STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

MEDICAL CARE COMMISSION QUARTERLY MEETING
DIVISION OF HEALTH SERVICE REGULATION
809 RUGGLES DRIVE, RALEIGH NC 27603
EDGERTON BUILDING
CONFERENCE ROOM – 026A
OR
TEAMS Video Conference: Click here to join the meeting
OR
Dial-IN: 1-984-204-1487 / Passcode: 183 430 637#

May 19, 2023 (Friday)
9:00 a.m.

Agenda

I. Meeting Opens – Roll Call

II. Chairman's Comments……Dr. John Meier

III. Public Meeting Statement……Dr. John Meier

This meeting of the Medical Care Commission is open to the public but is not a public hearing. Therefore, any discussion will be limited to members of the Commission and staff unless questions are specifically directed by the Commission to someone in the audience.

IV. Ethics Statement……Dr. John Meier

The State Government Ethics Act requires members to act in the best interest of the public and adhere to the ethical standards and rules of conduct in the State Government Ethics Act, including the duty to continually monitor, evaluate, and manage personal, financial, and professional affairs to ensure the absence of conflicts of interest.

V. North Carolina Board of Ethics Letters……Dr. John Meier

North Carolina Board of Ethics Letters were received for the following newly appointed member:

- Timothy D. Weber, RPh (**See Exhibit A/1**)

VI. Approval of Minutes (Action Items)……..…….……...……..Dr. John Meier

- **February 10, 2023** (Medical Care Commission Quarterly Meeting) (**See Exhibit A**)
- **February 28, 2023** (Executive Committee) (**See Exhibit B/1**)
- **March 22, 2023** (Executive Committee) (**See Exhibit B/2)**
- **April 19, 2023** (Executive Committee) (**See Exhibit B/3**)
- **May 3, 2023** (Executive Committee) (**See Exhibit B/4**)

VII. Bond Program Activities……...……Geary W. Knapp

A. Quarterly Report on Bond Program (**See Exhibit B**)

B. Notices & Non-Action Items & Technical Rule Changes

April 3, 2023 – Aldersgate Series 2023 (Refunding Taxable Series 2021A)

- Par Value Outstanding: $25,665,000
- Series 2023 is a tax-exempt bond

VIII. NC Hospital Discharge Data Presentation……Dr. Sandra Greene

IX. OEMS Presentation……..……..Tom Mitchell

X. Bond Project (Action Item)

A. Mobile Disaster Hospital (DHSR)……...……Geary W. Knapp

Resolution: The Commission grants preliminary approval to a project for the North Carolina Office of Emergency Medical Services (NCOEMS) to provide funds in the amount of **$620,000** for upgrades to the North Carolina Mobile Disaster Hospital. The upgrades are necessary to maintain operational capabilities and ensure readiness for deployment of the Mobile Disaster Hospital. The specific use of the funds is as follows:

- $340,000 – Two 264kW, 800-amp generators
- $100,000 – One transfer switch
- $130,000 – DLX Quick Deploy Soft-Sided Structures
- $50,000 – Eight Hill Rom ED Stretchers

Tentative approval is given with the understanding that NCOEMS accepts the following conditions:

1. The project will continue to be developed pursuant to the applicable Medical Care Commission guidelines.
2. The project will continue to be developed pursuant to all applicable North Carolina purchasing guidelines.
3. The project must, in all respects, meet requirements of G.S. § 131A (Health Care Facilities Finance Act).

4. The Executive Committee of the Commission is delegated the authority to approve the final expenditure of funds for this project and may approve the expenditure of such greater amount as shall be necessary to finance the project; provided, however, that the amount set forth above shall not be increased by more than ten percent (10%).

XI. New Business (Discuss Rules & Fiscal Note) (Action Items)

A. Rules for Initiating Rulemaking Approval

1. Adult Care Home/Family Care Home Rules….N. Pfeiffer & M. Lamphere

11 total rules – Reeadoption of 9 rules following Periodic Review of rules (Phase 5), Amendment of 2 rules

- Rules: 10A NCAC 13F .0703, .0704, .1103, .1104, .1106 & 10A NCAC 13G .0702, .0703, .0704, .1102, .1103, .1106

(**See Exhibits C thru C/3**)

XII. Refunding of Commission Bond Issues (Action Item)……..…Geary W. Knapp

Recommended:

WHEREAS the bond market is in a period of generally fluctuating interest rates, and

WHEREAS, in the event of decline of rates during the next quarter, refunding of certain projects could result in significant savings in interest expense thereby reducing the cost of health care to patients, and

WHEREAS, the Commission will not meet again until August 11, 2023 in Raleigh, North Carolina;

THEREFORE, BE IT RESOLVED; that the Commission authorize its Executive Committee to approve projects involving the refunding of existing Commission debt and amend previously approved projects to include refunding components only between this date and August 11, 2023. Refunding projects may include non-Commission debt, and non-material, routine capital improvement expenditures.

XIII. Meeting Adjournment

STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

MEDICAL CARE COMMISSION QUARTERLY MEETING
DIVISION OF HEALTH SERVICE REGULATION
809 RUGGLES DRIVE, RALEIGH NC 27603
EDGERTON BUILDING
CONFERENCE ROOM – 026A
OR
TEAMS Video Conference: Click here to join the meeting
OR
Dial-IN: 1-984-204-1487 / Passcode: 908 623 771

February 10, 2023 (Friday)
9:00 a.m.

Minutes

I. Meeting Attendance

MEMBERS PRESENT	MEMBERS ABSENT
John J. Meier, IV, M.D., Chairman Joseph D. Crocker, Vice-Chairman Kathy G. Barger Sally B. Cone Paul R.G. Cunningham, M.D. John A. Fagg, M.D. Bryant C. Foriest Linwood B. Hollowell, III Eileen C. Kugler, RN, MSN, MPH, FNP Ashley H. Lloyd, D.D.S. David C. Mayer, M.D. Karen E. Moriarty Lisa A. Tolnitch, M.D. Neel G. Thomas, M.D. Jeffrey S. Wilson **DIVISION OF HEALTH SERVICE REGULATION STAFF** Mark Payne, Director, DHSR/Secretary, MCC Emery Milliken, Deputy Director, DHSR Geary W. Knapp, JD, CPA, Assistant Secretary, MCC	Robert E. Schaaf, M.D.

Derek Hunter, Attorney General's Office Jeff Harms, Acting Construction Chief, DHSR Nadine Pfeiffer, Rules Review Manager, DHSR Megan Lamphere, Chief, ACLS Libby Kinsey, Assistant Chief, ACLS Shalisa Jones, Policy Coordinator, ACLS Crystal Abbott, Auditor, MCC Kathy Larrison, Auditor, MCC Alice Creech, Executive Assistant, MCC **OTHERS PRESENT** Lee Syria, EveryAge Tammy Jones, EveryAge Tommy Brewer, Ziegler Adam Garcia, Ziegler Emma Kate Sowder, NC Medical Society	

II. Chairman's Comments……..……..…….……Dr. John Meier

The Chairman thanked everyone for taking the time on a Friday morning to continue our work for the Medical Care Commission and encouraged the members to stay on top of their ethics modules. He reminded the members that the central point of our mission is to take care of patients in North Carolina.

III. Public Meeting Statement…….……..……..……Dr. John Meier

This meeting of the Medical Care Commission is open to the public but is not a public hearing. Therefore, any discussion will be limited to members of the Commission and staff unless questions are specifically directed by the Commission to someone in the audience.

IV. Ethics Statement……..…….Dr. John Meier

The State Government Ethics Act requires members to act in the best interest of the public and adhere to the ethical standards and rules of conduct in the State Government Ethics Act, including the duty to continually monitor, evaluate, and manage personal, financial, and professional affairs to ensure the absence of conflicts of interest.

V. North Carolina Board of Ethics Letters……Dr. John Meier

North Carolina Board of Ethics Letters were received for the following newly appointed member and reappointed members:

- Dr. David C. Mayer (**See Exhibit A/1**)
- Mrs. Eileen C. Kugler – *Reappointment*
- Dr. Robert E. Schaaf – *Reappointment*

VI. Resolution of Appreciation for Former Member…..……..……...Dr. John Meier

- Stephen T. Morton **(See Exhibit D)**

VII. Approval of Minutes (Action Item)……..…….……...……..Dr. John Meier

- **November 4, 2022** (Medical Care Commission Quarterly Meeting) (**See Exhibit A**)
- **November 2, 2022** (Executive Committee) (**See Exhibit B/1**)
- **November 15, 2022** (Executive Committee) (**See Exhibit B/2)**
- **December 7, 2022** (Executive Committee) **See Exhibit B/3)**

COMMISSION ACTION*: A motion was made to approve the minutes by Mr. Joe Crocker, seconded by Mrs. Kathy Barger, and unanimously approved.*

VIII. Bond Program Activities……...……Geary W. Knapp

A. Quarterly Report on Bond Program (**See Exhibit B**)

B. Notices & Non-Action Items & Technical Rule Changes

November 10, 2022 – Galloway Ridge Series 2014A (Partial Redemption)

- Par Value Redeemed: $1,195,000
- Funds provided by: Public Finance Authority (Wisconsin)

December 1, 2022 – Wake Forest Baptist Health Series 2019B (Conversion)

- Par Value Outstanding: $105,905,000
- Converted from Public Offering to Bank Placement

February 9, 2022 – Cone Health Series 2001AB; 2004A; 2011B; 2013ABC (Redemption)

- Par Value Redeemed: $34,155,000 (Series 2001A)
  $34,155,000 (Series 2001B)
  $41,250,000 (Series 2004A)
  $36,210,000 (Series 2011B)
  $58,775,000 (Series 2013A)
  $ 2,765,000 (Series 2013B)
  $ 1,810,000 (Series 2013C)
- Funds provided by: Public Finance Authority (Wisconsin)

C. DHSR Update……...S. Mark Payne

Mr. Payne gave an update to the Commission about the ongoing challenges and work at DHSR. DHSR evaluates health care facilities compliance with federal and state laws to protect the health and safety of patients and residents in healthcare facilities. Mr. Payne told the Commission how he appreciated several of the MCC Members asking him how they can support our work, and he proceeded to share several recent examples of DHSR work, along with challenges. Mr. Payne reminded the members of the vital role DHSR plays and that DHSR's role in evaluating healthcare facilities compliance is consequential in protecting the health and safety of patients and residents in health care facilities.

IX. **Bond Project** (Action Item)

A. EveryAge (Hickory)……...……Geary W. Knapp

Resolution: The Commission grants preliminary approval to a transaction for EveryAge to provide funds, to be used, together with other available funds to construct the following:

- 6-story / 95 unit rental independent living community (BellaAge)
- Each unit approximately 1,081 square feet per unit
- Prospective residents will enter into a rental contract with services

ESTIMATED SOURCES OF FUNDS

Principal amount of bonds to be issued	$38,280,000
Principal amount of bonds to be issued	2,200,000
Total Sources of Funds	**$40,480,000**

ESTIMATED USES OF FUNDS

Construction Costs	$28,002,434
Land Acquisition Cost	2,365,000
Site Utility Development	35,000
Architect Fees	900,000
Contingency	272,566
Moveable Equipment	450,000
Developer Fee	625,000
Prepay Loan	5,000,000
Marketing Costs	500,000
Bond Interest During Construction	1,600,000
Underwriter's Placement Fee	267,960
Feasibility Fee	20,000
Corporate Counsel Fee	30,000
Bond Counsel Fee	75,000
Trustee & Trustee Counsel Fee	15,000
DHSR Fee	20,000
LGC Fee	8,750
Bank Commitment Fee	95,700
Bank Counsel Fee	50,000
Appraisal	30,000
Swap Advisor Fee	65,000
Mortgage Related Costs	42,590
Virginia Special Counsel Fee	10,000
Total Uses	**$40,480,000**

Tentative approval is given with the understanding that the governing board of EveryAge accepts the following conditions:

1. The project will continue to be developed pursuant to the applicable Medical Care Commission guidelines.

2. Final financial feasibility must be determined prior to the issuance of bonds.

3. The project must, in all respects, meet requirements of G.S. § 131A (Health Care Facilities Finance Act).

4. The Executive Committee of the Commission is delegated the authority to approve the issuance of bonds for this project and may approve the issuance of such greater principal amount of the loan as shall be necessary to finance the project; provided, however, that the amount set forth above shall not be increased by more than ten percent (10%).

5. The bonds or notes shall be sold in such a manner and upon such terms and conditions as will, in the sole judgment of the Executive Committee of the Commission, result in the lowest cost to the facility and its residents.

6. If public approval of the bonds is required for the purpose of Section 147(f) of the Internal Revenue Code of 1986, as amended ("Section 147(f)"), this tentative approval shall constitute the recommendation of the Commission that the Governor of the State of North Carolina (the "Governor") approve the issuance of such bonds, subject to the satisfaction of the requirements of Section 147(f) concerning the holding of a public hearing prior to the submission of such recommendation to the Governor.

7. The borrower will comply with the Commission's Resolution: Community Benefits/Charity Care Agreement and Program Description for CCRCs as adopted.

8. The borrower will furnish, prior to the sale of or issuance of the bonds or notes or execution of the leases, evidence that it is in compliance with the covenants of all of its outstanding Medical Care Commission debt.

