2018 Public Health Legislation

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BUDGET ITEMS OF INTEREST TO PUBLIC HEALTH

Appropriations Act of 2018 – S.L. 2018-5 (S 99)

Note: This legislation was vetoed by Governor Roy Cooper on June 6, 2018. The Governor's veto message is available here. The veto was overridden on June 12, 2018.

Each year the North Carolina General Assembly enacts an Appropriations Act, commonly known as the budget bill. The 2017 budget bill set out North Carolina's spending plan for the biennium encompassing state fiscal years 2017-18 and 2018-19. The 2018 budget bill modifies that plan for FY 2018-19. The bill was accompanied by a committee report that describes the appropriations by governmental function or department. As in past years, the budget included special provisions that provide additional information about how funds must be spent, as well as some changes to substantive law. This section summarizes special provisions and appropriations that may be of particular interest to local health departments.

Funding for Organizations Addressing Rural Health or Medically Underserved Populations. The budget for the N.C. Department of Health & Human Services (DHHS) Central Management and Support includes several non-recurring appropriations to specific programs or clinics that serve uninsured, low-income, or rural populations. Appropriation amounts range from $25,000 to $600,000. The recipients are NeighborHealth in Wake County; Hands of Hope Medical Clinic in Yadkin County; Give Kids a Smile, a project of the American Dental Association; HealthQuest prescription assistance services in Monroe, serving residents of Union, Anson, and Stanly Counties, as well as two South Carolina counties; Wayne Action Team for Community Health; the Ada Jenkins Center in Davidson; the Free Clinic of Reidsville; and the C.W. Williams Community Health Center in Charlotte. Separately, the 2018 budget for the Division of Public Health (DPH) includes a $35,000 non-recurring appropriation for the Wayne Initiative for School Health, which supports school-based health centers in Wayne County.

Funding for Organizations Addressing Food Insecurity. The budget for DHHS Central Management and Support includes several non-recurring appropriations to specific organizations that provide food assistance. Appropriation amounts range from $7,500 to $100,000. The recipients are Onslow Community Ministries, Second Harvest Foodbank of Northwest NC, Make a Difference Food Pantry in Mt. Olive, Loaves and Fishes of Union County, and Backpack Ministry, Inc.

Tobacco Cessation and Prevention. The 2017 budget for the Division of Public Health (DPH) appropriated $500,000 in recurring funds for North Carolina's Tobacco Quitline, and for a program for pregnant women called "You Quit, Two Quit." The 2018 budget changes this appropriation to $250,000. The 2017 budget provided an additional $500,000 in non-recurring funds for each year of the biennium for tobacco prevention programs for youth. The 2018 budget changes this amount to $250,000 for 2018.

Birth Certificate Initiative. The DPH budget includes an $80,000 recurring appropriation to the Vital Records Section to support Perinatal Quality Collaborative NC's birth certificate initiative. The purposes of the initiative are to improve the accuracy of birth certificate data, and to develop a perinatal data warehouse to improve the quality of neonatal care.

Newborn Screening. The budget for DPH includes $6.4 million in increased fee receipts to support the state's Newborn Screening Program and add three new tests to conform the state's program to the federally recommended newborn screening panel. Another $3.7 million in fee receipts is budgeted for the acquisition of equipment needed for the new tests, and for maintenance and replacement of other program equipment. Both of these budget items are marked recurring.

Funds for Private Organizations Providing Crisis Pregnancy Services. The 2017 budget for DPH included non-recurring funding in the amount of $1.3 million for each year in the biennium for the Carolina Pregnancy Care Fellowship, a private non-profit organization and coalition of pregnancy care centers that advocate adoption and discourage abortion. A portion of the appropriation, $300,000, was earmarked for the Human Coalition for a continuum of care project in its Raleigh clinic. The 2018 budget decreases the FY 18-19 appropriation to the Fellowship by $300,000 and adds a $300,000 appropriation to the Human Coalition.

