

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 783

Health Care Committee Substitute Adopted 4/28/99

House Committee Substitute Favorable 7/9/99

Short Title: Long-Term Care Facilities/Disclosure.

(Public)

Sponsors:

Referred to:

April 7, 1999

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT NURSING HOMES PROVIDING SPECIAL CARE FOR PERSONS WITH ALZHEIMER'S DISEASE OR OTHER DEMENTIAS DISCLOSE CERTAIN INFORMATION, TO ALLOW CERTAIN INDIVIDUALS EXCLUDED FROM MEMBERSHIP IN THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN TO APPLY FOR REINSTATEMENT IN THE PLAN, AND TO REQUIRE OUT-OF-STATE PHARMACIES TO FILL VALID PRESCRIPTIONS WRITTEN BY NORTH CAROLINA PRACTITIONERS.

The General Assembly of North Carolina enacts:

Section 1. Part A of Article 6 of Chapter 131E of the General Statutes is amended by adding the following new section to read:

"§ 131E-113. Special care units; disclosure of information required.

(a) A nursing home or combination home licensed under this Part that provides special care for persons with Alzheimer's disease or other dementias in a special care unit shall make the following disclosures pertaining to the special care provided that distinguishes the special care unit as being especially designed for residents with

1 Alzheimer's disease or other dementias. The disclosure shall be made annually, in
2 writing, to all of the following:

3 (1) The Department, as part of its licensing procedures.
4 (2) Each person seeking placement within a special care unit, or the
5 person's authorized representative, prior to entering into an agreement
6 with the person to provide special care.

7 (b) Information that must be disclosed in writing shall include, but is not limited
8 to, all of the following:

9 (1) A statement of the overall philosophy and mission of the licensed
10 facility and how it reflects the special needs of residents with dementia.

11 (2) The process and criteria for placement, transfer, or discharge to or from
12 the special care unit.

13 (3) The process used for assessment and establishment of the plan of care
14 and its implementation, as required under State and federal law.

15 (4) Typical staffing patterns and how the patterns reflect the resident's need
16 for increased care and supervision.

17 (5) Dementia-specific staff training.

18 (6) Physical environment features designed specifically for the special care
19 unit.

20 (7) Alzheimer's disease and other dementia-specific programming.

21 (8) Opportunities for family involvement.

22 (9) Additional costs or fees to the resident for special care.

23 (c) As part of its license renewal procedures and inspections, the Department shall
24 examine for accuracy the written disclosures made by each licensed facility subject to
25 this section.

26 (d) Nothing in this section shall be construed as prohibiting a nursing home or
27 combination home that does not offer a special care unit from admitting a person with
28 Alzheimer's disease or other dementias. The disclosures required by this section apply
29 only to a nursing home or combination home that advertises, markets, or otherwise
30 promotes itself as providing a special care unit for persons with Alzheimer's disease or
31 other dementias.

32 (e) As used in this section, the term 'special care unit' means a wing or hallway
33 within a nursing home, or a program provided by a nursing home, that is designated
34 especially for residents with Alzheimer's disease or other dementias, or other special
35 needs disease or condition, as determined by the Medical Care Commission, which may
36 include mental disabilities."

37 Section 2. G.S. 135-40.2(h) reads as rewritten:

38 "(h) No person shall be eligible for coverage as an employee or retired employee or
39 as a dependent of an employee or retired employee upon a finding by the Executive
40 Administrator or Board of Trustees or by a court of competent jurisdiction that the
41 employee or dependent knowingly and willfully made or caused to be made a false
42 statement or false representation of a material fact in a claim for reimbursement of
43 medical services under the Plan. Persons subject to this subsection shall have a cessation

1 of coverage for a period of five years and are eligible to apply for reinstatement of
2 coverage after the five-year period upon a full and complete restitution to the Plan."

3 Section 3. G.S. 135-40.11(a)(6) reads as rewritten:

4 "(6) The last day of the month in which a covered individual is found to have
5 knowingly and willfully made or caused to be made a false statement or
6 false representation of a material fact in a claim for reimbursement of
7 medical services under the Plan. Persons subject to this subdivision
8 shall have a cessation of coverage for a period of five years and are
9 eligible to apply for reinstatement of coverage after the five-year period
10 upon a full and complete restitution to the Plan."

11 Section 4. G.S. 135-39.5 is amended by adding a new subdivision to read:

12 "(24) Implementing and administering policies, including requirements for a
13 five-year cessation of coverage, full restitution to the Plan, and other
14 relevant factors, governing reinstatement to the Plan of persons whose
15 coverage was terminated pursuant to G.S. 135-40.2(h) and G.S. 135-
16 40.11(a)(6)."

17 Section 5. G.S. 90-85.21A reads as rewritten:

18 "**§ 90-85.21A. Applicability to out-of-state operations.**

19 (a) Any pharmacy operating outside the State which ships, mails, or delivers in
20 any manner a dispensed legend drug into this State shall annually register with the Board
21 on a form provided by the Board.

22 (b) Any pharmacy subject to this section shall at all times maintain a valid
23 unexpired license, permit, or registration necessary to conduct such pharmacy in
24 compliance with the laws of the state in which such pharmacy is located. No pharmacy
25 operating outside the State may ship, mail, or deliver in any manner a dispensed legend
26 drug into this State unless such drug is lawfully dispensed by a licensed pharmacist in the
27 state where the pharmacy is located.

28 (c) The Board shall be entitled to charge and collect not more than two hundred
29 fifty dollars (\$250.00) for original registration of a pharmacy under this section, and for
30 renewal thereof, not more than one hundred twenty-five dollars (\$125.00).

31 (d) The Board may deny a nonresident pharmacy registration upon a determination
32 that the pharmacy has a record of being formally disciplined in its home state for
33 violations that relate to the compounding or dispensing of legend drugs and presents a
34 threat to the public health and safety.

35 (e) Except as otherwise provided in this subsection, the Board may adopt rules to
36 protect the public health and safety that are necessary to implement this section.
37 Notwithstanding G.S. 90-85.6, the Board shall not adopt rules pertaining to the shipment,
38 mailing, or other manner of delivery of dispensed legend drugs by pharmacies required to
39 register under this section that are more restrictive than federal statutes or regulations
40 governing the delivery of prescription medications by mail or common carrier. A
41 pharmacy required to register under this section shall comply with rules adopted pursuant
42 to this section.

1 (e1) A pharmacy subject to this section that receives a valid prescription from a
2 practitioner in this State who is authorized to prescribe prescription drugs shall dispense
3 or arrange for the dispensing of the prescription.

4 (f) The Board may deny, revoke, or suspend a nonresident pharmacy registration
5 for failure to comply with any requirement of this section."

6 Section 6. Section 1 of this act becomes effective January 1, 2000. The
7 remainder of this act is effective when it becomes law.