

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 1071

Short Title: Assisted Seniors Financial Protection Act. (Public)

Sponsors: Representatives Stone, Howard, and Hurley (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Judiciary III, if favorable, Appropriations

June 1, 2018

1 A BILL TO BE ENTITLED  
2 AN ACT PROVIDING FINANCIAL PROTECTIONS AGAINST UNWARRANTED  
3 DISCHARGE AND UNJUSTIFIED INCREASES IN COSTS FOR NORTH CAROLINA  
4 SENIORS RESIDING IN ADULT CARE HOMES AND APPROPRIATING FUNDS TO  
5 THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF HEALTH  
6 SERVICE REGULATION, FOR ADDITIONAL POSITIONS TO ENFORCE  
7 STATUTORY PROTECTIONS FOR ADULT CARE HOME RESIDENTS.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** G.S. 131D-4.5 is amended by adding a new subdivision to read:

10 "(10) Establishing guidelines for procedural information that each adult care home  
11 must include in a resident's contract with respect to increases in charges or  
12 fees associated with changing the level of care provided by the facility to the  
13 resident. The guidelines shall specify how a facility (i) determines changes to  
14 levels of care and (ii) notifies the resident or the resident's legal representative  
15 of the intent to initiate a change in the resident's level of care that will result  
16 in an increase in the resident's charges or fees."

17 **SECTION 2.** G.S. 131D-4.8 reads as rewritten:

18 "**§ 131D-4.8. Discharge of residents; appeals.**

19 (a) An adult care home may initiate discharge of a resident based on any of the following  
20 reasons:

- 21 (1) The discharge is necessary to protect the welfare of the resident and the adult  
22 care home cannot meet the medical needs of the resident, as documented by  
23 the resident's ~~physician, physician assistant, or nurse practitioner.~~ physician.  
24 (2) The health of the resident has improved sufficiently so that the resident is no  
25 longer in need of the services provided by the adult care home, as documented  
26 by the resident's physician, physician assistant, or nurse practitioner.  
27 (3) The immediate safety of the resident or other individuals in the adult care  
28 home is ~~endangered.~~ endangered, as documented by the adult care home.  
29 (4) The immediate health of the resident or other individuals in the adult care  
30 home is endangered, as documented by a physician, physician assistant, or  
31 nurse practitioner.  
32 (5) The resident has failed to pay the costs of services and accommodations by  
33 the payment due date specified in the resident's contract with the adult care  
34 home, after receiving written notice of warning of discharge for failure to pay.



1 (6) The discharge is mandated under this Article, Article 3 of this Chapter, or  
2 rules adopted by the Medical Care Commission.

3 (b) Upon arrival at any adult care home, an individual must be identified to receive a  
4 discharge notice on behalf of the resident. An adult care home shall notify a resident, the  
5 resident's legal representative, and the individual identified to receive a discharge notice of its  
6 intent to initiate the discharge of the resident under subsection (a) of this section, in writing, at  
7 least ~~30~~ 60 days before the resident is discharged. The written notice shall include (i) the reasons  
8 for the discharge, (ii) an appropriate discharge destination if known, (iii) personal medical care  
9 information relating to the resident, as required by the Department, (iv) a copy of the Adult Care  
10 Home Notice of Discharge, (v) a copy of the Adult Care Home Hearing Request Form, and (vi)  
11 other information, as required under rules adopted by the Medical Care Commission. If a  
12 discharge is initiated under subdivision (a)(1) of this section on the basis that a resident's  
13 physician requires a different level of care for the resident, the discharge is not subject to appeal  
14 for that specific reason unless there is a documented conflict between two or more of the  
15 resident's physicians regarding the resident's appropriate level of care but remains subject to  
16 appeal on all other available grounds.

17 (b1) If an adult care home resident or the resident's legal representative elects to appeal a  
18 discharge initiated by the adult care home, the running of the 60-day notice period prescribed by  
19 subsection (b) of this section is suspended on the date the appeal is filed. The 60-day notice  
20 period does not resume until the date the Hearing Unit issues a decision; provided, however, that  
21 the 60-day notice period shall not be suspended more than once for each discharge determination  
22 appealed by a resident.

23 ...."

24 **SECTION 3.** There is appropriated from the General Fund to the Department of  
25 Health and Human Services, Division of Health Service Regulation, the sum of ninety thousand  
26 dollars (\$90,000) for the 2018-2019 fiscal year to be used as follows:

- 27 (1) Forty thousand dollars (\$40,000) for one full-time equivalent position within  
28 the Division of Health Service Regulation dedicated to fulfilling the  
29 administrative functions of that Division.  
30 (2) Fifty thousand dollars (\$50,000) for one full-time equivalent position within  
31 the Division of Health Service Regulation dedicated to the Adult Care  
32 Licensure Section.

33 **SECTION 4.** This act becomes effective July 1, 2018.