ENVIRONMENTAL HEALTH

Limited Authority to Provide Raw Milk for Human Consumption, S.L. 2018-113 (S 711) ("Farm Bill"), sec. 15.2

Note: This legislation was vetoed by Governor Roy Cooper on June 25, 2018. The Governor's veto message is available here. The veto was overridden on June 27, 2018.

Raw milk is milk that has not been pasteurized. Pasteurization is a process that involves heating milk in order to kill disease-causing bacteria. The organisms that are affected by the pasteurization process include listeria, salmonella, and E. coli. These pathogens can be especially dangerous to people with weakened immune systems, older adults, pregnant women, and children. While many foods and beverages are capable of harboring germs that can cause illness, the Centers for Disease Control and Prevention (CDC) has identified raw milk as particularly risky. It has long been illegal to sell or dispense raw milk for human consumption in North Carolina.

Section 15.2 of the 2018 Farm Bill amends G.S. 106-266.35 to create a limited exception to the prohibition on dispensing raw milk for human consumption. It allows dispensing of raw milk and raw milk products for consumption by humans if the recipient of the milk or milk product owns a share in the animal or animals that produce the milk, and the dispensing or acquisition of the raw milk is the for the personal use or consumption of the shareholder. The bill provides that individuals may buy shares in a cow, goat, or other lactating animal. A share-owner may then obtain raw milk for the share-owner's personal use or consumption. Animal owners may not sell or dispense raw milk to the general public or

people who are not share-owners, nor may a share-owner sell or otherwise provide the raw milk the share-owner obtains to other members of the public.

The statute that is amended by this legislation is an agriculture law. There is no routine role for local health departments in the legislation. However, local health departments are responsible for investigating outbreaks of foodborne diseases, and there is reason to anticipate that the state could see illness outbreaks associated with raw milk.[1] The law is effective October 1, 2018.

Regulatory Relief Act of 2018, S.L. 2018-114 (H 374)

Note: This legislation was vetoed by Governor Roy Cooper on June 25, 2018. The Governor's veto message is available here. The veto was overridden on June 27, 2018. This summary reviews sections of the Act that address local environmental health.

Temporary Food Establishments (sec. 2)

A temporary food establishment (TFE) is an establishment that prepares and serves food to the public for a short period of time, and that is affiliated with and endorsed by a fair, a festival, a carnival, or similar events that are typically transitory. Before this legislation was enacted, the law's definition of a TFE provided that an establishment could operate as a TFE only for up to 21 days. Section 2 of the legislation amended the definition to extend the period of time a TFE may operate to up to 30 days, and to provide that a local health department may provide one 15-day extension to that time period, so long as the TFE continues to meet food sanitation requirements.

Another amendment to the definition states that a TFE may operate at agritourism businesses. Agritourism is defined in G.S. 153A-340 to mean activities carried out on a farm or ranch that the general public can participate in, generally for recreation, education, or entertainment. The statutory definition includes public and private events ranging from agricultural demonstrations to weddings that are held on farms or ranches.[2] This change is effective June 27, 2018.

On-Site Wastewater Permit Extensions (sec. 9)

Section 9 of the Regulatory Relief Act amends 2017 legislation that provided certain permit extensions for on-site wastewater systems. The 2017 legislation (S.L. 2017-211) extended the validity of improvement permits and construction authorizations issued between January 1, 2000 and January 1, 2015, if the permit "has not been acted on and would not have otherwise expired." The legislation

[1] The Centers for Disease Control and Prevention (CDC) has documented an increase in disease outbreaks associated with raw milk in states that make raw milk consumption lawful. See https://www.cdc.gov/foodsafety/rawmilk/rawmilk-outbreaks.html.

[2] Agritourism means "any activity carried out on a farm or ranch that allows members of the general public, for recreational, entertainment, or educational purposes, to view or enjoy rural activities, including farming, ranching, historic, cultural, harvest-your-own activities, or natural activities and attractions. A building or structure used for agritourism includes any building or structure used for public or private events, including, but not limited to, weddings, receptions, meetings, demonstrations of farm activities, meals, and other events that are taking place on the farm because of its farm or rural setting." G.S. 153A-340(b)(2a).

stated that such permits would remain valid until January 1, 2020, "unless there are changes in the hydraulic flows or wastewater characteristics from the original local health department evaluation." S.L. 2017-211, codified at G.S. 130A-336(b1).

