



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: NC Health & Human Services Workforce Act.
Bill Number: House Bill 125 (Fourth Edition)
Sponsor(s):

SUMMARY TABLE

	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	582,400	81,057	155,903	162,868	169,304
General Fund Impact	(582,400)	(81,057)	(155,903)	(162,868)	(169,304)
NET STATE IMPACT	(582,400)	(81,057)	(155,903)	(162,868)	(169,304)
STATE POSITIONS	0.00	1.00	1.00	1.00	1.00

FISCAL IMPACT SUMMARY

The bill includes various fee adjustments associated with the North Carolina Medical Board (Medical Board), the North Carolina State Board of Examiners in Optometry (Optometry Board), and the North Carolina Board of Pharmacy (Pharmacy Board). However, because operating budgets and spending for these boards occur outside of the State treasury, there would be no fiscal impact on the State's budget.

The bill also requires the Department of Health and Human Services to develop a plan to transition the Nurse Aide I education and training program to the Board of Nursing and to monitor hospital security plans and track, analyze, and report on various metrics related to hospital violence. The net impact on the general fund from these new requirements is estimated to be \$582,400 in FY 2023-24, \$81,057 in FY 2024-25, and less than \$200,000 in subsequent years.

FISCAL ANALYSIS

Occupational Licensure Fee Adjustments

Section 1.1 amends Article 1 of Chapter 90, adding a new section authorizing the Medical Board to issue military relocation licenses to qualified individuals. The military relocation license would remain active for the duration of military orders and may be converted to a full license. The section also sets a military relocation license fee of \$400, the same amount paid by other licensees.

Section 2.1 amends Article 1 of Chapter 90, adding a new section authorizing the Medical Board to issue internationally-trained hospital physician employee licenses to qualified individuals and

requiring the Medical Board to adopt rules for the issuance of this license. Section 2 sets an internationally-trained hospital physician license fee of \$400, the same amount paid by other licensees.

Section 5.1 amends G.S. 90-123 to adjust the current fee structure for the Optometry Board by creating new fees for provisional licenses and renewals, and by eliminating fees for other licensure types. Table 1 summarizes the fee changes:

Table 1: Licensure Fees	Current Fee	H125 Fee
General Optometry License	\$800	\$1000
General Optometry License – Renewal	\$300	\$500
Optometric Assistant License and Renewal	\$100	\$100
Optometric Technician License and Renewal	\$100	\$100
Branch Office License and Renewal	\$100	\$200
Provisional License	\$0	\$300
Provisional License – Renewal	\$0	\$100
Certificate of License for Resident Optometrist Desiring to Change to another State or Territory	\$300	\$0
License for Practitioner of Another State or Territory to Practice in this State	\$350	\$0
License for Retired/Returned After Moving out of State Optometrist	\$350	\$0

Section 5.2 amends Article 6 of Chapter 90 by adding a new section requiring registration of dispensing optometrists and requiring a registration fee to be paid to the Pharmacy Board. The section also amends G.S. 90-85.24 to establish the registration fee to the Pharmacy Board. Table 2 summarizes the newly established registration fees for dispensing optometrists:

Table 2. Fees for dispensing Optometrists	H125 Fee
Annual Registration for Dispensing Optometrist	\$75
Reinstatement of Registration as a Dispensing Optometrist	\$75

Licensure Adjustments Impact on State Budget

The operating budgets and spending for the boards impacted by the bill occur outside the State treasury and budget. Thus, the collection of fees authorized in the bill and the administrative costs associated with each board would not impact the State’s budget.

Department of Health and Human Services

Part VII requires the Department of Health and Human Services (DHHS), Division of Health Service Regulation (DHSR) to develop a plan to transition the Nurse Aide I Education and Training Program to the Board of Nursing and submit the plan to the Joint Legislative Oversight Committee on Health and Human Services (JLOC HHS) by February 1, 2024. It is expected that there will be a non-recurring cost associated with the staff time required to develop the plan, but that cost will be minimal.

Part VIII amends Article 5 of Chapter 131E to require hospitals with emergency departments to develop security plans and submit those plans to DHHS. It requires DHHS to maintain a list of hospitals with the required security plans. It also requires DHHS to annually collect data from each hospital and report to HHS JLOC on that data. The compiled data includes: (i) the number of assaults occurring in the hospital or on hospital grounds that required the involvement of law enforcement, whether the assaults involved hospital personnel, and how those assaults were pursued by the hospital and processed by the judicial system, (ii) the number and impact of incidences where patient behavioral health and substance use issues resulted in violence in the hospital and the number that occurred specifically in the emergency department, and (iii) the number of workplace violence incidences occurring at the hospital that were reported as required by accrediting agencies, the Occupational Safety and Health Administration, and other entities. The bill requires DHHS to examine data from hospitals which have developed a required safety plan and include any recommendations for decreasing incidence of hospital violence as part of the annual report. The first required report is due on September 1, 2025.

North Carolina has 117 licensed hospitals and DHHS anticipates that nearly all would have an emergency department subject to the requirements of this bill. DHSR would require additional staff to review the security plans, collect the required information from each hospital, and prepare the reports. DHHS anticipates the work requiring a full time Nurse Consultant I, with a background in emergency departments. This analysis assumes that the Nurse Consultant position would be established starting January 1, 2025, so that they could collect the required data to meet the September 1, 2025 data collection deadline required in the bill. The annual salary of a Nurse Consultant I (budgeted at the 3rd quartile of the classification) is \$85,846. The annual recurring cost of implementing Part VIII, indexed for inflation, would be \$119,503 for salary and benefits, and \$23,250 for operational costs, including funds for traveling to inspections. DHHS also estimates it will incur nonrecurring costs of \$582,400 in FY 2023-24 to modify its electronic data system to store the data required by Part VIII, and \$6,465 in FY 2024-25 for office equipment and supplies. Table 3 details DHHS’s estimated cost of implementing the requirements of Part VIII.

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
IT Contract	\$ 582,400				
Computer & Office Equipment		\$ 6,465			
Salary & Benefits		\$ 62,793	\$ 131,906	\$ 138,430	\$144,393
Operational Cost		\$ 11,799	\$ 23,997	\$24,438	\$24,911
Total Requirements	\$582,400	\$ 81,057	\$ 155,903	\$162,868	\$169,304
Notes: Analysis assumes position and operating cost begin January 1, 2025 Recurring costs are indexed for inflation Numbers may not sum due to rounding					

TECHNICAL CONSIDERATIONS

N/A

DATA SOURCES

DHHS

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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Signed copy located in the NCGA Principal Clerk's Offices