



INTRODUCTION

LEGISLATORS RESIGN LEADERSHIP POSITIONS

Two Republican House members have resigned from their positions as deputy whips of the House Republican caucus following fallout from controversial comments made by the policymakers.

During debate over a bill that would expand eligibility for Opportunity Scholarships, Rep. Jeff McNeely questioned whether a fellow member of the House, Rep. Abe Jones, would have gotten into Harvard University had he not been a minority and an athlete. Rep. McNeely apologized both privately and publicly for his remarks. In a separate debate over the veto override vote of the abortion bill, Rep. Diamond Staton-Williams shared her personal story with abortion. During her heartfelt speech, she discussed her faith and growing up attending church, to which Rep. Keith Kidwell quipped, off-mic, that she was a member of the “Church of Satan.” “I thought it was unfortunate, especially as a person of faith,” Rep. Staton-Williams said. “That, because how I believe and how I feel and how I live my faith don’t align with him, that something like that was said.”

“As elected officials, we must serve by example and be accountable for our actions, especially as leaders in the caucus,” House Majority Leader John Bell said in a statement issued after the announcement. “While apologies have been made and accepted, we believe this is an appropriate action and step forward. The House Republican Caucus remains united as we work towards our shared goals this legislative session.”

HOUSE BILL 737

A bill set out to preserve competition in health care by regulating the consolidation and conveyance of hospitals was pulled from the House Health Committee’s agenda this week. House Bill 737 would give the state’s attorney general the ability to block hospital sales and mergers that would harm communities by reducing competition. House Health Chair Wayne Sasser, a bill sponsor, said they have received “a lot of questions about it” and suggested that he’d like to see if stakeholders can find a common ground on this bill before moving forward. “We see monopolies as an issue in health care, period,” Sasser said. “And we just wanted to make sure that the smaller providers could survive without being eaten up by the big boys.”



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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BLUE CROSS BLUE SHIELD

House Bill 346, Reorganization & Economic Development Act, has made its way through Senate Committees and the Senate. The controversial bill would allow Blue Cross and Blue Shield to reorganize so that they are controlled by a non-profit holding corporation. The non-profit holding company would not be subject to the same levels of regulatory oversight that the hospital service corporation currently has, specifically under the NC Department of Insurance. The state Department of Insurance Commissioner Mike Causey has actively spoken out against this change. “I think that this legislation is missing many provisions that’s necessary to protect the people, the policyholders,” NC Insurance Commissioner Mike Causey said. “[It] does not provide for a meaningful review of reorganization.” Commissioner Causey has also argued that this change would ultimately raise rates for consumers. Despite DOI’s opposition, the bill has moved through committees unchanged from the version that passed the House 82-26, with some of the House’s most conservative and most liberal members voting against the measure.

Supporters of the bill have argued that this is simply necessary regulatory reform to allow this fully-taxed non-profit to keep up with the changing times. “Under today’s corporate structure, they can’t move fast and in the world of business, you have to be able to move fast when it comes to opportunities,” primary bill sponsor Rep. John Bradford said. Supporters have also emphasized that the Insurance Commissioner will have to still approve any rate change proposed, so they don’t believe this will result in automatic rate increases.

MEDICAL MARIJUANA

The House Health Committee heard Senate Bill 3, North Carolina Compassionate Care Act, a priority of a number of state Senators. This bill was the first policy measure filed in the Senate and passed the chamber early in the session.

The House was not in a great position to support such a policy move last session when the Senate first passed this bill over to them. This session appears to be different. Speaker Moore recently told reporters that there is a “decent prospects of passage. ... Last year when we didn’t take it up, it was overwhelmingly opposed by most of the caucus.” The Speaker added, “attitudes have changed, and I think some folks have had an opportunity, once they were back home and met with folks, to see that there’s some potentially legitimate uses for this.”

BUDGET UPDATE

It appears there may be some delay to the legislative leaders’ self-imposed budget deadlines. According to Speaker Moore, the chambers are still “far apart” on several big-ticket items in the budget. Senate leader Berger echoed Moore’s remarks to reporters, but did note that they are surprisingly close to an agreement on state employee and teacher raises, which varied greatly in the chambers’ proposed budgets. He also shared more on areas that are still far from agreement: “How much to put in water and sewer, how much to put into any kind of economic development reserve, how much to put into any local projects that might be out there, those sorts of things.”

“We’re running a little bit behind what our optimal schedule would be,” Sen. Berger told reporters. “But I think we’re still running on a schedule that allows us to get the budget done well before the start of the next fiscal year.”