In October 2017, the state Division of Public Health (DPH) issued guidance to local health departments stating that the permit extension the legislation authorized would apply only if: (1) daily design flow was unchanged; (2) the nature of the stated use was unchanged; and (3) the site had not been modified relative to the original soil and site evaluation. The DPH guidance stated that a new permit would be required if these conditions were not met. The 2018 legislation adds a statement that essentially alters point (3) in DPH's 2017 guidance. The new legislation states that if site activities were begun or completed because of requirements the local health department placed on the original permit, that does not count as "altered conditions" and those alterations may not be used to deny a permit extension.

DPH has updated its guidance to reflect this change. In a new position statement issued July 24, 2018, DPH states that improvement permits and construction authorizations that were extended by the 2017 legislation must be honored unless "(a) the owner wishes to have them reevaluated and revised; (b) there is a change in wastewater flow or characteristics; and/or (c) there is insufficient information in the file to determine how to site, construct, or install the system (e.g., no soil evaluation notes, no engineered plans, no CA, etc.)." The DPH statement also notes that failure to meet condition (c) could result in a notice of intent to suspend.

Revise Wastewater Permitting Requirements (sec. 11)

Section 11 of the Act makes several revisions to the on-site wastewater (OSWW) permitting requirements.

Replacement of gravity distribution boxes. The legislation amends the definition of "repair" in G.S. 130A-334(9a) to provide that replacement of a damaged gravity distribution box by a certified OSWW contractor does not constitute a repair for purposes of the permitting requirements. This means that a certified OSWW contractor may replace a gravity distribution box without a permit from the local health department.

Site evaluations. Before a proposed site for an OSWW system is approved, it must be evaluated. Local health departments employ environmental health specialists who conduct site evaluations in accordance with state regulations. The legislation allows certain licensed professionals who do not work for a local health department to conduct these evaluations as well. It adds a new subsection (a2) to G.S.130A-335, to specify that a licensed soil scientist or a licensed geologist may conduct the evaluation, and the local health department must accept the evaluation. The licensed soil scientist or licensed geologist who conducts the evaluation must maintain liability insurance that is commensurate with the risk.

Local rules regarding OSWW. North Carolina has state rules for OSWW, and most local health departments simply enforce the state rules and do not have their own rules. However, a local board of

health is allowed to adopt local rules for OSWW, so long as the local rules are at least as stringent as the state rules and are approved by the state. G.S. 130A-335(c). Section 11 of the Regulatory Relief Act amended this subsection to add another requirement: local boards must use their historical experience in establishing any local modifications or additions to the state rules.

OPIOIDS

Heroin and Opioid Prevention and Enforcement (HOPE) Act – S.L. 2018-44 (S 616)

The HOPE Act is the most recent act by the North Carolina General Assembly to address the opioid addiction and overdose death crisis in North Carolina. The Act is divided into five parts. Part I contains only the title of the act. Part II amends the North Carolina Controlled Substances Act. Part III makes amendments to North Carolina's Controlled Substances Reporting System (CSRS) Act. Part IV states the legislature's intent to appropriate funds in future fiscal years, and Part IV-A addresses telepsychiatry. Part V contains a severability clause and the effective dates for the Act's different provisions. This summary addresses Parts II through IV-A by topic. The appropriate effective dates from Part V are incorporated into the topical summaries.

Amendments to NC Controlled Substances Act (Part II)

Technical and clarifying changes. Sections 2 through 4 of this Part contain additions and technical corrections to North Carolina's controlled substances schedules. Sections 5 through 7 amend G.S. 90-95, which establishes penalties for violations of the North Carolina Controlled Substances Act. The changes are largely technical or clarifying in nature. These provisions are effective December 1, 2018.