Based on information furnished by applicant, the project is

1.	Financially feasible	✓ Yes	____ No	____ N/A
2.	Construction and related costs are reasonable	✓ Yes	____ No	____ N/A

***See Exhibit E for Compliance Information and Selected Application Information**
***See Exhibit F for Presentation**

COMMISSION ACTION: *A motion was made to approve the resolution by Mr. Bryant Foriest, seconded by Mr. Joe Crocker, and unanimously approved with the recusal of Dr. John Fagg.*

X. New Business (Discuss Rules & Fiscal Note) (Action Items)

A. Rules for Initiating Rulemaking Approval

1. Medical Care Commission Rules…….……...…....N. Pfeiffer
Amendment of one rule

- Rule: 10A NCAC 13A .0201

(**See Exhibits C thru C/2**)

COMMISSION ACTION: *A motion was made to approve and move forward with rulemaking for the Medical Care Commission Rule by Mrs. Kathy Barger, seconded by Dr. Paul Cunningham, and unanimously approved.*

2. Adult Care Home/Family Care Home Rules..N. Pfeiffer & M. Lamphere
Readoption of 4 rules following Periodic Review of rules (Phase 4); Amendment of 1 rule

- Rules: 10A NCAC 13F .0702, .1307 & 10A NCAC 13G .0504, .0705, .1301

(See Exhibits C/3 thru C/5)

COMMISSION ACTION*: A motion was made to approve the Adult/Family Care Home Rules by Dr. David Mayer, seconded by Mr. Joe Crocker, and unanimously approved.*

XI. Refunding of Commission Bond Issues (Action Item)……..…Geary W. Knapp

Recommended:

WHEREAS the bond market is in a period of generally fluctuating interest rates, and

WHEREAS, in the event of decline of rates during the next quarter, refunding of certain projects could result in significant savings in interest expense thereby reducing the cost of health care to patients, and

WHEREAS, the Commission will not meet again until May 12, 2023 in Raleigh, North Carolina;

THEREFORE, BE IT RESOLVED; that the Commission authorize its Executive Committee to approve projects involving the refunding of existing Commission debt and amend previously approved projects to include refunding components only between this

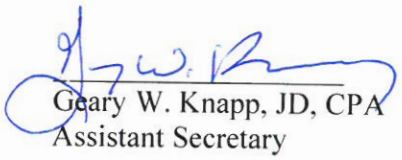
date and May 12, 2023. Refunding projects may include non-Commission debt, and non-material, routine capital improvement expenditures.

COMMISSION ACTION: *A motion was made to authorize its Executive Committee to approve projects involving the refunding of existing debt between this date and May 12, 2023 by Dr. Paul Cunningham, seconded by Mrs. Eileen Kugler, and unanimously approved.*

XII. Meeting Adjournment.....Dr. John Meier

There being no further business the meeting was adjourned at 10:40 a.m.

Respectfully Submitted,



Geary W. Knapp, JD, CPA
Assistant Secretary

STATE ETHICS COMMISSION

POST OFFICE BOX 27685
RALEIGH, NC 27611
PHONE: 919-814-3600

Via Email

February 7, 2023

The Honorable Roy A. Cooper III
Governor of North Carolina
20301 Mail Service Center
Raleigh, North Carolina 27699-0301

Re: Evaluation of Statement of Economic Interest Filed by Mr. Timothy Weber
Prospective Appointee to the North Carolina Medical Care Commission

Dear Governor Cooper:

Our office has received **Mr. Timothy Weber's** 2023 Statement of Economic Interest as a prospective appointee to the **North Carolina Medical Care Commission (the "Commission")**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

We did not find an actual conflict of interest but found the potential for a conflict of interest. The potential conflict identified does not prohibit service on this entity.

The North Carolina Medical Care Commission was created to adopt statewide plans for the construction and maintenance of public and private hospitals, medical centers, and related facilities, including the approval of projects in the amounts of grants-in-aid from funds by both federal and state governments. The Commission is charged with administering the Health Care Facilities Finance Act (N.C.G.S. Chapter 131A) and issues bonds pursuant thereto. In addition, the Commission has the authority to adopt rules, regulations, and standards for the different types of hospitals to be licensed, the operation of nursing homes, the inspection, licensure, and operation of adult care homes, including personnel requirements of staff employed in adult care homes. The Commission also adopts rules providing for the accreditation of facilities that perform mammography and other procedures.

The Act establishes ethical standards for certain public servants and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

Mr. Weber would fill the role of a member nominated by the North Carolina Pharmaceutical Association. He is employed by AmerisourceBergen and his spouse is employed by Walmart pharmacy; both are companies whose business could intersect with the Commission. In addition, Mr. Weber and his spouse own a financial interest in the companies who employ them. Therefore, Mr. Weber has the potential for a conflict of interest and should exercise appropriate caution in the performance of his public duties should issues involving any entity in which he or his spouse have a financial interest come before the Commission for official action.

In addition to the conflict standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,

Mary Roerden

Mary Roerden, SEI Unit
State Ethics Commission

cc: Timothy Weber
Attachment: Ethics Education Guide

NC Medical Care Commission

Quarterly Report on **Outstanding Debt** (End: 3rd Quarter FYE 2023)

Program Measures	FYE 2022 Ending: 6/30/2022	FYE 2023 Ending: 3/31/2023
Outstanding Debt	**$5,062,795,270**	**$4,728,545,314**
Outstanding Series	**117**[1]	**114**[1]

Detail of Program Measures	Ending: 6/30/2022	Ending: 3/31/2023
Outstanding Debt per Hospitals and Healthcare Systems	$3,560,138,783	$3,254,970,384
Outstanding Debt per CCRCs	$1,502,656,487	$1,473,574,929
Outstanding Debt per Other Healthcare Service Providers	$0	$0
Outstanding Debt Total	**$5,062,795,270**	**$4,728,545,314**
Outstanding Series per Hospitals and Healthcare Systems	59	52
Outstanding Series per CCRCs	58	62
Outstanding Series per Other Healthcare Service Providers	0	0
Series Total	**117**	**114**
Number of Hospitals and Healthcare Systems with Outstanding Debt	11	10
Number of CCRCs with Outstanding Debt	18	19
Number of Other Healthcare Service Providers with Outstanding Debt	0	0
Facility Total	29	29

Exhibit B (Outstanding Balance)

Note 1: For FYE 2023, NCMCC has closed 10 **Bond Series**. Out of the closed Bond Series: 5 were conversions, 4 were new money projects, 0 combination of new money project and refunding, and 1 were refundings. The Bond Series outstanding from FYE 2022 to current represents all new money projects, refundings, conversions, and redemptions.

GENERAL NOTES: Facility Totals represent a parent entity total and do not represent each individual facility owned/managed by the parent entity. CCRCs are licensed by the NC Department of Insurance. "Other Healthcare Service Providers" would include nursing homes, rehabilitation facilities, assisted living, blood donation centers, and hospice facilities. The following parent entities represent the current "other healthcare service providers" with outstanding NC MCC debt: NONE AT THIS TIME

NC Medical Care Commission

Quarterly Report on **History** of NC MCC Finance Act Program (End: 3rd Quarter FYE 2023)

Program Measures	FYE 2022 Ending: 6/30/2022	FYE 2023 Ending: 3/31/2023
Total PAR Amount of Debt Issued	**$28,681,980,327**	**$28,938,269,475**
Total Project Debt Issued (excludes refunding/conversion proceeds) [1]	**$13,517,222,552**	**$13,521,081,700**
Total Series Issued	**694**	**705**

Detail of Program Measures	Ending: 6/30/2022	Ending: 3/31/2023
PAR Amount of Debt per Hospitals and Healthcare Systems	$22,868,969,855	$23,116,044,855
PAR Amount of Debt per CCRCs	$5,438,715,242	$5,447,929,390
PAR Amount of Debt per Other Healthcare Service Providers	$374,295,230	$374,295,230
Par Amount Total	**$28,681,980,327**	**$28,938,269,475**
Project Debt per Hospitals and Healthcare Systems	$10,273,019,674	$10,273,019,674
Project Debt per CCRCs	$2,997,188,964	$3,001,048,112
Project Debt per Other Healthcare Service Providers	$247,013,915	$247,013,915
Project Debt Total	**$13,517,222,552**	**$13,521,081,700**
Series per Hospitals and Healthcare Systems	428	433
Series per CCRCs	227	233
Series per Other Healthcare Service Providers	39	39
Series Total	**694**	**705**
Number of Hospitals and Healthcare Systems issuing debt	99	99
Number of CCRCs issuing debt	41	41
Number of Other Healthcare Service Providers issuing debt	46	46
Facility Total	186	186

Note 1: Project Debt excludes bond proceeds that directly refunded prior NCMCC outstanding issues and conversion par amounts. Project Debt is an accumulation of all new project money, issuance costs (including issuance costs for refundings/conversions (if any)), and refundings of non-NCMCC debt.

GENERAL NOTES: Facility Totals represent each individual facility and do not represent parent entity totals. CCRCs are licensed by the NC Department of Insurance. "Other Healthcare Service Providers" would include nursing homes, rehabilitation facilities, assisted living, blood donation centers, and hospice facilities.

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

The North Carolina Medical Care Commission
809 Ruggles Drive
Raleigh, North Carolina

MINUTES

CALLED MEETING OF THE EXECUTIVE COMMITTEE
CONFERENCE TELEPHONE MEETING ORIGINATING FROM THE COMMISSION'S OFFICE
FEBRUARY 28, 2023

11:30 A.M.

Members of the Executive Committee Present:

John J. Meier, IV, M.D., Chairman
Joseph D. Crocker, Vice-Chairman
Kathy G. Barger
Sally B. Cone
Bryant C. Foriest

Members of the Executive Committee Absent:

Linwood B. Hollowell, III
Jeffrey S. Wilson

Members of Staff Present:

Geary W. Knapp, JD, CPA, Assistant Secretary, MCC
Kathy C. Larrison, Auditor, MCC
Alice S. Creech, Executive Assistant, MCC

Others Present:

Julia Hanover, Presbyterian Homes
Tim Webster, Presbyterian Homes
David O'Connor, CaroMont Health
Paul Billow, Womble Bond Dickinson (US) LLP
Jeff Poley, Hawkins Delafield & Wood, LLP
Chuck Stafford, Ponder & Co.
Bradley Dills, Ponder & Co.

1. Purpose of Meeting

To consider a resolution approving a benchmark replacement rate for the Commission's Hospital Revenue Bonds (CaroMont Health), Series 2003 (Subseries A and B), and to authorize the execution and delivery of a Consolidated Amendment of Bond Documents for the 2016A Bonds, the 2016B Bonds, and the 2020B Bonds issued for the benefit of The Presbyterian Homes, Inc. and Glenaire, Inc.

2. Resolution of the North Carolina Medical Care Commission Approving a Benchmark Replacement Rate for the North Carolina Medical Care Commission Hospital Revenue Bonds (CaroMont Health), Series 2003 (Subseries A and B).

Executive Committee Action: *A motion was made to approve the resolution by Mrs. Kathy Barger, seconded by Mrs. Sally Cone, and unanimously approved.*

WHEREAS, the North Carolina Medical Care Commission (the "Commission") is a commission of the Department of Health and Human Services of the State of North Carolina and is authorized under Chapter 131A of the General Statutes of North Carolina, as amended (the "Act"), to borrow money and to issue in evidence thereof bonds and notes for the purpose of providing funds to pay all or any part of the cost of financing or refinancing health care facilities; and

WHEREAS, the Commission has heretofore issued its Hospital Revenue Bonds (CaroMont Health), Series 2003 (Subseries A and B), dated as of January 23, 2003, in the aggregate principal amount of $120,000,000 (the "Bonds"), and loaned the proceeds thereof to Gaston Memorial Hospital, Incorporated and Gaston Health Services, Inc. (now known as CaroMont Health Services, Inc.) (collectively, the "Corporations") and Gaston Health Care, Inc. (now known as CaroMont Health Inc.) (the "Parent"), each of which is a North Carolina nonprofit and a "non-profit agency" within the meaning and intent of the Act, which operates, by itself and through its affiliates, various health care facilities;

WHEREAS, the Bonds are governed and secured by the provisions of a Second Amended and Restated Trust Agreement, dated as of July 3, 2017 (the "Trust Agreement"), between the Commission and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee");

WHEREAS, on July 1, 2020, the Bonds were converted to a new Index Interest Rate during which the Bonds bear interest at a variable rate adjusted monthly based on changes to the one-month LIBOR rate;

WHEREAS, due to cessation of publication of one-month LIBOR that has been announced to occur on June 30, 2023, it is necessary to implement a replacement benchmark rate for the Bonds to replace one-month LIBOR during the current Index Interest Rate Period;

WHEREAS, pursuant to the terms and provisions of the Conversion Notice and Agreement, dated June 5, 2020 (the "Conversion Notice"), executed and delivered by the Corporations and the Parent and accepted and agreed to by the Commission, the Bond Trustee and the Owner of the Bonds, the Owners have proposed to implement a benchmark replacement rate to replace one-month LIBOR with one-month Term SOFR as the applicable interest rate benchmark for the Bonds;

WHEREAS, the Owner has proposed an effective date of July 1, 2023 for the benchmark replacement, subject to meeting the conditions set forth in the Conversion Notice for implementation of the new benchmark replacement rate;

WHEREAS, in order to effect such benchmark replacement, the Commission shall be required to execute and deliver a (a) First Amendment to the Series 2003 Bonds (Subseries A) and (b) First Amendment to the Series 2003 Bonds (Subseries B), the proposed forms of which have been presented at this meeting (collectively, the "Amendments"), which Amendments contain the modifications and amendments to the Bonds necessary to implement the benchmark replacement;

WHEREAS, the Commission has been informed that the Parent and the Corporations have consented and agreed to the provisions set forth in the Amendments, and the Commission has determined its intent to approve the Amendments as required by the Conversion Notice;

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of the North Carolina Medical Care Commission as follows:

Section 1. Capitalized terms used in this resolution and not defined herein shall have the meanings given such terms in the Trust Agreement and the Conversion Notice.