ELECTIONS OMNIBUS

A 16-page Elections Omnibus bill was filed last week, which could have a substantial impact on our 2024 election. Senate Bill 747 was filed following sightings of Cleta Mitchell in the legislative building in recent weeks. Mitchell was one of former President Trump’s main attorneys who

sought to overturn the 2020 election results. However, Senate leader Berger told reporters shortly before the bill was released on Thursday that Mitchell "has had no role in the crafting of this legislation." Mitchell had met with a few Republican senators to "review proposed content for the omnibus bills," while in town, according to documents obtained by WRAL. "Our folks are sort of caught between a rock and a hard place," Sen. Berger said, addressing Mitchell's visit. "... If they meet with someone then all of a sudden you see all this interest in it. If you refuse to meet with someone, they go and tell folks, 'They won't even talk to us.' But I can tell you, she has had no role in the crafting of this legislation."

The bill includes a number of provisions that have been proposed previously, like further restrictions on mail-in ballots, prohibiting private money in elections administration, and removing foreign citizens from voting rolls. The bill would also require voters who take part in same-day registration at an early, in-person voting site to cast a provisional ballot, which would only be accepted if the voter's address can be verified through the same mailing verification process used for new voters. The proposal would further require signature verification software be used for absentee ballots, a problematic proposal for senior citizen groups who argue that handwriting changes are common amongst senior citizens.

The elections omnibus bill was filed only in the Senate. It is possible the House will file their own version later on, according to Senate Redistricting and Elections Chair Sen. Hise.

FORMER NC DHHS SEC. COHEN

According to a Washington Post article, President Biden will be choosing our state's former Department of Health and Human Services (DHHS) Secretary Mandy Cohen to lead the Centers for Disease Control and Prevention (CDC). We will know soon enough, with the current CDC Director Rochelle Walensky set to leave her position at the end of this month.

Cohen stepped down from her position as NC DHHS Secretary in 2021 after nearly five years on the job. She was named 2020's "Tar Heel of the Year" by the Raleigh News & Observer and received the Leadership in Public Health Practice Award from Harvard University's T.H. Chan School of Public Health for her role in the state's pandemic response. Prior to DHHS, Cohen was appointed by President Obama to be the Chief Operating Officer/Chief of Staff of the Centers for Medicare and Medicaid Services (CMS). Gov. Cooper released a statement following the report: "Mandy Cohen used a steady hand to help my administration lead North Carolina through the pandemic to be among the states with the lowest deaths and job losses per capita. She is a brilliant, talented and battle tested leader who would be a fantastic CDC Director."

BILLS OF INTEREST

SENATE BILL 747, Elections Law Changes, would make various changes regarding elections laws, including provisions to:

- require county boards of elections and the State Board to publish on its website and on any materials sent to voters the date by which absentee ballots are available for voting;
- require county boards of elections to report specified information to the State Board during each day of the one-stop early voting period;
- prohibit the State Board of Elections and county boards of election from accepting private monetary donations, directly or indirectly, for conducting elections or employing individuals on a temporary basis;
- remove foreign citizens from voting rolls;

- allow applications for excuses from jury duty to allow prospective jurors to specify the reason for excusal based on disqualification, including lack of United States citizenship;
- make it a Class 1 misdemeanor for a person other than the State Board or a county board of elections, or any employee of the State Board or a county board of elections, to affix or print a barcode on an absentee ballot, an absentee container-return envelope, or an absentee ballot request form;
- require the State Board of Elections to ensure election records are retained and preserved for a period of 22 months after an election or as otherwise specified in federal law, whichever is greater;
- require a provisional ballot for same-day registration;
- require the State Board of Elections to submit an annual report on any revisions made to elections records after certification of elections, including the rationale for and timing of the revisions, to the Joint Legislative Elections Oversight Committee and the Joint Legislative Oversight Committee on General Government;
- require signature verification software for absentee ballots;
- require challenge appeals of State Board of Elections to be heard in the county where challenge originated;
- make impersonating an elections official a Class 1 misdemeanor;
- require SBI investigation of election-related felony offenses; and
- require two-factor authentication process/mail-in absentee ballots.

Introduced by Senators Hise, P. Newton, and Daniel and referred to the Senate Rules Committee.