Certified diversion investigator access to prescription records. Section 8 creates a new section, G.S. 90-107.1, which gives certified diversion investigators access to prescription records. The section incorporates the definitions of certified diversion investigator and qualified law enforcement agency that are created by Part III of the HOPE Act (see the summary of Part III, below).

New G.S. 90-107.1 requires pharmacies to provide copies of prescriptions and related records to a certified diversion investigator (CDI) upon request, when the request is in connection with a bona fide active investigation related to the enforcement of drug laws. The CDI who is seeking the information must provide all of the following information in writing or electronically:

- The CDI's name and certification number;
- The name of the qualified law enforcement agency for whom the CDI works;
- The case number associated with the request;
- A description of the nature and purpose of the request; and
- The first name, last name, and date of birth of each individual whose prescription and related records the CDI seeks, including any alternative names, spellings or dates of birth associated with such individual.

A pharmacy that receives such a request must provide copies of the prescriptions and other records that are requested as soon as practicable and no later than two business days after receipt of the request.[3] A CDI who submits such a request to a pharmacy must also transmit a copy of the request to the State Bureau of Investigation's Diversion and Environmental Crimes Unit. The SBI must conduct periodic audits of a random sample of CDI requests.

A CDI who acquires information pursuant to this section must keep it confidential and not divulge the CDI's knowledge of prescriptions and related records except:

- To other law enforcement officials or agencies involved in the bona fide active investigation;
- In connection with a prosecution or other proceeding in court or before a licensing board of the person to whom to the records relate;
- As provided by G.S. 90-113.74(i), a new provision of the Controlled Substances Reporting System Act that addresses disclosures from the CSRS to law enforcement and provides for the confidentiality of such information; or
- As otherwise allowed by law.

A pharmacy or pharmacist that complies in good faith with a CDI's request for records is immune from liability for improper use of information that is divulged to the CDI.

The provisions of Section 8 are effective July 1, 2019.

Penalties for diversion of controlled substances by health care professionals and others. Some people have access to controlled substances by virtue of their profession, occupation, or employment, and thus may have the opportunity to divert those drugs for personal or other illegal use. North Carolina's controlled substances act already imposed criminal liability on some of these people. Section 9 of the HOPE Act amends G.S. 90-108 to create a larger category of people and institutions who are potentially subject to criminal liability for diversion of controlled substances.

First, the legislation amends G.S. 90-108(a)(14) to extend the potential for criminal liability to "registrants" (companies authorized to manufacture, distribute, or dispense controlled substances) and "practitioners" (health care providers and health care facilities, including physicians, dentists, pharmacies, and hospitals, among others). Previously, only the employees of registrants or practitioners were subject to criminal liability for diversion under this law. Violation of this provision is a Class G felony.

Second, the legislation adds a new sub-subsection (15) to G.S. 90-108(a), to provide criminal liability for diversion of controlled substances for personal or other illegal use by any person who is not a registrant, practitioner, or employee of a registrant or practitioner, but who by virtue of occupation or profession administers or provides medical care, aid, or emergency treatment to a person who is prescribed a controlled substance. Violation of this provision is a Class G felony.

[3] Pharmacists or others may question whether the disclosure of information that such a request compels is prohibited by the federal HIPAA Privacy Rule. The answer is no; to the contrary, HIPAA expressly allows disclosures of protected health information that are required by state statutes. 45 C.F.R. 164.512(a) (disclosures required by law); see also 45 C.F.R. 164.103 (defining "required by law").

Section 9 also amends G.S. 90-108(b) by adding a new subsection (3), which creates a special classification for diversion that is done by means of diluting a controlled substance or substituting another substance for the controlled substance. The new subsection provides that diversion by means of dilution or substitution is a Class E felony.

The provisions of Section 9 are effective December 1, 2018.

Amendments Pertaining to the NC Controlled Substances Reporting System (CSRS) Act (Part III)

Reporting a prescriber's National Provider Identification number. G.S. 90-113.73(b) specifies information that prescribers must report to the CSRS. The list includes information such as the name of the patient and the prescriber's DEA number. Section 10 of the HOPE Act amends this section to add the prescriber's national provider identification (NPI) number to the list of information that must be reported, if the prescriber has such a number.[4] However, no civil penalties will be applied to a pharmacy that fails to report the NPI number, if the pharmacy does not receive the number.[5] Section 10 is effective September 1, 2018.

