

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 247

Short Title: GPAC/Private ICF/MR Standards.

(Public)

Sponsors: Senator Martin of Guilford.

Referred to: Government Performance Audit.

February 18, 1993

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT
2 PERFORMANCE AUDIT COMMITTEE TO ESTABLISH COMPREHENSIVE
3 POLICIES TO DEVELOP REASONABLE STANDARDS FOR RATES AND
4 PAYMENTS FOR PRIVATELY OPERATED INTERMEDIATE CARE
5 FACILITIES FOR THE MENTALLY RETARDED.
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7 The General Assembly of North Carolina enacts:

8 Section 1. The General Assembly finds that public policy for residential
9 services for people with disabilities has experienced change of nearly revolutionary
10 proportions during the period from 1970 through 1990 and that services have gone from
11 a system of almost exclusive institutional care to a broad array of service options. The
12 General Assembly further finds that, unless North Carolina changes its current
13 practices, the future of costs and programmatic implications for services are sadly
14 predictable. Therefore, the General Assembly intends to establish a policy whereby
15 people with developmental disabilities will be more effectively served through use of a
16 broad array of residential and nonresidential services.

17 Sec. 2. The Department of Human Resources shall develop directly or
18 contract for the development of reimbursement rates and payment standards for
19 privately operated intermediate care facilities for the mentally retarded, which shall
20 include:

- 21 (1) " Quality of Service" incentive payments and assessments;
- 22 (2) Specific allowable costs within each cost center;
- 23 (3) Limits and guidelines for rents and capital costs;
- 24 (4) Specific standards for determining active treatment costs;

- 1 (5) Special adjustments and exceptions;
2 (6) Allowable profit margins; and
3 (7) A reimbursement policy for training and technical assistance.

4 Sec. 3. The Department of Human Resources shall present to the General
5 Assembly the developments required by Section 1 of this act, together with the
6 complete plan and implementation schedule to address the escalating use and costs of
7 intermediate care facilities for the mentally retarded/developmentally disabled
8 community facilities required by Section 135 of Chapter 900 of the 1991 Session Laws,
9 by March 1, 1993.

10 Sec. 4. This act is effective upon ratification.