Section 2. The forms, terms and provisions of the Amendments are hereby approved in all respects, and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose and the Secretary or any Assistant Secretary of the Commission are hereby authorized and directed to execute and deliver the Amendments in substantially the forms presented at this meeting, together with such modifications as they, with the advice of counsel, may deem necessary or appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 3. The Chairman, the Vice Chairman, any member of the Commission designated by resolution of the Commission or in writing by the Chairman, the Secretary and any Assistant Secretary of the Commission are authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver such documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by the Amendments or this resolution to the extent not inconsistent with the provisions of this resolution.

Section 4. This resolution shall take effect immediately upon its adoption.

3. Resolution of the North Carolina Medical Care Commission Approving and Authorizing Execution and Delivery of a Consolidated Amendment of Bond Documents Relating to the North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group) Series 2016A, North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group) Series 2016B and the North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group) Series 2020B.

Executive Committee Action: *A motion was made to approve the resolution by Mr. Bryant Foriest, seconded by Mrs. Sally Cone, and unanimously approved.*

WHEREAS, the North Carolina Medical Care Commission (the "Commission"), a commission of the Department of Health and Human Services of the State of North Carolina, has issued $20,000,000 aggregate principal amount of its Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group) Series 2016A (the "2016A Bonds"), pursuant to the terms of a Trust Agreement, dated as of April 1, 2016 (the "2016A Trust Agreement"), between the Commission and U.S. Bank National Association, succeeded by U.S. Bank Trust Company, National Association, as bond trustee (the "Bond Trustee"); and

WHEREAS the Commission issued $80,000,000 aggregate principal amount of its Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group) Series 2016B (the "2016B Bonds"), pursuant to the terms of a Trust Agreement, dated as of September 1, 2016 (the "2016B Trust Agreement"), between the Commission and the Bond Trustee; and

WHEREAS the Commission issued $80,000,000 aggregate principal amount of its Health Care Facilities First Mortgage Revenue Bonds (The Presbyterian Homes Obligated Group) Series 2020B (the "2020B Bonds" and with the 2016A Bonds and 2016B Bonds, the "Bonds"), pursuant to the terms of a Trust Agreement, dated as of October 1, 2020 (together with the 2016A Trust Agreement and the 2016B Trust Agreement, the "Trust Agreements"), between the Commission and the Bond Trustee; and

WHEREAS, the Commission loaned the proceeds from the sale of the Bonds to The Presbyterian Homes, Inc. and Glenaire, Inc. ("Borrowers") pursuant to three Loan Agreements, one dated as of April 1, 2016, one dated as of September 1, 2016 and one dated as of October 1, 2020 (the "Loan Agreements"), each between the Commission and the Borrowers; and

WHEREAS, the interest rate applicable to the Bonds is currently based upon LIBOR and, in contemplation of the cessation of LIBOR on June 30, 2023, the Borrowers, the Commission, the Bond Trustee and Truist Commercial Equity, Inc., successor to BB&T Community Holdings

Co. (the "Holder") desire to amend the Trust Agreements, the Bonds, the Loan Agreements and each of the other documents executed in connection with the issuance of the Bonds (collectively, the "Bond Documents") to provide for, in the manner as described herein, the replacement of LIBOR upon its cessation; and

WHEREAS, to accommodate the cessation of LIBOR, certain provisions of the Bond Documents need to be amended; and

WHEREAS, there has been presented at this meeting a draft copies of a Consolidated Amendment of Bond Documents (one for each series of bonds), to be dated as of the date of delivery thereof (the "Amendments") between the Commission, the Borrower, the Holder and the Bond Trustee, that would amend Bond Documents to make the changes necessary to accommodate the cessation of LIBOR; and

WHEREAS, the Borrowers had requested that the Commission approve the Amendment and authorize its execution and delivery;

NOW, THEREFORE, THE NORTH CAROLINA MEDICAL CARE COMMISSION DOES HEREBY RESOLVE, as follows:

Section 1. The form, terms and provisions of the Amendment are hereby approved in all respects, and the Chairman, Vice Chairman, Secretary or Assistant Secretary of the Commission (or any member of the Commission designated by the Chairman) are hereby authorized and directed to execute and deliver the Amendments in substantially the forms presented at this meeting, together with such changes, modifications and deletions as they, with the advice of bond counsel, may deem necessary and appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 2. The Chairman, Vice Chairman, Secretary or Assistant Secretary of the Commission (or any member of the Commission designated by the Chairman) or any duly authorized Commission Representative under the Trust Agreements are authorized and directed to execute and deliver any such other documents, certificates, undertakings, agreements or other instruments as they, with the advice of bond counsel, may deem necessary or appropriate to effect the changes made in the Amendment.

Section 3. This Resolution shall take effect immediately upon its passage.

4. Adjournment

There being no further business, the meeting was adjourned at 11:45 a.m.

Respectfully submitted,

Geary W. Knapp, JD, CPA
Assistant Secretary

STATE OF NORTH CAROLINA
NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

The North Carolina Medical Care Commission
809 Ruggles Drive
Raleigh, North Carolina

MINUTES

CALLED MEETING OF THE EXECUTIVE COMMITTEE OF THE COMMISSION
CONFERENCE TELEPHONE MEETING ORIGINATING
FROM THE OFFICES OF THE COMMISSION
March 22, 2023
11:30 a.m.

Members of the Commission Present:

John J. Meier, IV, M.D., Chairman
Joseph D. Crocker, Vice-Chairman
Kathy G. Barger
Bryant C. Foriest
Jeffrey S. Wilson

Members of the Commission Absent:

Sally B. Cone
Linwood B. Hollowell, III

Members of Staff Present:

Geary W. Knapp, JD, CPA, Assistant Secretary, MCC
Crystal Watson-Abbott, Auditor, MCC
Kathy C. Larrison, Auditor, MCC
Alice S. Creech, Executive Assistant, MCC

Others Present:

Ken Reeb, Carol Woods
Jon Mize, Womble Bond Dickinson (US) LLP

1. Purpose of Meeting

To consider a resolution approving benchmark replacement provisions for the Commission's Health Care Facilities First Mortgage Revenue Refunding Bonds (Carol Woods Project), Series 2018.

2. Resolution of the North Carolina Medical Care Commission Approving Benchmark Replacement Provisions for the North Carolina Medical Care Commission Health Care Facilities First Mortgage Revenue Refunding Bonds (Carol Woods Project), Series 2018.

Executive Committee Action: *A motion was made to approve the resolution by Mr. Bryant Foriest, seconded by Mr. Joe Crocker, and unanimously approved.*

WHEREAS, the North Carolina Medical Care Commission (the "Commission") is a commission of the Department of Health and Human Services of the State of North Carolina and is authorized under Chapter 131A of the General Statutes of North Carolina, as amended (the "Act"), to borrow money and to issue in evidence thereof bonds and notes for the purpose of providing funds to pay all or any part of the cost of financing or refinancing health care facilities; and

WHEREAS, pursuant to a Trust Agreement, dated as of June 1, 2018 (the "Trust Agreement"), between the Commission and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"), the Commission has heretofore issued its Health Care Facilities First Mortgage Revenue Refunding Bonds (Carol Woods Project), Series 2018, dated as of June 12, 2018, in the original aggregate principal amount of $39,570,000 (the "Bonds"), and loaned the proceeds thereof to The Chapel Hill Residential Retirement Center, Inc. (the "Corporation"), a North Carolina nonprofit and a "non-profit agency" within the meaning and intent of the Act, which operates a continuing care retirement facility known as Carol Woods in Chapel Hill, North Carolina;

WHEREAS, at present, the Bonds are held by Truist Commercial Equity, Inc., as successor to BB&T Community Holdings Co. (the "Owner"), and bear interest at a variable rate adjusted monthly based on changes to the one-month LIBOR rate;

WHEREAS, due to cessation of publication of one-month LIBOR that has been announced to occur on June 30, 2023, it is necessary to implement replacement benchmark rate provisions for the Bonds to replace one-month LIBOR during the current interest rate period;

WHEREAS, in order to implement such replacement benchmark provisions, the Commission shall be required to execute and deliver a Consolidated Amendment to Bond Documents, to be dated as of the date of delivery thereof (the "Amendment"), among the Commission, the Corporation, the Owner and the Bond Trustee, which Amendment contains the modifications and amendments to the Trust Agreement, the Bonds and other related Bond documents necessary to implement the benchmark replacement;

WHEREAS, the Commission has been informed that the Corporation has consented and agreed to the provisions set forth in the Amendment, and the Commission has determined its intent to approve the Amendment;

NOW THEREFORE, BE IT RESOLVED by the Executive Committee of the North Carolina Medical Care Commission as follows:

Section 1. Capitalized terms used in this resolution and not defined herein shall have the meanings given such terms in the Trust Agreement and the Amendment.

Section 2. The forms, terms and provisions of the Amendment are hereby approved in all respects, and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman for such purpose and the Secretary or any Assistant Secretary of the Commission are hereby authorized and directed to execute and deliver the Amendment in substantially the form presented at this meeting, together with such modifications as they, with the advice of counsel, may deem necessary or appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

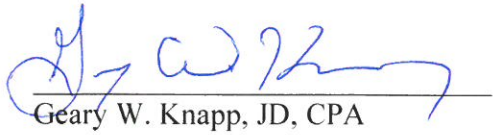
Section 3. The Chairman, the Vice Chairman, any member of the Commission designated by resolution of the Commission or in writing by the Chairman, the Secretary and any Assistant Secretary of the Commission are authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver such documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions contemplated by the Amendment or this resolution to the extent not inconsistent with the provisions of this resolution.

Section 4. This resolution shall take effect immediately upon its adoption.

3. Adjournment

There being no further business, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,



Geary W. Knapp, JD, CPA
Assistant Secretary

Date: March 22, 2023

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

The North Carolina Medical Care Commission
809 Ruggles Drive
Raleigh, North Carolina

MINUTES

CALLED MEETING OF THE EXECUTIVE COMMITTEE CONFERENCE TELEPHONE MEETING ORIGINATING FROM THE COMMISSION'S OFFICE APRIL 19, 2023

11:30 A.M.

Members of the Executive Committee Present:

John J. Meier, IV. M.D., Chairman
Joseph D. Crocker, Vice-Chairman
Kathy G. Barger
Sally B. Cone
Bryant C. Foriest
Jeffrey S. Wilson

Members of the Executive Committee Absent:

Linwood B. Hollowell, III

Members of Staff Present:

S. Mark Payne, Director, DHSR/Secretary, MCC
Emery E. Milliken, Deputy Director, DHSR
Geary W. Knapp, JD, CPA, Assistant Secretary
Crystal Watson-Abbott, Auditor, MCC
Kathy C. Larrison, Auditor, MCC

Others Present:

Alice Adams, Robinson Bradshaw & Hinson, P.A.
Ian Spier, Novant Health
Andrew Linn, Novant Health
Geoffrey Gardner, Novant Health

1. Purpose of Meeting

To approve certain modifications of the existing Index Interest Rate Periods for the Commission's Variable Rate Demand Health Care Facilities Revenue Refunding Bonds (Novant Health Obligated Group) Series 2008, consisting of Series 2008A, Series 2008B and Series 2008C in connection with the cessation of LIBOR.

2. Resolution of the North Carolina Medical Care Commission Approving Certain Modifications of the Existing Index Interest Rate Periods for the North Carolina Medical Care Commission Variable Rate Demand Health Care Facilities Revenue Refunding Bonds (Novant Health Obligated Group) Series 2008, consisting of Series 2008A, Series 2008B and Series 2008C.