Amendments to CSRS confidentiality provisions. G.S. 90-113.74 protects the confidentiality of information collected and maintained by the CSRS. Section 11.(a) of the HOPE Act adds a new subsection (k), providing new criminal penalties for authorized CSRS users who access or disclose CSRS information for unauthorized purposes (effective December 1, 2018). Section 11.(b) of the HOPE Act adds a new subsection (i) to G.S. 90-113.74, to allow certified diversion investigators (CDIs) to obtain information from the CSRS, and a new subsection (j), setting out the Department of Health and Human Services' (DHHS) role in enabling CDI access (effective July 1, 2019). Section 11.(c) directs DHHS to begin developing the capabilities necessary to implement the requirements of section 11.(b) (effective July 1, 2018).

Criminal penalties for unauthorized access or disclosure. New G.S. 90-113.74(k) provides that a person who knowingly and intentionally accesses or discloses CSRS information for unauthorized purposes is guilty of a Class I felony. A person who willfully and maliciously obtains, discloses, or disseminates CSRS information with the intent to use it for commercial advantage or personal gain, or to harm any person, is guilty of a Class H felony. Anyone who is convicted of an offense under this section is permanently barred from accessing the CSRS. These provisions become effective December 1, 2018.

Certified diversion investigators' access to CSRS. New G.S. 90-113.74(i) defines terms, allows certified diversion investigators (CDIs) to obtain information from the CSRS, provides for random audits of CDIs' use of the CSRS, limits CDIs' redisclosure of CSRS information, provides immunity from liability for SBI agents who act on CDIs' requests for access to CSRS data, and prohibits CDIs from using DHHS's

[4] Health care providers who are subject to the HIPAA administrative simplification regulations must have a NPI number. 45 C.F.R. 162.410.

[5] Under G.S. 90-113.73(e), ordinarily civil penalties may be applied to pharmacies that fail to report required information after being informed by the Department of Health & Human Services that information is missing or incomplete.

interconnectivity initiatives to request prescription information from other states. These provisions become effective July 1, 2019.

Definitions. Sub-subsection (7) of new G.S. 90-113.74(i) defines the following terms:

- A ***certified diversion investigator*** (CDI) is a law enforcement officer who is affiliated with a qualified law enforcement agency and is certified as a diversion investigator by either the NC Sheriffs' Education and Training Standards Commission or the NC Criminal Justice Education and Training Standards Commission.[6]
- A ***qualified law enforcement agency*** (QLEA) is a municipal police department, a county police department, or a sheriff's office whose head is a CDI, or that employs at least one CDI and one certified division supervisor.
- A ***certified diversion supervisor*** is the head (or designee) of a municipal or county police department or sheriff's office, who has supervisory authority over the agency's diversion investigators and who is certified as a diversion supervisor by either the NC Sheriffs' Education and Training Standards Commission or the NC Criminal Justice Education & Training Standards Commission.
- A ***bona fide active investigation*** is an investigation of one or more specific persons that is conducted with a reasonable, good-faith belief based on specific facts and circumstances that are equivalent to those that would be necessary for the investigator to obtain a court order under G.S. 90-113.74(c)(5).[7]

CDI access to CSRS; random audits of access. New G.S. 90-113.74(i)(1) authorizes DHHS to release CSRS data to local law enforcement officers if all of the following conditions are met:

- The local law enforcement officer is a CDI;
- The agency supervising the CDI is a QLEA;
- The request for CSRS data is reasonably related to a bona fide active investigation involving a specific violation of any State or federal law involving a controlled substance; and
- The request has been reviewed and approved by the SBI's Diversion & Environmental Crimes Unit.

