** (G.S. 131E-153.4) - The following limitations apply to services at a licensed birth center:
 - Surgical procedures are limited to those normally accomplished during an uncomplicated birth, such as episiotomy and repair, as determined by the Commission.
 - No abortions may be performed.
 - No general or conduction anesthesia may be performed.
 - No Vaginal Birth After Cesarean (VBAC) or Trial of Labor After Cesarean (TOLAC) may be performed.
- **Inspections** (G.S. 131E-153.6) - The Department has the right of proper entry upon any and all parts of the premises of any place in which entry is necessary to carry out the provision of the Part or rules adopted by the Commission. Further, the Department is authorized to inspect the birth centers as it deems necessary to investigate unexpected occurrences involving death of serious physical injury.
- **Rules** (G.S. 131E-153.8) - The NC Birth Center Commission is required to adopt rules for the following: accreditation; risk status; second trimester ultrasound; targeted ultrasound; transfer of patients to higher levels of care; sentinel events and adverse outcomes; and reporting requirements.
- **Confidential Information** (G.S. 131E-153.9) – Outlines when confidential or nonpublic information can be released.
- **Birth Center Fee Schedule** (G.S. 131E-153.5) - The Department is allowed to review and revise the Freestanding Birth Center Fee Schedule. **Section 1(b)** of the bill would require the Department of Health and Human Services by October 1, 2019, to review and revise if necessary, the Freestanding Birth Center Fee schedule to ensure fees are sufficient to cover the costs of providing care and the cost for any State-mandated newborn screening program is reimbursed at no less than the cost of the screening.

EFFECTIVE DATE: House Bill 575 would become effective July 1, 2019, and apply to licenses granted one year after the rules promulgated by the Commission are adopted. The Codifier of rules is required to notify the Revisor of Statutes of the effective date of rules adopted as required by this act.