***Executive Committee Action*:** *A motion was made to approve the resolution by Mr. Bryant Foriest, seconded by Mr. Joe Crocker, and unanimously approved.*

WHEREAS, the North Carolina Medical Care Commission (the "Commission") is a commission of the Department of Health and Human Services of the State of North Carolina and is authorized under Chapter 131A of the General Statutes of North Carolina, as amended (the "Act"), to borrow money and to issue in evidence thereof bonds and notes for the purpose of providing funds to pay all or any part of the cost of financing or refinancing health care facilities and to refund bonds previously issued by the Commission; and

WHEREAS, Novant Health, Inc. (the "Parent Corporation") is a nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of North Carolina and is a "non-profit agency" within the meaning of the Act; and

WHEREAS, on August 19, 2008, the Commission issued its Variable Rate Demand Health Care Facilities Revenue Refunding Bonds (Novant Health Obligated Group) Series 2008, consisting of (a) Series 2008A in the aggregate principal amount of $70,000,000, $15,505,000 of which are outstanding (the "2008A Bonds"), (b) Series 2008B in the aggregate principal amount of $75,090,000, $20,595,000 of which are outstanding (the "2008B Bonds"), and (c) Series 2008C in the aggregate principal amount of $50,870,000, $14,490,000 of which are outstanding (the "2008C Bonds" and together with the 2008A Bonds and the 2008B Bonds, the "Bonds"), pursuant to Trust Agreements dated as of August 1, 2008 (collectively, the "Original Trust Agreements") between the Commission and The Bank of New York Mellon Trust Company, N.A., as trustee (collectively, the "Original Bond Trustee"); and

WHEREAS, on March 23, 2011 (the "2011 Conversion Date") the Commission and the Original Bond Trustee entered into three Amended and Restated Trust Agreement dated as of March 23, 2011 (collectively and as supplemented by the supplements described below, the "Trust Agreements") for the purpose of amending and restating the Original Trust Agreements to add an "Index Interest Rate" mode and convert to that mode; and

WHEREAS, the Commission has loaned the proceeds of the Bonds to the Parent Corporation pursuant to three Amended and Restated Loan Agreements dated as of March 23, 2011 between the Commission and the Parent Corporation; and

WHEREAS, on the 2011 Conversion Date (a) Wells Fargo Bank, National Association purchased the 2008A Bonds for five years at a variable interest rate equal to 68% of one-month LIBOR plus 0.75% for the first three years and 75% of one-month LIBOR plus 0.75% for the last two years, subject to adjustment under certain circumstances, and (b) Branch Banking and Trust Company purchased the 2008B Bonds and the 2008C Bonds for five years at a variable interest rate equal to 68% of one-month LIBOR plus 0.82%, subject to adjustment under certain circumstances; and

WHEREAS, on March 3, 2014 (the "2014 Conversion Date"), the Bonds were converted to new Index Interest Rate Periods and (a) Wells Fargo Municipal Capital Strategies, LLC (the "2008A Bank Holder") purchased the 2008A Bonds for a three-year holding period at an Index Interest Rate equal to 68% of one-month LIBOR plus 0.50%, subject to adjustment under certain circumstances, and (b) Banc of America Public Capital Corp (the "2008B&C Bank Holder," and together with the 2008A Bank Holder, the "Bank Holders") purchased the 2008B Bonds and the 2008C Bonds for seven-year holding periods at Index Interest Rates equal to 68% of one-month LIBOR plus 0.75%, subject to adjustment under certain circumstances; and

WHEREAS, on the 2014 Conversion Date certain changes were made to the Trust Agreements pursuant to three First Supplemental Trust Agreements, dated as of March 3, 2014 (collectively, the "First Supplements"), between the Commission and the Original Bond Trustee, and consented to by the Bank Holders and the Parent Corporation; and

WHEREAS, effective September 5, 2014, the Original Bond Trustee resigned and Regions Bank (the "Bond Trustee") was appointed pursuant to the provisions of the Trust Agreements; and

WHEREAS, pursuant to a Second Supplemental Trust Agreement dated as of September 30, 2016 (the "2008A Second Supplement"), between the Commission and the Bond Trustee, and consented to by the 2008A Bank Holder and the Parent Corporation, the Parent Corporation and the 2008A Bank Holder agreed to modify the then existing Index Interest Rate Period to provide that the 2008A Bank Holder would hold the 2008A Bonds for five years from September 30, 2016 at an Index Interest Rate equal to 68% of one-month LIBOR plus 0.60%, subject to adjustment under certain circumstances; and

WHEREAS, on December 21, 2017, the Bonds were converted to new Index Interest Rate Periods and (a) the 2008A Bank Holder purchased the 2008A Bonds for a holding period ending December 1, 2024 at an Index Interest Rate equal to 68% of one-month LIBOR plus 0.55% after January 2, 2018, subject to adjustment under certain circumstances and (b) the 2008B&C Bank Holder purchased the 2008B Bonds and the 2008C Bonds for holding periods ending December 21, 2024 at Index Interest Rates equal to 68% of one-month LIBOR plus 0.52%, subject to adjustment under certain circumstances; and

WHEREAS, the interest rates applicable to the Bonds are based upon LIBOR and, in contemplation of the cessation of LIBOR on June 30, 2023, the Parent Corporation, the

Commission, the Bond Trustee and the Bank Holders desire to amend the Trust Agreements and the Bonds to provide for the replacement of LIBOR with a SOFR based interest rate (the "Modifications") that is substantially the same as the current LIBOR-based interest rate; and

WHEREAS, there has been presented at this meeting draft copies of (a) a Third Supplemental Trust Agreement for the 2008A Bonds to be dated the date of delivery thereof (the "2008A Supplement") and (b) two Second Supplemental Trust Agreements for each of the 2008B Bonds and the 2008C Bonds, each to be dated the date of delivery thereof (the "2008B&C Supplements" and together with the 2008A Supplement, the "Supplements"), each between the Commission and the Bond Trustee, that would amend the Trust Agreements to make the Modifications; and

WHEREAS, each of the Modifications will constitute a covered modification within the meaning of Treasury Regulations 1.1001-6 and IRS Revenue Procedure 2020-44 dated October 9, 2020, as further amended by the issuance of the final regulations related thereto effective March 7, 2022; and

WHEREAS, the Parent Corporation has requested that the Commission approve the Modifications and the Supplements and authorize their execution and delivery; and

NOW, THEREFORE, THE NORTH CAROLINA MEDICAL CARE COMMISSION DOES HEREBY RESOLVE, as follows:

Section 1. Pursuant to the authority granted to it by the Act, the Commission hereby authorizes and approves the Modifications.

As set forth in the Original Trust Agreements and the Trust Agreements, the 2008A Bonds and the 2008B Bonds mature on November 1, 2028 and the 2008C Bonds mature on May 1, 2026 and are subject to the Sinking Fund Requirements set forth in Schedule 1 hereto.

Section 2. The forms, terms and provisions of the Supplements are hereby approved in all respects, and the Chairman, Vice Chairman, Secretary or Assistant Secretary of the Commission (or any member of the Commission designated by the Chairman) are hereby authorized and directed to execute and deliver the Supplements in substantially the forms presented at this meeting, together with such changes, modifications and deletions as they, with the advice of bond counsel, may deem necessary and appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 3. The Chairman, Vice Chairman (or any other member of the Commission designated by the Chairman), Secretary and any Assistant Secretary of the Commission are each authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver any such documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effect the Modifications and the reissuance of the Bonds for federal income tax purposes.

Section 4. This Resolution shall take effect immediately upon its passage.

3. Adjournment

There being no further business, the meeting was adjourned at 11:39 a.m.

Respectfully submitted,

Geary W. Knapp, J.D., C.P.A.
Assistant Secretary

Schedule 1

Required Redemption of the Series 2008A Bonds

November	Amount	November	Amount
2009	$3,250,000	2019	$4,550,000
2010	1,145,000	2020	4,700,000
2011	3,400,000	2021	4,900,000
2012	3,500,000	2022	5,100,000
2013	3,600,000	2023	5,250,000
2014	3,750,000	2024	5,450,000
2015	3,900,000	2025	1,005,000
2016	4,050,000	2027	1,850,000
2017	4,250,000	2028*	1,950,000
2018	4,400,000		

* Maturity

Required Redemption of the Series 2008B Bonds

November	Amount	November	Amount
2009	$3,250,000	2019	$4,550,000
2010	1,145,000	2020	4,700,000
2011	3,400,000	2021	4,900,000
2012	3,500,000	2022	5,100,000
2013	3,600,000	2023	5,250,000
2014	3,750,000	2024	5,450,000
2015	3,900,000	2025	2,495,000
2016	4,050,000	2026	3,600,000
2017	4,250,000	2027	1,850,000
2018	4,400,000	2028*	1,950,000

* Maturity

Required Redemption of the Series 2008C Bonds

May	Amount	May	Amount
2009	$1,550,000	2018	$2,825,000
2010	2,155,000	2019	2,945,000
2011	2,215,000	2020	3,070,000
2012	2,275,000	2021	3,190,000
2013	2,395,000	2022	3,315,000
2014	2,460,000	2023	3,440,000
2015	2,580,000	2024	3,560,000
2016	2,640,000	2025	3,685,000
2017	2,765,000	2026*	3,805,000

* Maturity

NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

The North Carolina Medical Care Commission
809 Ruggles Drive
Raleigh, North Carolina

MINUTES

CALLED MEETING OF THE EXECUTIVE COMMITTEE
CONFERENCE TELEPHONE MEETING ORIGINATING FROM THE COMMISSION'S OFFICE

MAY 3, 2023
1:30 P.M.

Members of the Executive Committee Present:

John J. Meier, IV, M.D., Chairman
Joseph D. Crocker, Vice-Chairman
Kathy G. Barger
Sally B. Cone
Bryant C. Foriest
Linwood B. Hollowell, III
Jeffrey S. Wilson

Members of the Executive Committee Absent:

None

Members of Staff Present:

Geary W. Knapp, JD, CPA, Assistant Secretary, MCC
Kathy C. Larrison, Auditor, MCC
Alice S. Creech, Executive Assistant, MCC

Others Present:

Lee Syria, EveryAge
Tammy Jones, EveryAge
Lisa Williams, McGuire Woods
Tommy Brewer, Ziegler
Adam Garcia, Ziegler
William Thoma, UNC Wayne Healthcare

1. PURPOSE OF MEETING

To consider final approval for the BellaAge Project, and an Amendment for UNC Wayne Healthcare, Series 2017B Bonds to accommodate the phase out of LIBOR.

2. SERIES RESOLUTION AUTHORIZING SALE AND ISSUANCE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (BELLAAGE HICKORY) SERIES 2023A

Executive Committee Action: *A motion was made to approve the final sale of bonds by Mr. Joe Crocker, seconded by Mr. Bryant Foriest, and unanimously approved.*

WHEREAS, the North Carolina Medical Care Commission (the "Commission") is a commission of the Department of Health and Human Services of the State of North Carolina and is authorized under Chapter 131A of the General Statutes of North Carolina, as amended (the "Act"), to borrow money and to issue in evidence thereof bonds and notes for the purpose of providing funds to pay all or any part of the cost of financing or refinancing health care facilities;

WHEREAS, EveryAge, previously known as United Church Homes and Services (the "Corporation"), is a nonprofit corporation duly incorporated and validly existing under and by virtue of the laws of the State of North Carolina which owns and operates continuing care retirement communities located in Thomasville and Newton, North Carolina;

WHEREAS, BellaAge Hickory, LLC ("BellaAge" and together with the Corporation, the "Borrowers") is a limited liability company duly organized and validly existing under and by virtue of the laws of the State of North Carolina which will own and operate a multi-unit assisted housing with services facility known as "BellaAge" located in Hickory, North Carolina;

WHEREAS, the Corporation and BellaAge has made an application to the Commission for a loan for the purpose of providing funds, together with other available funds, to:

(i) pay, or reimburse the Borrowers for paying, the costs of the acquisition, construction, furnishing and equipping of a 95 multi-unit assisted housing with services facility known as "BellaAge" (the "Project") located at 22 South Center Street, Hickory, North Carolina 28602;

(ii) pay a portion of the interest accruing on the Bonds; and

(iii) finance certain expenses incurred in connection with the issuance of the Bonds (as hereinafter defined) (collectively, the "Plan of Finance");

WHEREAS, the Plan of Finance would be funded through the issuance by the Commission of its Retirement Facilities First Mortgage Revenue Bonds (BellaAge Hickory) Series 2023A (the "Bonds");

WHEREAS, the Commission has determined that the public will best be served by the proposed Plan of Finance described above, and, by resolution adopted by the Board of Directors of the Commission on February 10, 2023, has approved the issuance of the Bonds, subject to compliance by the Borrowers with the conditions set forth in such resolution, and the Borrowers have complied with such conditions to the satisfaction of the Commission;

WHEREAS, there have been presented to the officers and staff of the Commission draft copies of the following documents relating to the issuance of the Bonds:

the Trust Agreement, dated as of May 1, 2023 (the "Trust Agreement"), by and between the Commission and The Bank of New York Mellon Trust Company, N.A., as bond trustee (the "Bond Trustee"), the provisions of which relate to the issuance of and security for the Bonds;

the Loan Agreement, dated as of May 1, 2023 (the "Loan Agreement"), by and between the Commission and the Borrowers, pursuant to which the Commission will lend the proceeds of the Bonds to the Borrowers;

the Contract of Purchase, to be dated the date of the issuance and sale of the Bonds or such other dated as shall be agreed upon by the parties thereto (the "Contract of Purchase"), between the LGC and Huntington Public Capital Corporation (the "Purchaser"), and approved by the Commission and the Borrowers;

Obligation No. 34, to be dated the date of delivery ("Obligation No. 34"), to be issued by the Borrowers to the Commission and assigned by the Commission to the Bond Trustee;

Supplemental Indenture for Obligation No. 34, dated as of May 1, 2023 ("Supplemental Indenture No. 34"), by and between the Borrowers and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee"), supplementing and amending the Amended and Restated Master Trust Indenture, dated as of April 1, 2005 (as amended, the "Master Indenture"), by and among the Corporation, Lake Prince Center, Inc. ("Lake Prince") and the Master Trustee, with respect to the issuance of Obligation No. 34;

