Overview
In 1973, the North Carolina Office of Rural Health (ORH) became the first State Office of Rural Health in the nation created to focus on the needs of rural and underserved communities. ORH continues to empower communities and populations by developing strategies to improve quality and cost-effectiveness of health care for all. While ORH does not provide direct care, the programs support numerous health care safety net organizations throughout North Carolina. Continued support and recurring funding for ORH has strengthened North Carolina’s health care safety net infrastructure to ensure that all of the state’s medically vulnerable residents (Uninsured, Underinsured, Medicare and Medicaid) have access to affordable and appropriate high quality primary care. It is a conservative estimate that the State’s primary care safety net system serves 1.1 million vulnerable residents.

Programs:

- **Placement and HPSA Services**
  - Recruit providers and designates health professional shortage areas

- **NC Rural Health Centers**
  - Supports state designated rural health centers that serve the entire community

- **NC Community Health Grants**
  - Supports the primary care safety net system with increasing access to health care for vulnerable populations

- **NC Rural Hospital Program**
  - Funds operational improvement projects for the benefit of all critical access hospitals and eligible small rural hospitals

- **NC Medication Assistance Program**
  - Provides free and low-cost medications donated by pharmaceutical manufacturers to patients who cannot afford them

- **NC Statewide Telepsychiatry Program**
  - Supports psychiatric evaluation of patients through videoconferencing technology in emergency departments

- **NC Farmworker Health Program**
  - Supports medical, dental and educational services for members of the North Carolina agricultural labor force and their families

- **NC Integrated Health Systems**
  - Supports community health initiatives and demonstration projects that benefit vulnerable populations

**Return On Investment and Economic Impact**

**Source:** IMPLAN

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>ORH Expenditures</td>
<td>$21,474,804</td>
</tr>
<tr>
<td>Created Economic Impact</td>
<td>$18,554,909</td>
</tr>
<tr>
<td>Total Impact</td>
<td>$40,029,713</td>
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<tr>
<td>Generates</td>
<td>$1,456,484</td>
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<tr>
<td>Additional jobs from the economic impact</td>
<td>$16,443,794</td>
</tr>
<tr>
<td>In employee compensation impacted from the grant</td>
<td>$1.87</td>
</tr>
</tbody>
</table>

Each ORH grant dollar has a total economic impact of 87% ROI

*Economic return is estimated to be much greater because improved health outcomes can lead to fewer missed work days, reduced health care costs, and reduced premature morbidity and mortality. Some expenses such as out of state purchases, overhead, and rollover payments are not captured for ROI and economic impact.

**Grant Facts**

- **$28.9M**
  - Available grant funding (federal, state, philanthropic)

- **203 FTEs**
  - Supported in local communities
  - *Full-time equivalent

- **293**
  - Contracts to support communities

- **269,139**
  - Patients served

- **88%**
  - Of ORH funding is spent directly on communities

- **75%**
  - Patients with well controlled diabetes, as evidenced by A1c levels ≤ 9

- **70%**
  - Patients with well controlled hypertension, as evidenced by blood pressure levels ≤ 140/90

- **81%**
  - Patients screened for obesity through Body Mass Index (BMI) testing

- **$52.19**
  - Average annual contribution by ORH per patient

**Direct Services**

- **$800,000**
  - Economic return is estimated to be much greater because improved health outcomes can lead to fewer missed work days, reduced health care costs, and reduced premature morbidity and mortality. Some expenses such as out of state purchases, overhead, and rollover payments are not captured for ROI and economic impact.

- **$3,409,664**
  - State Appropriations

- **$71,163**
  - Federal, state, and philanthropic

- **$28.9M**
  - Available grant funding (federal, state, philanthropic)

- **38**
  - Number of counties in NC classified as Mental Health Professional Shortage Areas

- **$1.5 million**
  - Philanthropic funding from The Duke Endowment

- **$16,443,794**
  - SFY 2015

- **$18,554,909**
  - SFY 2016

- **$3,409,664**
  - SFY 2014

- **$52,19**
  - Average annual contribution by ORH per patient
North Carolina Telepsychiatry/ Rural Health Information Technology Program  
2016 Profile

Program Facts

- Number of counties in NC classified as Mental Health Professional Shortage Areas: 35
- Awarded to NC-STEPII: $6 million in State Appropriations
- Program support in philanthropic funding through The Duke Endowment: $1.5 million
- Number of assessments conducted by NC-STEPII as of June 2015: 14,065
- Number of involuntary commitments overturned: 54
- Number of operational NC-STEPII Hospitals: 38
- Number of counties served by NC-STEPII: 70

Overview

The N.C. Statewide Telepsychiatry Program (NC-STEPII) was developed in response to Session Law 2013-360, directing ORH to oversee a statewide telepsychiatry program. The program was instituted to ensure that an individual presenting at a hospital emergency department with an acute behavioral health crisis will receive a timely specialized psychiatric assessment via video conferencing technology.

The practice of telepsychiatry, through NC-STEPII, allows for the psychiatric evaluation of patients, through videoconferencing technology, in emergency departments lacking psychiatric staff.

Telepsychiatry is defined as “the delivery of acute mental health or substance abuse care, including diagnosis or treatment, by means of two-way real-time interactive audio and video by a consulting provider at a consultant site to an individual patient at a referring site.”

Importance

As of August 2015, there are 35 counties in NC that are classified as Mental Health Professional Shortage Areas. Though not designated, there are additional counties that have a very low supply of mental health professionals in proportion to the population.

This use of technology can reduce patients’ length of stay in the emergency department (which can last for days in some cases) and overturn unnecessary involuntary commitments, thereby reducing the burden on staff and reducing costs to the state and federal governments, as well as the private sector.

Costs and Savings

NC-STEPII has been awarded $6 million in State appropriations ($2 million each for SFY14, SFY15, and SFY16). The program is also supported by an additional $1.5 million in philanthropic funding from The Duke Endowment.

Overall, the program has generated cost savings from overturned involuntary commitments, which benefit the State, Medicare, Medicaid, and other insurance carriers.

If you have further questions, please contact:
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