Sub-subsection (3) of new subsection (i) states that the above conditions create an audit trail that may be used to investigate or prosecute violations of the CSRS confidentiality provisions. It directs DHHS to grant access to the CSRS to the Attorney General (or designee) and special agents of the SBI who are assigned to Diversion and Environmental Crimes Unit, for the purpose of reviewing the audit trail. It further directs the SBI to conduct periodic audits of a random sample of requests from CDIs for access to data.

[6] This definition includes a provision requiring a QLEA to notify both CSRS and the SBI's Diversion and Environmental Crimes Unit within 72 hours when a CDI leaves a position involving diversion investigation.

[7] G.S. 90-113.74(c)(5) authorizes releases of CSRS data to a sheriff or designated deputy sheriff, or a police chief or designated police investigator, in order to investigate the diversion and illegal use of Schedule II through V controlled substances. The section requires that the recipient of the information be engaged in a bona fide specific investigation pursuant to a court order.

CDI disclosure of CSRS information. The legislation contains several provisions limiting when a CDI may share information obtained from the CSRS with other law enforcement personnel. The general rule under new G.S. 90-113.74(i)(4) appears to be that such information may be shared with other law enforcement personnel or prosecutorial officials only upon the direction of the CDI who originally requested the information. However, if the information is to be disclosed to law enforcement personnel from other agencies, then the information may be shared only: (1) with law enforcement personnel who are directly participating in an official joint investigation; or (2) if the matter is being referred to the other agency because it is outside the jurisdiction of the agency that received the information, with a CDI employed by a QLEA with jurisdiction.

In any case in which a CDI receives CSRS data that indicate transactions that occurred solely outside the CDI's jurisdiction, the matter must be referred to either the SBI Diversion and Environmental Crimes Unit or to a CDI employed by a QLEA with jurisdiction over the transactions. This provision is in new G.S. 90-113.74(i)(5).

Immunity from liability for SBI agents. New G.S. 90-113.74(i)(2) provides that, when a special agent of the SBI's Diversion and Environmental Crimes Unit takes action on a request by a CDI for access to CSRS data, the special agent is immune from criminal or civil liability for the special agent's own actions or the actions of the CDI who made the request.

Prohibition on using CSRS interconnectivity to request or receive data from other states. New G.S. 90-113.74(i)(6) states that CDIs may not request or receive prescription data from other states through PMP Interconnect or any other mechanism established by DHHS to facilitate interstate connectivity of the CSRS.

DHHS to enable CDI and SBI access and use. The legislation enacts a new subsection (j) to G.S. 90-113.74, which requires DHHS to take several actions to enable CDIs and the SBI to access and use CSRS data. These provisions become effective July 1, 2019.

First, DHHS must enable each CDI associated with a QLEA to register with the CSRS. To register, the CDI must provide at least all of the following information:

- The CDI's name and certification number;
- The name of the QLEA for whom the CDI works; and
- The name and certification number of each certified diversion supervisor with whom the CDI works.

Second, DHHS must enable CDIs to request and receive data in connection with a bona fide active investigation of a specific controlled substance law violation, by providing at least the following:[8]

- The case number associated with the request;
- A description of the nature and purpose of the request;

[8] The legislation's requirement that DHHS "enable" CDI requests and receipt of information by "providing" the listed items is confusing. It likely means that a CDI must provide the information in the list when making a request for information, and that DHHS must enable such requests by assuring the CSRS is able to receive requests including such information.

- The first name, last name, and date of birth of each individual whose prescription data is sought by the CDI, including any alternative name, spelling, or date of birth; and
- An acknowledgment that the CDI is aware of the penalties associated with improperly obtaining, disclosing, or disseminating CSRS data.

Third, DHHS must enable the SBI Diversion and Environmental Crimes Unit to review CDI requests and approve or deny them, or delay them pending further review or investigation. Finally, DHHS must create an audit trail that may be used to investigate or prosecute violations of the CSRS Act. DHHS must also ensure that the NC Attorney General and special agents of the SBI's Diversion and Environmental Crimes Unit have access to the CSRS to review the audit trail.