Obligation No. 35, to be dated the date of delivery ("Obligation No. 35"), to be issued by the Borrowers to the Purchaser;

Supplemental Indenture for Obligation No. 35, dated as of May 1, 2023 ("Supplemental Indenture No. 35"), by and between the Borrowers and the Master Trustee, supplementing the Master Indenture, with respect to the issuance of Obligation No. 35;

Obligation No. 36, to be dated the date of delivery ("Obligation No. 36"), to be issued by the Borrowers to The Huntington National Bank, as swap provider;

Supplemental Indenture for Obligation No. 36, dated as of May 1, 2023 (the "Swap Supplemental Indenture"), by and between the Borrowers and the Master Trustee, supplementing the Master Indenture, with respect to the Obligation No. 36;

the Continuing Covenants Agreement, to be dated as of May 1, 2023 or such other date as shall be agreed upon by the parties thereto (the "Covenant Agreement"), among the Corporation, BellaAge,

Lake Prince, Lake Prince At Home, LLC ("Lake Prince At Home") and the Purchaser with respect to the Bonds;

Deed of Trust, to be dated as of May 1, 2023 (the "BellaAge Deed of Trust"), from BellaAge to Chicago Title Insurance Company, as Deed of Trust Trustee, for the benefit of the Master Trustee, with respect to certain real property of the BellaAge located in Catawba County, North Carolina;

the Eleventh Amendment to Amended and Restated Deed of Trust, dated as of May 1, 2023 (the "Lake Prince Amendment"), among Lake Prince, Mark D. Williamson, as Deed of Trust Trustee, and the Master Trustee, amending the Amended and Restated Deed of Trust, dated as of April 1, 2005, as amended (the "Lake Prince Deed of Trust"), from Lake Prince to Mark D. Williamson and Karen L. Duncan, as Deed of Trust Trustees, for the benefit of the Master Trustee, with respect to certain real property of Lake Prince located in the City of Suffolk, Virginia;

the Twelfth Amendment to Amended and Restated Deed of Trust, dated as of May 1, 2023 (the "Piedmont Crossing Amendment"), among the Corporation, Chicago Title Insurance Company, as substitute Deed of Trust Trustee, and the Master Trustee, amending the Amended and Restated Deed of Trust, dated as of April 1, 2005, as amended (the "Piedmont Crossing Deed of Trust"), from the Corporation to The Fidelity Company, as Deed of Trust Trustee, for the benefit of the Master Trustee, with respect to certain real property of the Corporation located in Davidson County, North Carolina;

the Eleventh Amendment to Amended and Restated Deed of Trust, dated as of May 1, 2023 (the "Abernethy Laurels Amendment" and, together with the Lake Prince Amendment and the Piedmont Crossing Amendment, the "Amendments to the Deeds of Trust"), among the Corporation, Chicago Title Insurance Company, as substitute Deed of Trust Trustee, and the Master Trustee, amending the Amended and Restated Deed of Trust, dated as of April 1, 2005, as amended (the "Abernethy Laurels Deed of Trust" and, together with the BellaAge Deed of Trust, the Lake Prince Deed of Trust and the Piedmont Crossing Deed of Trust, the "Obligated Group Deeds of Trust"), from the Corporation to The Fidelity Company, as Deed of Trust Trustee, for the benefit of the Master Trustee, with respect to certain real property of the Corporation located in Catawba County, North Carolina;

WHEREAS, the Commission has determined that, taking into account the historical financial performance of the Members of the Obligated Group (as defined in the Master Indenture) and financial forecasts internally generated by the Corporation, (i) the Members of the Obligated Group are financially responsible and capable of fulfilling their respective obligations under the Master Indenture, Obligation No. 34, Obligation No. 35, Obligation No. 36, Supplemental Indenture No. 34, Supplemental Indenture No. 35, Supplemental Indenture No. 36, and the Obligated Group Deeds of Trust and (ii) the Borrowers are financially responsible and capable of fulfilling its obligations under the Loan Agreement; and

WHEREAS, the Commission has determined that the public interest will be served by the proposed financing and that, taking into account the historical financial performance of the Members of the Obligated Group and financial forecasts internally generated by the Borrowers, adequate provision has been made for the payment of the principal of, redemption premium, if any, and interest on the Bonds;

NOW, THEREFORE, THE EXECUTIVE COMMITTEE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION DOES HEREBY RESOLVE, as follows:

Section 1. Defined Terms. Capitalized words and terms used in this Series Resolution and not defined herein shall have the same meanings in this Series Resolution as such words and terms are given in the Trust Agreement and the Loan Agreement.

Section 2. Authorization of Bonds. Pursuant to the authority granted to it by the Act, the Commission hereby authorizes the issuance of the Bonds in the aggregate principal amount of $33,000,000. The Bonds shall mature in such amounts and at such times, be subject to Sinking Fund Requirements and bear interest at such rates as are set forth in Schedule 1 attached hereto.

The Bonds shall be dated the date of their issuance and delivery and shall be issued as fully registered bonds, initially in the denominations of $100,000 and any integral multiple of $5,000 in excess of $100,000, while the Bonds bear interest at the Bank-Bought Rate (as defined the Trust Agreement).

Commencing on the date of Closing, the Bonds shall bear interest at the Bank-Bought Rate as set forth on Schedule 1 and made a part hereof. Interest on the Bonds shall be payable on each Interest Payment Date. The Bank-Bought Minimum Holding Period for the Bonds shall commence on the Closing Date and shall end on or before May 31, 2033. The Bonds may be converted to bear interest under another Interest Rate Determination Method as provided in the Trust Agreement.

Section 3. Redemption. The Bonds shall be subject to optional and extraordinary optional redemption at the times, upon the terms and conditions, and at the price set forth in the Trust Agreement. The Bonds shall also be subject to mandatory sinking fund redemption as set forth on Schedule 1 and made a part hereof.

Section 4. Optional and Mandatory Tender for Purchase. The Bonds shall be subject to optional and mandatory tender for purchase at the times, upon the terms and conditions, and at the price set forth in the Trust Agreement.

Section 5. Use of Bond Proceeds. The proceeds of the Bonds shall be applied as provided in the Trust Agreement. The Commission hereby finds that the use of the proceeds of the Bonds for a loan to the Borrowers for the purposes described in the preamble to this Series Resolution will accomplish the public purposes set forth in the Act.

Section 6. Authorization of Loan Agreement and Trust Agreement. The forms, terms and provisions of the Trust Agreement and the Loan Agreement are hereby approved in all respects, and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman of the Commission for such purpose and the Secretary or the Assistant Secretary of the Commission are hereby authorized and directed to execute and deliver the Trust Agreement and the Loan Agreement in substantially the forms presented to this meeting, together with such changes, modifications and deletions, as they, with the advice of counsel, may deem necessary and appropriate, including, but not limited to, changes, modifications and deletions necessary to incorporate the final terms of the Bonds as shall be set forth in the Contract of

Purchase; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 7. **Authorization of the Contract of Purchase.** The form, terms and provisions of the Contract of Purchase are hereby approved in all respects and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman of the Commission for such purpose is hereby authorized and directed to approve, by execution and delivery, the Contract of Purchase in substantially the forms presented to this meeting, together with such changes, modifications, insertions and deletions as the Chairman, the Vice Chairman or such member of the Commission, with the advice of counsel, may deem necessary and appropriate; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 8. **Form of Bonds**. The form of the Bonds set forth in the Trust Agreement is hereby approved in all respects and the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman of the Commission for such purpose and the Secretary or the Assistant Secretary of the Commission are hereby authorized and directed to execute, by manual or facsimile signature as provided in such form of the Bonds, and to deliver to the Bond Trustee for authentication on behalf of the Commission, the Bonds in definitive form, which shall be in substantially the form presented to this meeting, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary, appropriate and consistent with the Trust Agreement; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 9. **Approval of Other Financing Documents.** The forms, terms and provisions of Supplemental Indenture No. 34, Obligation No. 34, Supplemental Indenture No. 35, Obligation No. 35, Supplemental Indenture No. 36, Obligation No. 36, the Covenant Agreement, the BellaAge Deed of Trust and the Amendments to the Deeds of Trust (collectively, the "Other Financing Documents") are hereby approved in substantially the forms presented at this meeting, together with such changes, modifications and deletions as the Chairman, the Vice Chairman or any member of the Commission designated in writing by the Chairman of the Commission, with the advice of counsel, may deem necessary and appropriate; the execution and delivery of the Trust Agreement pursuant to Section 6 of this Series Resolution shall be conclusive evidence of the approval of the Other Financing Documents by the Commission.

Section 10. **Purchase of Bonds.** The Commission hereby approves the action of the Commission in awarding the Bonds to the Purchaser at an aggregate price not exceeding $33,000,000 (representing the maximum aggregate principal amount of the Bonds). The Borrowers will separately pay, on the date of Closing, the Purchaser an aggregate fee of $8,250 in consideration for such purchase.

Upon their execution in the form and manner set forth in the Trust Agreement, the Bonds shall be deposited with the Bond Trustee for authentication, and the Bond Trustee is hereby authorized and directed to authenticate the Bonds and, upon satisfaction of the provisions of the Trust Agreement, the Bond Trustee shall deliver the Bonds to the Purchaser against payment therefor.

Section 11. Bond Trustee. The Bank of New York Mellon Trust Company, N.A. is hereby appointed the Bond Trustee.

Section 12. Commission Representatives. S. Mark Payne, Secretary of the Commission, Geary Knapp, Assistant Secretary of the Commission, and Crystal Watson-Abbott, Auditor to the Commission, are each hereby appointed a Commission Representative, with full power to carry out the duties set forth therein.

Section 13. Ancillary Actions. The Chairman, the Vice Chairman, any member of the Commission designated in writing by the Chairman of the Commission, the Secretary and the Assistant Secretary of the Commission are authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver any such documents, certificates, undertakings, consents, agreements or other instruments, as they, with the advice of counsel, may deem necessary or appropriate to effect the transactions, including the financing the Plan of Finance and as contemplated by the Trust Agreement, the Loan Agreement, the Master Indenture, the Obligated Group Deeds of Trust, the Contract of Purchase, and the Other Financing Documents.

Section 14. Professional Fees. A comparison of the professional fees as set forth in the resolution of the Executive Committee of the Commission granting preliminary approval of this financing with the actual professional fees incurred in connection with the financing is set forth in Schedule 2 attached hereto.

Section 15. Effective Date. This Series Resolution shall take effect immediately upon its passage.

Schedule 1

Maturity Schedule

Series 2023A Bonds

Tax-Exempt Interest Rate: 79% of One-Month SOFR plus 1.84%

Sinking Fund Requirements

Due September 1	Sinking Fund Requirement
2023	$ -
2024	-
2025	-
2026	200,000
2027	635,000
2028	665,000
2029	690,000
2030	725,000
2031	755,000
2032	790,000
2033	825,000
2034	860,000
2035	895,000
2036	935,000
2037	980,000
2038	1,020,000
2039	1,065,000
2040	1,110,000
2041	1,160,000
2042	1,215,000
2043	1,265,000
2044	1,320,000
2045	1,380,000
2046	1,440,000
2047	1,505,000
2048	1,570,000
2049	1,640,000
2050	1,710,000
2051	1,785,000
2052	1,865,000
2053	1,955,000

Schedule 2

Professional Fees

Professional	Preliminary Approval	Actual
Placement Agent	$267,960	$223,720
Accountant/Auditor	20,000	-
Bond Counsel	75,000	90,000
Corporation Counsel	30,000	35,000
Trustee (including counsel)	15,000	15,000
Commission*	20,000	20,000
Real Estate	42,590	35,000
Bank Commitment Fee	95,700	8,250
Bank Counsel	50,000	50,000
Swap Advisor	65,000	45,000
LGC Fee	8,750	8,750
Virginia Special Counsel	10,000	10,000
Appraisal	30,000	-

*Estimated DHSR Construction Review Fee.

