

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 2077*
Committee Substitute Favorable 6/5/06

Short Title: Strengthen MH/DD/SA Private Providers.

(Public)

Sponsors:

Referred to:

May 18, 2006

A BILL TO BE ENTITLED

AN ACT TO ASSIST PRIVATE PROVIDERS TO DELIVER MENTAL HEALTH,
DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES
AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT
COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,
AND SUBSTANCE ABUSE SERVICES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 122C-3(14) reads as rewritten:

"§ 122C-3. Definitions.

As used in this Chapter, unless another meaning is specified or the context clearly requires otherwise, the following terms have the meanings specified:

...

(14) "Facility" means any person at one location whose primary purpose is to provide services for the care, treatment, habilitation, or rehabilitation of the mentally ill, the developmentally disabled, or substance abusers, and includes:

- a. An "area facility", which is a facility that is operated by or under contract with the area authority or county program. For the purposes of this subparagraph, a contract is a contract, memorandum of understanding, or other written agreement whereby the facility agrees to provide services to one or more clients of the area authority or county program. Area facilities may also be licensable facilities in accordance with Article 2 of this Chapter. A State facility is not an area facility;
- b. A "licensable facility", which is a facility that provides services to individuals who are mentally ill, developmentally disabled, or substance abusers for one or more minors or for two or more adults. ~~When the services offered are provided to individuals who are mentally ill or developmentally disabled, these~~ These

1 services shall be day services offered to the same individual for
2 a period of three hours or more during a 24-hour period, or
3 residential services provided for 24 consecutive hours or more.
4 ~~When the services offered are provided to individuals who are~~
5 ~~substance abusers, these services shall include all outpatient~~
6 ~~services, day services offered to the same individual for a~~
7 ~~period of three hours or more during a 24-hour period, or~~
8 ~~residential services provided for 24 consecutive hours or more.~~
9 Facilities for individuals who are substance abusers include
10 chemical dependency facilities;

- 11 c. A "private facility", which is a facility that is either a licensable
12 facility or a special unit of a general hospital or a part of either
13 in which the specific service provided is not covered under the
14 terms of a contract with an area authority;
- 15 d. The psychiatric service of the University of North Carolina
16 Hospitals at Chapel Hill;
- 17 e. A "residential facility", which is a 24-hour facility that is not a
18 hospital, including a group home;
- 19 f. A "State facility", which is a facility that is operated by the
20 Secretary;
- 21 g. A "24-hour facility", which is a facility that provides a
22 structured living environment and services for a period of 24
23 consecutive hours or more and includes hospitals that are
24 facilities under this Chapter; and
- 25 h. A Veterans Administration facility or part thereof that provides
26 services for the care, treatment, habilitation, or rehabilitation of
27 the mentally ill, the developmentally disabled, or substance
28 abusers."

29 **SECTION 2.** G.S. 122C-142(a) reads as rewritten:

30 **"§ 122C-142. Contract for services.**

31 (a) When the area authority contracts with persons for the provision of services,
32 ~~the area authority it shall use the standard contract adopted by the Secretary and shall~~
33 assure that these contracted services meet the requirements of applicable State statutes
34 and the rules of the Commission and the Secretary. However, an area authority or
35 county program may amend the contract to comply with any court-imposed duty or
36 responsibility. Terms of the standard contract shall require the area authority to monitor
37 the contract to assure that rules and State statutes are met. It shall also place an
38 obligation upon the entity providing services to provide to the area authority timely data
39 regarding the clients being served, the services provided, and the client outcomes. The
40 Secretary may also monitor contracted services to assure that rules and State statutes are
41 met."

42 **SECTION 3.** This act is effective when it becomes law.