Civil penalties for violations of CSRS Act; immunity from liability. G.S. 90-113.75 provides for civil penalties and other remedies when individuals violate the CSRS Act. Under this law, DHHS must impose a civil penalty on a person who intentionally, knowingly, or negligently releases, obtains, or attempts to obtain information from the CSRS in violation of the Act or its implementing rules. Section 12 of the HOPE Act amends this section to add that such person must be temporarily barred from accessing the CSRS until there are further findings by DHHS.

Section 12 also amends the statute's provision of immunity to authorized users of the CSRS in two ways. First, it clarifies that a practitioner, dispenser, or other person or entity that is allowed to obtain access to the CSRS, or that is required or allowed to submit or transmit information, including protected health information,[9] is immune from civil or criminal liability that might otherwise be imposed, so long as the person or entity acted in good faith. It also extends the scope of the statute by providing immunity from liability that might otherwise arise as a result of subsequent actual or attempted access, use, or disclosure of records, data, or information by DHHS, law enforcement, or any other person or entity.

Section 12 is effective July 1, 2018.

Certification of CDIs and supervisors. Section 13 of the HOPE Act enacts new G.S. 90-113.74E, which authorizes the NC Criminal Justice Education and Training Standards Commission and the NC Sheriffs' Education and Training Standards Commission to ensure the creation of educational materials and training programs to certify diversion investigators and supervisors. In carrying out this duty, the two commissions must consult with the NC Department of Justice, the NC Justice Academy, and the SBI.

Section 14 amends G.S. 17C-6(a) (powers of the Criminal Justice Education and Training Standards Commission) and 17E-4(a) (powers and duties of the Sheriffs' Education and Training Standards Commission) to authorize those commissions to establish minimum standards and levels of training for certification of diversion investigators and supervisors. The amendments require that CDIs receive training in:

[9] The term "protected health information" is not defined in the CSRS Act, but it is widely recognized as a HIPAA term, meaning information that is individually identifiable and that relates to an individual's health status or condition, the provision of health care to an individual, or payment for the provision of health care to an individual. See 45 C.F.R. 160.103.

- Drug diversion, including the types of drugs most subject to diversion and misuse, the methods used to divert drugs, and proper investigation of diversion cases;
- Appropriate use of the CSRS to investigate diversion;
- Requesting prescriptions and related records, including best practices for working with pharmacies;
- Laws governing the privacy and security of confidential data and records, including HIPAA, and proper handling of confidential data and records; and
- Criminal and civil penalties under federal and state laws for improperly accessing, handling, or disclosing confidential data or records.

The amendments also specify that certification and recertification should occur at least once every three years, and that the commissions may suspend, revoke, or deny certification.

The provisions in Sections 13 and 14 are effective July 1, 2018.

Appropriations (Part IV)

Part IV of the HOPE Act states that it is the intent of the General Assembly to appropriate funds for various activities related to opioids in future years, beginning with the 2019-20 fiscal year. It does not make appropriations for the current fiscal year. The specific appropriations would be:

- $10 million (recurring) to DHHS, Division of Mental Health, Developmental Disabilities, and Substance Abuse, to increase the availability of community-based treatment and recovery services for substance use disorder, including medication-assisted treatment
- $1 million (recurring) to DHHS, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, to purchase opioid antagonists (such as naloxone) for distribution to law enforcement agencies
- $160,000 (recurring) to the SBI to fund Operation Medicine Drop, a program that provides methods for securely disposing of unused prescription drugs
- $122,000 (recurring) and $58,000 (non-recurring) to the SBI to create a special agent position to enhance drug investigations.

Telepsychiatry (Part IV-A)

Part IV-A of the HOPE Act amends G.S. 143B-139.4B, a 2013 statute that authorized NC's Office of Rural Health to oversee the establishment of a telepsychiatry program to provide remote care for patients experiencing mental health or substance abuse crises. The amendments authorize the program to serve patients in need of mental health or substance abuse care at an approved community-based site. "Community-based site" is defined to include public health departments, rural health centers, rural health clinics, federally qualified health centers, school-based health centers, free clinics, and charitable clinics that accept reimbursement. These provisions became effective July 1, 2018.