3. RESOLUTION OF THE NORTH CAROLINA MEDICAL CARE COMMISSION APPROVING AND AUTHORIZING EXECUTION AND DELIVERY OF A CONSOLIDATED AMENDMENT OF BOND DOCUMENTS RELATING TO THE NORTH CAROLINA MEDICAL CARE COMMISSION HOSPITAL REVENUE REFUNDING BOND (WAYNE MEMORIAL HOSPITAL) SERIES 2017B

Executive Committee Action: *A motion was made to approve Amendment by Ms. Kathy Barger, seconded by Mr. Joe Crocker, and unanimously approved.*

WHEREAS, the North Carolina Medical Care Commission (the "Commission"), a commission of the Department of Health and Human Services of the State of North Carolina, has issued its Hospital Revenue Refunding Bonds (Wayne Memorial Hospital) Series 2017B (the "2017B Bonds") in the original principal amount of $32,245,000, pursuant to the terms of a Trust Agreement, dated as of May 1, 2017 (as previously supplemented and amended, the "2017B Trust Agreement"), between the Commission and Truist Bank (formerly known as Branch Banking and Trust Company), as bond trustee (the "Bond Trustee"); and

WHEREAS, the Commission loaned the proceeds from the sale of the 2017B Bonds to Wayne Memorial Hospital, Inc. and Wayne Health Corporation (collectively, the "Borrowers") pursuant to a Loan Agreement, dated as of May 1, 2017 (the "Loan Agreement"), between the Commission and the Borrowers; and

WHEREAS, the interest rate applicable to the Bonds is currently based upon LIBOR and, in contemplation of the cessation of LIBOR on June 30, 2023, the Borrowers, the Commission, the Bond Trustee and Truist Commercial Equity, Inc., successor to BB&T Community Holdings Co. (the "Holder") desire to amend the Trust Agreement, the 2017B Bonds, the Loan Agreement and each of the other documents executed in connection with the issuance of the Bonds (collectively, the "Bond Documents") to provide for, in the manner as described herein, the replacement of LIBOR upon its cessation; and

WHEREAS, to accommodate the cessation of LIBOR, certain provisions of the Bond Documents need to be amended; and

WHEREAS, there has been presented at this meeting a draft copy of a Consolidated Amendment of Bond Documents, to be dated as of the date of delivery thereof (the "Amendment") between the Commission, the Borrowers, the Holder and the Bond Trustee, that would amend Bond Documents to make the changes necessary to accommodate the cessation of LIBOR; and

WHEREAS, the Borrowers had requested that the Commission approve the Amendment and authorize its execution and delivery;

NOW, THEREFORE, THE NORTH CAROLINA MEDICAL CARE COMMISSION DOES HEREBY RESOLVE, as follows:

Section 1. The form, terms and provisions of the Amendment are hereby approved in all respects, and the Chairman, Vice Chairman, Secretary or Assistant Secretary of the Commission (or any member of the Commission designated by the Chairman) are hereby authorized and directed to execute and deliver the Amendments in substantially the forms presented at this meeting, together with such changes, modifications and deletions as they, with the advice of bond counsel, may deem necessary and appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Commission.

Section 2. The Chairman, Vice Chairman, Secretary or Assistant Secretary of the Commission (or any member of the Commission designated by the Chairman) or any duly authorized Commission Representative under the Trust Agreement are authorized and directed to execute and deliver any such other documents, certificates, undertakings, agreements or other instruments as they, with the advice of bond counsel, may deem necessary or appropriate to effect the changes made in the Amendment.

Section 3. This Resolution shall take effect immediately upon its passage.

4. ADJOURNMENT

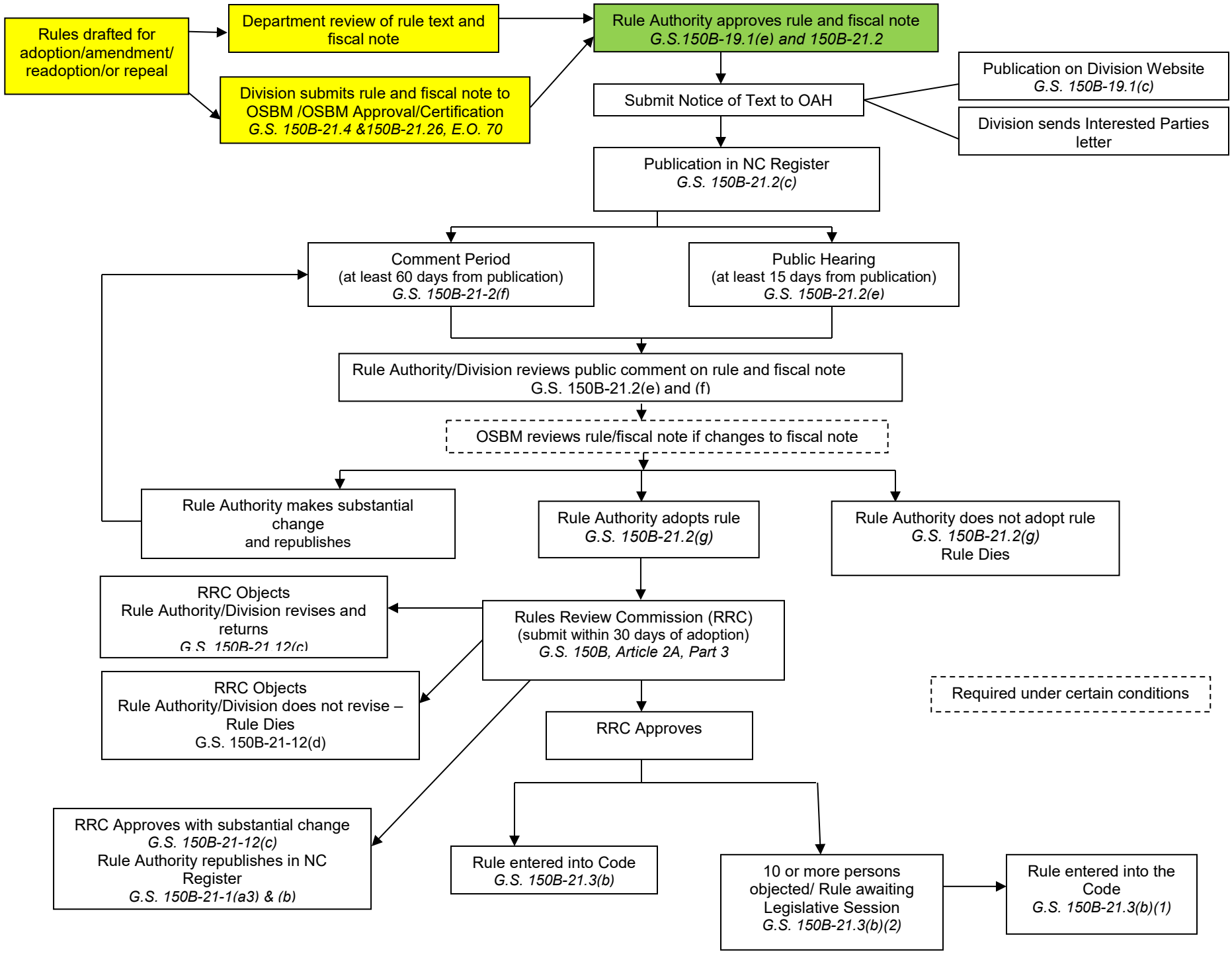
There being no further business, the meeting was adjourned at 1:53 p.m.

Respectfully submitted,

Geary W. Knapp, JD, CPA
Assistant Secretary

Process for Medical Care Commission to Initiate Rulemaking

Exhibit C



10A NCAC 13F .0703 is proposed for readoption with substantive changes as follows:

10A NCAC 13F .0703 TUBERCULOSIS TEST, MEDICAL EXAMINATION AND IMMUNIZATIONS

(a) Upon admission to an adult care home each resident shall be tested for tuberculosis disease in compliance with the control measures adopted by the Commission for Public Health as specified in 10A NCAC 41A .0205 including subsequent amendments and editions. ~~Copies of the rule are available at no charge by contacting the Department of Health and Human Services, Tuberculosis Control Program, 1902 Mail Service Center, Raleigh, North Carolina 27699-1902.~~

(b) Each resident shall have a medical examination completed by a licensed physician or physician extender prior to admission to the facility and annually thereafter. For the purposes of this Rule, "physician extender" means a licensed physician assistant or licensed nurse practitioner. The medical examination completed prior to admission shall be used by the facility to determine if the facility can meet the needs of the resident.

(c) ~~The results of the complete examination required in Paragraph (b) of this Rule are to be entered on the FL-2, North Carolina Medicaid Program Long Term Care Services, or MR-2, North Carolina Medicaid Program Mental Retardation Services, which shall comply with the following:~~

~~(1) The examining date recorded on the FL-2 or MR-2 shall be no more than 90 days prior to the person's admission to the home.~~

~~(2) The FL-2 or MR-2 shall be in the facility before admission or accompany the resident upon admission and be reviewed by the facility before admission except for emergency admissions.~~

~~(3) In the case of an emergency admission, the medical examination and completion of the FL-2 or MR-2 as required by this rule shall be within 72 hours of admission as long as current medication and treatment orders are available upon admission or there has been an emergency medical evaluation, including any orders for medications and treatments, upon admission.~~

~~(4) If the information on the FL-2 or MR-2 is not clear or is insufficient, the facility shall contact the physician for clarification in order to determine if the services of the facility can meet the individual's needs.~~

~~(5) The completed FL-2 or MR-2 shall be filed in the resident's record in the home.~~

~~(6) If a resident has been hospitalized, the facility shall have a completed FL-2 or MR-2 or a transfer form or discharge summary with signed prescribing practitioner orders upon the resident's return to the facility from the hospital.~~

The medical examination shall be completed no more than 90 days prior to the resident's admission to the facility, except in the case of emergency admission.

(d) In the case of an unplanned, emergency admission, the medical examination of the resident shall be conducted within 72 hours after admission. Prior to an emergency admission, the facility shall obtain current medication and treatment orders from a licensed physician or physician extender.

(e) The result of the medical examination required in Paragraph (b) of this Rule shall be documented on the North Carolina Medicaid Adult Care Home FL-2 form which is available at no cost on the Department's Medicaid website

at https://medicaid.ncdhhs.gov/media/6549/open. The Adult Care Home FL-2 shall be signed and dated by the physician or physician extender completing the medical examination. The medical examination shall include the following:

(1) resident's identification information, including the resident's name, date of birth, sex, admission date, county and Medicaid number, current facility and address, physician's name and address, a relative's name and address, current level of care, and recommended level of care;

(2) resident's admitting diagnoses, including primary and secondary diagnoses and dates of onset;

(3) resident's current medical information, including orientation, behaviors, personal care assistance needs, frequency of physician visits, ambulatory status, functional limitations, information related to activities and social needs, neurological status, bowel and bladder functioning status, manner of communication of needs, skin condition, respiratory status, and nutritional status including orders for therapeutic diets;

(4) special care factors, including physician orders for blood pressure, diabetic urine testing, physical therapy, range of motion exercises, a bowel and bladder program, a restorative feeding program, speech therapy, and restraints;

(5) resident's medications, including the name, strength, dosage, frequency and route of administration of each medication;

(6) results of x-rays or laboratory tests determined by the physician or physician extender to be necessary information related to the resident's care needs; and

(7) additional information as determined by the physician or physician extender to be necessary for the care of the resident.

(f) If the information on the Adult Care Home FL-2 is not clear or is insufficient, or information provided to the facility related to the resident's condition or medications after the completion of the medical examination conflicts with the information provided on the Adult Care Home FL-2, the facility shall contact the physician or physician extender for clarification in order to determine if the facility can meet the individual's needs.

(g) The results of the medical examination shall be maintained in the resident's record in accordance with Rule .1201 of this Subchapter. Discharge medication orders shall be clarified in accordance with Rule .1002(a) of this Subchapter.

(h) Upon a resident's return to the facility from a hospitalization, the facility shall obtain and review the hospital discharge summary or discharge instructions, including any discharge medication orders. If the facility identifies discrepancies between the discharge orders and current orders at the facility, the facility shall clarify the discrepancies with the resident's physician or physician extender.

~~(d)~~(i) Each resident shall be immunized against pneumococcal disease and annually against influenza virus according to G.S. 13D-9, except as otherwise indicated in ~~this~~ law.

~~(e)The facility shall make arrangements for any resident, who has been an inpatient of a psychiatric facility within 12 months before entering the home and who does not have a current plan for psychiatric care, to be examined by a local physician or a physician in a mental health center within 30 days after admission and to have a plan for psychiatric follow-up care when indicated.~~

(j) The facility shall make arrangements for a resident to be evaluated by a licensed mental health professional, licensed physician or licensed physician extender for follow-up psychiatric care within 30 days of admission or re-admission to the facility when the resident:

(1) has been an inpatient of a psychiatric facility within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care; or

(2) has been hospitalized due to threatening or violent behavior, suicidal ideation or self-harm, or other psychiatric symptoms that required hospitalization within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Temporary Adoption Eff. September 1, 2003;
Eff. June 1, ~~2004.~~ 2004;
Readopted Eff. January 1, 2024.

10A NCAC 13F .0704 is proposed for readoption with substantive changes as follows:

10A NCAC 13F .0704 RESIDENT CONTRACT, INFORMATION ON ~~HOME~~ FACILITY, AND RESIDENT REGISTER

(a) An adult care home administrator or ~~administrator in charge~~ or their management designee shall furnish and review with the resident or ~~responsible person~~ the resident's authorized representative as defined in Rule .1103 of this Subchapter information on the ~~home~~ facility upon admission and when changes are made to that information. The facility shall involve the resident in the review of the resident contract and information on the facility unless the resident is cognitively unable to participate in the discussion. A statement indicating that this information has been received upon admission or amendment as required by this Rule shall be signed and dated by each person to whom it is given and retained in the resident's record in the ~~home~~ facility. The information shall include the following:

(1) the resident contract to which the following applies:

(A) the contract shall specify ~~rates~~ charges for resident services and accommodations, including the cost of different levels of service, ~~if applicable,~~ description of levels of care and services, and any other charges or fees;

(B) the contract shall disclose any health needs or conditions that the facility has determined it cannot ~~meet pursuant to G.S. 131D-2(a1)(4);~~ meet;

(C) the contract shall be signed and dated by the administrator or ~~administrator in charge~~ management designee and the resident or ~~responsible person,~~ the resident's authorized representative, a copy given to the resident or ~~responsible person~~ the resident's authorized representative and a copy kept in the resident's record;

(D) the resident or ~~responsible person~~ the resident's authorized representative shall be ~~notified as soon as any change is known, but not less than 30 days before the change for rate changes initiated by the facility, of any changes in the contract~~ given a written 30-day notice prior to any change in charges for resident services and accommodations, including the cost of different levels of service, description of level of care and services, and any other charges or fees, and be provided an amended contract or an amendment to the contract for review and ~~signature;~~ confirmation of receipt;

(E) gratuities in addition to the established rates shall not be accepted; and

(F) the maximum monthly adult care home rate that may be charged to Special Assistance recipients ~~is~~ as established by the North Carolina Social Services Commission and the North Carolina General Assembly.

