GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

H 1 **HOUSE BILL 332** Short Title: Rest Home Payment Method. (Public) Sponsors: Representatives Nye; and H. Hunter. Referred to: Appropriations. February 25, 1993 1 A BILL TO BE ENTITLED 2 AN ACT TO REQUIRE THE DEVELOPMENT OF A NEW METHODOLOGY FOR VENDOR PAYMENTS FOR DOMICILIARY CARE FACILITIES. 3 4 The General Assembly of North Carolina enacts: Section 1. Effective October 1, 1993, Part 3 of Article 2 of Chapter 108A is 5 6 amended by inserting a new section to read: 7 **"§ 108A-46.1. Vendor payments.** Within funds appropriated to it for this purpose, the Department of Human 8 Resources shall establish a vendor payment methodology for domiciliary care facilities. 9 This methodology shall include: 10 11 A direct payment for mandated services, including: (1) 12 Direct and indirect costs associated with minimum wage law; a. Direct and indirect costs associated with 13 b. Compensation law: and 14 Direct and indirect costs associated with Occupational Safety 15 <u>c.</u> and Health Act law; and 16 A direct payment for associated administrative costs, including: 17 (2) 18 Direct and indirect costs associated with insurance inflation a. 19 management; and Direct and indirect costs associated with an equitable return on 20 b. 21 investment. 22 The Department of Human Resources shall recompute the methodology established pursuant to subsection (a) of this section annually effective October 1 of 23

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each year.

- 1 (c) Within funds appropriated to it for this purpose, the Department of Human 2 Resources may establish individual methodologies for vendor payments to other types 3 of facilities, including family care and group home care facilities."
- 4 Sec. 2. This act becomes effective October 1, 1993.