BILL UPDATES

HOUSE BILL 125, NC Health and Human Services Workforce Act, was amended in the Senate Health Care Committee with the following provisions:

- Part I of the bill establishes a physician and physician assistant military relocation license for military service members and spouses and authorizes the issuance of military relocation licenses to a physician or physician assistant who is not actively licensed by the NC Medical Board;
- Part II of the bill authorizes the NC Medical Board to issue an International License to a physician if certain requirements are met;
- Part III of the bill expands the scope of fitting and selling hearing aids to include sales, rentals, prescriptions or orders for use of hearing aids;
- Part IV of the bill amends the definition of the certifying entity to include the Qualified Applied Behavior Analysis Credentialing Board, in addition to the Behavioral Analyst Certification Board;
- Part V amends the State’s policy related to renewal of optometry licenses, so that all licenses are subject to annual renewal;
- Part VII requires the Board of Nursing and the Department of Health and Humans Services to develop a plan to relocate the Nurse Aide I education and training program to the Nursing Board;
- Part VIII of the amendment changes the definition of “law enforcement officer” in the bill. This term now means a sworn law enforcement officer, a special police officer, or a campus police officer authorized to carry a firearm, or an armed security guard with a valid firearm registration permit. The bill requires that licensed hospitals that have an emergency department must conduct a security risk assessment and implement a security plan. The bill exempts hospitals that are not an academic medical center teaching hospital that are located in a county with less than 300,000 residents, upon the hospital’s good faith

determination that a different level of security is necessary and appropriate for any of its emergency departments. The bill requires DHHS to have access to all security plans for hospitals with an emergency department and to maintain a list of those hospitals with a security plan. The bill also requires DHHS to annually collect data from hospitals for the preceding calendar year on violent incidents. In addition, the bill requires the Administrative Office of the Courts to report annually to DHHS on the number of persons charged or convicted in the previous year.

The bill received a favorable report in the Senate Health Committee and will next be considered by the Senate Judiciary Committee and the Senate Finance Committee before going back to the Senate Rules Committee.

HOUSE BILL 190, Department of Health and Human Services Revisions, the bill was amended in the Senate Health Committee with the following provisions:

- adds and defines the terms mobile unit, opioid treatment program, opioid treatment program medication unit and opioid treatment program mobile unit. The bill also requires a licensed opioid treatment program facility intending to establish, maintain or operate an opioid treatment program medication unit or opioid treatment program mobile unit to apply to the Division of Health Service Regulation for certified services provided from an opioid treatment program medication unit or opioid treatment program mobile unit to be added to its license;
- requires a dispenser to report when a prescription is for gabapentin and whether the dispenser has a DEA number;
- requires a practitioner to electronically prescribe certain controlled substance;
- allows a governmental or nongovernmental organization to distribute an opioid antagonist obtained over the counter to a person at risk of experiencing an opioid-related overdose or to a family member, friend, or other person in a position to assist.

The bill was approved as amended by the Senate Health Committee and will next be considered by the Senate Rules Committee.

HOUSE BILL 344, Mental Health Lic. Fair Practice Standards. This bill was completely replaced in the Senate Health Care Committee and now provides as follows:

- directs the Division of Health Service Regulation of the Department of Health and Human Services to establish a quality dashboard that addresses mental health, intellectual and developmental disabilities, and substance use services agency performance and identifies trends and outcomes of the DHSR review;
- provides that the dashboard requirements, beginning Jan. 31, 2024, include monthly publishing and distribution of mandatory data points such as the number of licenses granted, number of citations by class of violation, and number of disciplinary actions by type;
- requires that this data be published on the DHSR website on a quarterly basis;
- requires that the quarterly updates must include a statement on how well it is complying with the statutory requirement that reports of violations be sent to facilities within 15 working days of the investigation; include the number of informal appeals and number of contested cases filed; and include the number of contested cases dismisses;
- requires DHSR to make certain regulatory changes to promote transparency and communications with providers, including establishing a workgroup, providing training, and aligning its review process to reflect technology in electronic health records;
- appropriates \$150,000 in nonrecurring funds to implement the Act.

The bill as amended was approved by the Senate Health Committee and will next be considered by the Senate Rules Committee.

HOUSE BILL 557, North Carolina Healing Arts Commission, the bill was amended as follows:

- amends the definition of advisory committee to require that it screen applicants for licensure and conduct investigations necessary to give recommendations to the NC Healing Arts Commission;
- requires businesses offering compensated reflexology services to have a valid and up-to-date license for all individuals offering services that must be displayed;
- amends the powers and duties of the advisory committees to include maintaining a list of the relevant professionals holding a North Carolina Healing Arts License in the relevant field (reflexologist, music therapist, or naturopathic doctor).

The bill was approved by the House Regulatory Reform Committee as amended and will next be considered by the House Health Committee and the House Rules Committee.

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