Note: Facilities may accept payments for room and board from a third party, such as family member, charity or faith community, if the payment is made voluntarily to supplement the cost of room and board for the added benefit of a private room or a private or semi-private room in a special care unit.

(2) a written copy of all house rules, including facility policies on smoking, alcohol consumption, visitation, refunds and the requirements for discharge of residents consistent with the rules of this

Subchapter, and amendments disclosing any changes in the house ~~rules;~~ rules. The house rules shall be in compliance with G.S. 131D-21;

(3) a copy of the Declaration of Residents' Rights as found in G.S. 131D-21;

(4) a copy of the ~~home's~~ facility's grievance procedures ~~which~~ that shall indicate how the resident is to present complaints and make suggestions as to the ~~home's~~ facility's policies and services on behalf of himself or herself or others; and

(5) a statement as to whether the ~~home~~ facility has signed Form DSS-1464, Statement of Assurance of Compliance with Title VI of the Civil Rights Act of 1964 for Other Agencies, Institutions, Organizations or Facilities, and which shall also indicate that, if the ~~home~~ facility does not choose to comply or is ~~found to be in non-compliance,~~ non-compliant, the residents of the ~~home~~ facility would not be able to receive State-County Special Assistance for Adults and the ~~home~~ facility would not receive supportive services from the county department of social services.

(b) The administrator or ~~administrator in charge~~ their management designee and the resident or the resident's ~~responsible person~~ representative shall complete and sign the Resident Register initial assessment within 72 hours of the resident's admission to the facility ~~and revise the information on the form as needed.~~ in accordance with G.S. 131D-2.15. The facility shall involve the resident in the completion of the Resident Register unless the resident is cognitively unable to participate. The Resident Register shall include the following:

(1) resident's identification information including the resident's name, date of birth, sex, admission date, medical insurance, family and emergency contacts, advanced directives, and physician's name and address;

(2) resident's current care needs including activities of daily living and services, use of assistive aids, orientation status;

(3) resident's preferences including personal habits, food preferences and allergies, community involvement, and activity interests;

(4) resident's consent and request for assistance including the release of information, personal funds management, personal lockable space, discharge information, and assistance with personal mail;

(5) name of the individual identified by the resident who is to receive a copy of the notice of discharge per G.S. 131D-4.8; and

(6) resident's consent including a signature confirming the review and receipt of information contained in the form.

The Resident Register is available on the internet website, https://info.ncdhhs.gov/dhsr/acls/pdf/resregister.pdf ~~or~~ at no ~~charge from the Division of Health Service Regulation, Adult Care Licensure Section, 2708 Mail Service Center, Raleigh, NC 27699-2708.~~ charge. The facility may use a resident information form other than the Resident Register as long as it contains ~~at least~~ the same information as the Resident Register. Information on the Resident Register shall be kept updated and maintained in the resident's record.

History Note: *Authority 131D-2.15; 131D-2.16; 143B-165;*

Temporary Adoption Eff. July 1, 2004;
Eff. July 1, 2005.
Amended Eff. April 1, ~~2022.~~ 2022;
Readopted Eff. January 1, 2024.

10A NCAC 13F .1103 is proposed for amendment as follows:

10A NCAC 13F .1103 ~~LEGAL~~ AUTHORIZED REPRESENTATIVE ~~OR PAYEE~~

(a) In situations where a resident of an adult care home is unable to manage ~~his~~ their monetary funds, the administrator shall contact a family member or the county department of social services regarding the need for ~~a legal representative or payee.~~ an authorized representative. For the purposes of this Rule, an "authorized representative" shall mean a person who is legally authorized or designated in writing by the resident to act on his or her behalf in the management of their funds. The administrator and other staff of the ~~home~~ facility shall not serve as a resident's ~~legal~~ authorized representative, payee, or executor of a will, except as indicated in Paragraph (b) of this Rule.

(b) In the case of funds administered by the Social Security Administration, the Veteran's Administration or other federal government agencies, the administrator of the ~~home~~ facility may serve as a payee when so authorized as a legally constituted authority by the respective federal agencies.

(c) The administrator shall give the resident's ~~legal~~ authorized representative or payee receipts for any monies received on behalf of the resident.

History Note: *Authority G.S. 35A-1203; 108A-37; 131D-2.16; 143B-165;*
Eff. July 1, 2005;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. March 6, ~~2018.~~ 2018;
Amended Eff. January 1, 2024.

10A NCAC 13F .1104 is proposed for amendment as follows:

10A NCAC 13F .1104 ACCOUNTING FOR RESIDENT'S PERSONAL FUNDS

(a) To document a resident's receipt of the State-County Special Assistance personal needs allowance after payment of the cost of care, a statement shall be signed by the resident or marked by the ~~resident with two witnesses' signatures.~~ resident. If the statement is marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the signature of the resident's authorized representative shall be required. Witnesses cannot include the staff handling the residents' personal funds transactions. The statement shall be maintained in the ~~home.~~ facility.

(b) Upon the written authorization of the resident or ~~his legal representative or payee,~~ their authorized representative, an ~~administrator~~ administrator, or the administrator's designee may handle the personal money for a resident, provided an accurate accounting of monies received and disbursed and the balance on hand is available upon request of the resident or ~~his legal representative or payee.~~ their authorized representative during the facility's established business days and hours.

(c) A record of each transaction involving the use of the resident's personal funds according to Paragraph (b) of this Rule shall be signed by the ~~resident, legal~~ resident of the resident's authorized representative ~~or payee~~ or marked by the ~~resident, if not adjudicated incompetent, with two witnesses' signatures~~ resident at least monthly verifying the accuracy of the disbursement of personal funds. If marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the facility shall provide the resident's authorized representative with a copy of the monthly resident's funds statement and shall obtain verification of receipt. The ~~record~~ records shall be maintained in the ~~home.~~ facility.

(d) A resident's personal funds shall not be commingled with facility funds. The facility shall not commingle the personal funds of residents in an interest-bearing account.

(e) All or any portion of a resident's personal funds shall be available to the resident or ~~his legal representative or payee~~ their authorized representative upon request during ~~regular office hours,~~ the facility's established business days and hours except as provided in Rule .1105 of this ~~Subchapter.~~ Section.

(f) The resident's personal needs allowance shall be credited to the ~~resident~~" resident's account within ~~24 hours of the check being deposited following endorsement.~~ one business day of the funds being available in the facility's resident personal funds account.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. July 1, 2005;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. March 6, ~~2018.~~ 2018;
Amended Eff. January 1, 2024.

10A NCAC 13F .1106 is proposed for readoption without substantive changes as follows:

10A NCAC 13F .1106 SETTLEMENT OF COST OF CARE

(a) If a resident of an adult care home, after being notified by the facility of its intent to discharge the resident in accordance with Rule .0702 of this Subchapter, ~~moves out of the facility before the period of time specified in the notice has elapsed,~~ the facility shall refund the resident an amount equal to the cost of care for the remainder of the month minus any nights spent in the facility during the notice period. The refund shall be made within 14 days after the resident leaves the facility. For the purposes of this Rule, "cost of care" means any monies paid by the resident or the resident's legal representative in advance for room and board and services provided by the facility as agreed upon in the resident's contract.

(b) If a resident moves out of the facility without giving notice, as may be required by the facility according to Rule ~~.0702(h)~~ .0702(i) of this Subchapter, or before the facility's required notice period has elapsed, the resident owes the facility an amount equal to the cost of care for the required notice period. If a resident receiving State-County Special Assistance moves before the facility's required notice period has elapsed, the former facility is entitled to the required payment for the notice period before the new facility receives any payment. The facility shall refund the resident the remainder of any advance payment following settlement of the cost of care. The refund shall be made within 14 days from the date of notice or, if no notice is given, within 14 days after the resident leaves the facility.

(c) When there is an exception to the notice, as provided in Rule ~~.0702(h)~~ .0702(i) of this Subchapter, to protect the health or safety of the resident or others in the facility, or when there is a sudden, unexpected closure of the facility that requires the resident to relocate, the resident is only required to pay for any nights spent in the facility. A refund shall be made to the resident by the facility within 14 days from the date of notice.

(d) When a resident gives notice of leaving the facility, as may be required by the facility according to Rule ~~.0702(h)~~ .0702(i) of this Subchapter, and leaves at the end of the notice period, the facility shall refund the resident the remainder of any advance payment within 14 days from the date of notice. If notice is not required by the facility, the refund shall be made within 14 days after the resident leaves the facility.

(e) When a resident leaves the facility with the intent of returning to it, the following apply:

(1) The facility may reserve the resident's bed for a set number of days with the written agreement of the facility and the resident or his or her responsible person and thereby require payment for the days the bed is held.

(2) If, after leaving the facility, the resident decides not to return to it, the resident or someone acting on his or her behalf may be required by the facility to provide up to a 14-day written notice that he is not returning.

(3) Requirement of a notice, if it is to be applied by the facility, shall be a part of the written agreement and explained by the facility to the resident and his or her family or responsible person before signing.

(4) On notice by the resident or someone acting on his or her behalf that he will not be returning to the facility, the facility shall refund the remainder of any advance payment to the resident or his or her

responsible person, minus an amount equal to the cost of care for the period covered by the agreement. The refund shall be made within 14 days after notification that the resident will not be returning to the facility.

(5) In no situation involving a recipient of State-County Special Assistance may a facility require payment for more than 30 days since State-County Special Assistance is not authorized unless the resident is actually residing in the facility or it is anticipated that he or she will return to the facility within 30 days.

(6) Exceptions to the ~~two weeks'~~ 14-day notice, if required by the facility, are cases where returning to the facility would jeopardize the health or safety of the resident or others in the facility as certified by the resident's physician or approved by the county department of social services, and in the case of the resident's death. In these cases, the facility shall refund the rest of any advance payment calculated beginning with the day the facility is notified.

(f) If a resident dies, the administrator of his estate or the Clerk of Superior Court, when no administrator for his or her estate has been appointed, shall be given a refund equal to the cost of care for the month minus any nights spent in the facility during the month. This is to be done within 30 days after the resident's death.

History Note: *Authority G.S. 131D-2.16; 131D-4.5; 143B-165;*
Eff. July 1, ~~2005.~~ 2005;
Readopted Eff. January 1, 2024.

10A NCAC 13G .0702 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .0702 TUBERCULOSIS TEST AND MEDICAL ~~EXAMINATION~~ EXAMINATION, AND IMMUNIZATIONS

(a) Upon admission to a family care home each resident shall be tested for tuberculosis disease in compliance with the control measures adopted by the Commission for Public Health as specified in 10A NCAC 41A .0205 including subsequent amendments and editions. ~~Copies of the rule are available at no charge by contacting the Department of Health and Human Services, Tuberculosis Control Program, 1902 Mail Service Center, Raleigh, North Carolina 27699-1902.~~

(b) Each resident shall have a medical examination completed by a licensed physician or physician extender prior to admission to the home and annually thereafter. For the purposes of this Rule, "physician extender" means a licensed physician assistant or licensed nurse practitioner. The medical examination completed prior to admission shall be used by the facility to determine if the facility can meet the needs of the resident.

(c) ~~The results of the complete examination are to be entered on the FL-2, North Carolina Medicaid Program Long Term Care Services, or MR-2, North Carolina Medicaid Program Mental Retardation Services, which shall comply with the following:~~

~~(1) The examining date recorded on the FL-2 or MR-2 shall be no more than 90 days prior to the person's admission to the home.~~

~~(2) The FL-2 or MR-2 shall be in the facility before admission or accompany the resident upon admission and be reviewed by the administrator or supervisor-in-charge before admission except for emergency admissions.~~

~~(3) In the case of an emergency admission, the medical examination and completion of the FL-2 or MR-2 shall be within 72 hours of admission as long as current medication and treatment orders are available upon admission or there has been an emergency medical evaluation, including any orders for medications and treatments, upon admission.~~

~~(4) If the information on the FL-2 or MR-2 is not clear or is insufficient, the administrator or supervisor-in-charge shall contact the physician for clarification in order to determine if the services of the facility can meet the individual's needs.~~

~~(5) The completed FL-2 or MR-2 shall be filed in the resident's record in the home.~~

~~(6) If a resident has been hospitalized, the facility shall have a completed FL-2 or MR-2 or a transfer form or discharge summary with signed prescribing practitioner orders upon the resident's return to the facility from the hospital.~~

The medical examination shall be completed no more than 90 days prior to the resident's admission to the facility, except in the case of emergency admission.

(d) In the case of an unplanned, emergency admission, the medical examination of the resident shall be conducted within 72 hours after admission. Prior to an emergency admission, the facility shall obtain current medication and treatment orders from a licensed physician or physician extender.

(e) The result of the medical examination required in Paragraph (b) of this Rule shall be documented on the North Carolina Medicaid Adult Care Home FL-2 form which is available at no cost on the Department's Medicaid website at https://medicaid.ncdhhs.gov/media/6549/open. The Adult Care Home FL-2 shall be signed and dated by the physician or physician extender completing the medical examination. The medical examination shall include the following:

(1) resident's identification information, including the resident's name, date of birth, sex, admission date, county and Medicaid number, current facility and address, physician's name and address, a relative's name and address, current level of care, and recommended level of care;

(2) resident's admitting diagnoses, including primary and secondary diagnoses and dates of onset;

(3) resident's current medical information, including orientation, behaviors, personal care assistance needs, frequency of physician visits, ambulatory status, functional limitations, information related to activities and social needs, neurological status, bowel and bladder functioning status, manner of communication of needs, skin condition, respiratory status, and nutritional status including orders for therapeutic diets;

(4) special care factors, including physician orders for blood pressure, diabetic urine testing, physical therapy, range of motion exercises, a bowel and bladder program, a restorative feeding program, speech therapy, and restraints;

(5) resident's medications, including the name, strength, dosage, frequency and route of administration of each medication;

(6) results of x-rays or laboratory tests determined by the physician or physician extender to be necessary information related to the resident's care needs; and

(7) additional information as determined by the physician or physician extender to be necessary for the care of the resident.

(f) If the information on the Adult Care Home FL-2 is not clear or is insufficient, or information provided to the facility related to the resident's condition or medications after the completion of the medical examination conflicts with the information provided on the Adult Care Home FL-2, the facility shall contact the physician or physician extender for clarification in order to determine if the facility can meet the individual's needs.

(g) The results of the medical examination shall be maintained in the resident's record in accordance with Rule .1201 of this Subchapter. Discharge medication orders shall be clarified in accordance with Rule .1002(a) of this Subchapter.

(h) Upon a resident's return to the facility from a hospitalization, the facility shall obtain and review the hospital discharge summary or discharge instructions, including any discharge medication orders. If the facility identifies discrepancies between the discharge orders and current orders at the facility, the facility shall clarify the discrepancies with the resident's physician or physician extender.

~~(d)~~(i) Each resident shall be immunized against pneumococcal disease and annually against influenza virus according to G.S. 131D-9, except as otherwise indicated in ~~this~~ law.

~~(e) The home shall make arrangements for any resident, who has been an inpatient of a psychiatric facility within 12 months before entering the home and who does not have a current plan for psychiatric care, to be examined by a local~~

~~physician or a physician in a mental health center within 30 days after admission and to have a plan for psychiatric follow-up care when indicated.~~

(j) The facility shall make arrangements for a resident to be evaluated by a licensed mental health professional, licensed physician or licensed physician extender for follow-up psychiatric care within 30 days of admission or re-admission to the facility when the resident:

(1) has been an inpatient of a psychiatric facility within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care; or

(2) has been hospitalized due to threatening or violent behavior, suicidal ideation or self-harm, or other psychiatric symptoms that required hospitalization within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. December 1, 1993; July 1, 1990; April 1, 1987; April 1, 1984;
Temporary Amendment Eff. September 1, 2003;
Amended Eff. June 1, ~~2004.~~ 2004;
Readopted Eff. January 1, 2024.

10A NCAC 13G .0703 is proposed for repeal through readoption as follows:

10A NCAC 13G .0703 RESIDENT REGISTER

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. July 1, 1990; April 1, 1987; April 1, 1984;
Temporary Amendment Eff. July 1, 2004;
Amended Eff. April 1, 2022; July 1, ~~2005.~~ 2005;
Repealed Eff. January 1, 2024.

10A NCAC 13G .0704 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .0704 RESIDENT ~~CONTRACT AND INFORMATION ON HOME~~ CONTRACT, INFORMATION ON FACILITY, AND RESIDENT REGISTER

(a) The administrator or supervisor-in-charge shall furnish and review with the resident or ~~his responsible person~~ the resident's authorized representative as defined in Rule .1103 of this Subchapter information on the ~~family care home~~ facility upon admission and when changes are made to that information. The facility shall involve the resident in the review of the resident contract and information on the facility unless the resident is cognitively unable to participate in the discussion. A statement indicating that this information has been received upon admission or amendment as required by this Rule shall be signed and dated by each person to whom it is given. This statement shall be retained in the resident's record in the ~~home.~~ facility. The information shall ~~include:~~ include the following:

(1) ~~a copy of the home's resident contract specifying rates for resident services and accommodations, including the cost of different levels of service, if applicable, any other charges or fees, and any health needs or conditions the home has determined it cannot meet pursuant to G.S. 131D-2(a1)(4). In addition, the following applies:~~ the resident contract to which the following applies:

(A) the contract shall specify charges for resident services and accommodations, including the cost of different levels of service, description of levels of care and services, and any other charges or fees;

(B) the contract shall disclose any health needs or conditions that the facility has determined it cannot meet;

~~(a)~~(C) ~~The~~ the contract shall be signed and dated by the administrator or supervisor-in-charge and the resident or ~~his responsible person~~ the resident's authorized representative and a copy given to the resident or ~~his responsible person;~~ the resident's authorized representative and a copy kept in the resident's record;

~~(b)~~(D) ~~The~~ the resident or ~~his responsible person~~ the resident's authorized representative shall be ~~notified as soon as any change is known, but not less than 30 days for rate changes initiated by the home, of any rate changes or other changes in the contract affecting the resident services and accommodations~~ given a written 30-day notice prior to any change in charges for resident services and accommodations, including the cost of different levels of service, description of level of care and services, and any other charges or fees, and be provided an amended copy of the contract for review and ~~signature;~~ confirmation of receipt;

~~(c) A copy of each signed contract shall be kept in the resident's record in the home;~~

~~(d)~~(E) ~~Gratuities~~ gratuities in addition to the established rates shall not be accepted; and

~~(e)~~(F) The maximum monthly rate that may be charged to Special Assistance recipients ~~is~~ as established by the ~~North Carolina Social Services Commission and the~~ North Carolina General Assembly;

Note: Facilities may accept payments for room and board from a third party, such as family member, charity or faith community, if the payment is made voluntarily to supplement the cost of room and board for the added benefit of a private room.

(2) a written copy of any house rules, including ~~the conditions for the discharge and transfer of residents, the refund policies, and the home's~~ facility's policies on smoking, alcohol ~~consumption and visitation~~ consumption, visitation, refunds, and the requirements for discharge of residents consistent with the rules in this Subchapter and amendments disclosing any changes in the house ~~rules;~~ rules. The house rules shall be in compliance with G.S. 131D-21;

(3) a copy of the Declaration of Residents' Rights as found in G.S. 131D-21;

(4) a copy of the ~~home's~~ facility's grievance procedures ~~which~~ that shall indicate how the resident is to present complaints and make suggestions as to the ~~home's~~ facility's policies and services on behalf of self or others; and

(5) a statement as to whether the ~~home~~ facility has signed Form DSS-1464, Statement of Assurance of Compliance with Title VI of the Civil Rights Act of 1964 for Other Agencies, Institutions, Organizations or Facilities, and which shall also indicate that if the ~~home~~ facility does not choose to comply or is ~~found to be in non-compliance~~ non-compliant the residents of the ~~home~~ facility would not be able to receive State-County Special Assistance for Adults and the ~~home~~ facility would not receive supportive services from the county department of social services.

(b) A family care home's administrator or supervisor-in-charge and the resident or the resident's responsible person shall complete and sign the Resident Register initial assessment within 72 hours of the resident's admission to the facility in accordance with G.S. 131D-2.15. The facility shall involve the resident in the completion of the Resident Register unless the resident is cognitively unable to participate. The Resident Register shall include the following:

(1) resident's identification information including the resident's name, date of birth, sex, admission date, medical insurance, family and emergency contacts, advanced directives, and physician's name and address;

(2) resident's current care needs including activities of daily living and services, use of assistive aids, orientation status;

(3) resident's preferences including personal habits, food preferences and allergies, community involvement, and activity interests;

(4) resident's consent and request for assistance including the release of information, personal funds management, personal lockable space, discharge information, and assistance with personal mail;

(5) name of the individual identified by the resident who is to receive a copy of the notice of discharge per G.S. 131D-4.8; and

(6) resident's consent including a signature confirming the review and receipt of information contained in the form.

The Resident Register is available on the internet website, https://info.ncdhhs.gov/dhsr/acls/pdf/resregister.pdf, at no charge. The facility may use a resident information form other than the Resident Register as long as it contains same

information as the Resident Register. Information on the Resident Register shall be kept updated and maintained in the resident's record.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. April 1, 1984;
Amended Eff; July 1, 1990; April 1, 1987;
Temporary Amendment Eff. July 1, 2004;
Amended Eff. July 1, ~~2005.~~ 2005;
Readopted Eff. January 1, 2024.

10A NCAC 13G .1102 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .1102 ~~LEGAL~~ AUTHORIZED REPRESENTATIVE ~~OR PAYEE~~

(a) In situations where a resident of a family care home is unable to manage ~~his funds,~~ their monetary funds the administrator shall contact a family member or the county department of social services regarding the need for a ~~legal representative or payee.~~ authorized representative. For the purposes of this Rule, an "authorized representative" shall mean a person who is legally authorized or designated in writing by the resident to act on his or her behalf in the management of their funds. The administrator and other staff of the ~~home~~ facility shall not serve as a resident's ~~legal~~ authorized representative, payee, or executor of a will, except as indicated in Paragraph (b) of this Rule.

(b) In the case of funds administered by the Social Security Administration, the Veteran's Administration or other federal government agencies, the administrator of the ~~home~~ facility may serve as a payee when so authorized as a legally constituted authority by the respective federal agencies.

(c) The administrator shall give the resident's ~~legal~~ authorized representative ~~or payee~~ receipts for any monies received on behalf of the resident.

History Note: *Authority G.S. 35A-1203; 108A-37; 131D-2.16; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. July 1, 2005; April 1, ~~1984.~~ 1984;
Effective January 1, 2024.

10A NCAC 13G .1103 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .1103 ACCOUNTING FOR RESIDENT'S PERSONAL FUNDS

(a) To document a resident's receipt of the State-County Special Assistance personal needs allowance after payment of the cost of care, a statement shall be signed by the resident or marked by the ~~resident with two witnesses' signatures.~~ resident. If the statement is marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the signature of the resident's authorized representative shall be required. Witnesses cannot include the staff handling the residents' personal funds transactions. The statement shall be maintained in the ~~home.~~ facility.

(b) Upon the written authorization of the resident or ~~his legal representative or payee,~~ their authorized representative, an administrator or the administrator's designee may handle the personal money for a resident, provided an accurate accounting of monies received and disbursed and the balance on hand is available upon request of the resident or ~~his legal representative or payee.~~ their authorized representative during the facility's established business days and hours.

(c) A record of each transaction involving the use of the resident's personal funds according to Paragraph (b) of this Rule shall be signed by the ~~resident, legal representative or payee~~ the resident or the resident's authorized representative, or marked by the ~~resident, if not adjudicated incompetent, with two witnesses' signatures~~ resident, at least monthly verifying the accuracy of the disbursement of personal funds. If marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the facility shall provide the resident's authorized representative with a copy of the monthly resident's funds statement and shall obtain verification of receipt. The ~~record~~ records shall be maintained in the ~~home.~~ facility.

(d) A resident's personal funds shall not be commingled with facility funds. The facility shall not commingle the personal funds of residents in an interest-bearing account.

(e) All or any portion of a resident's personal funds shall be available to the resident or ~~his legal~~ their authorized representative ~~or payee~~ upon request during ~~regular office hours~~, the facility's established business days and hours except as provided in Rule .1105 of this Subchapter.

(f) The resident's personal needs allowance shall be credited to the resident's account within ~~24 hours of the check being deposited following endorsement.~~ one business day of the funds being available in the facility's resident personal funds account.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. April 1, 1984;
Amended Eff. July 1, 2005; April 1, ~~1987.~~ 1987;
Readopted Eff. January 1, 2024.

10A NCAC 13G .1106 is proposed for readoption without substantive changes as follows:

10A NCAC 13G .1106 SETTLEMENT OF COST OF CARE

(a) If a resident of a family care home, after being notified by the ~~home~~ facility of its intent to discharge the resident in accordance with Rule .0705 of this Subchapter, ~~moves out of the home before the period of time specified in the notice has elapsed,~~ the ~~home~~ facility shall refund the resident an amount equal to the cost of care for the remainder of the month minus any nights spent in the ~~home~~ facility during the notice period. The refund shall be made within 14 days after the resident leaves the ~~home.~~ facility. For the purposes of this Rule, "cost of care" means any monies paid by the resident or the resident's legal representative in advance for room and board and services provided by facility as agreed upon in the resident's contract.

(b) If a resident moves out of the ~~home~~ facility without giving notice, as may be required by the ~~home~~ facility according to Rule ~~.0705(h)~~ .0705(i) of this Subchapter, or before the ~~home's~~ facility's required notice period has elapsed, the resident owes the ~~home~~ facility an amount equal to the cost of care for the required notice period. If a resident receiving State-County Special Assistance moves without giving notice or before the notice period has elapsed, the former ~~home~~ facility is entitled to the required payment for the notice period before the new ~~home~~ facility receives any payment. The ~~home~~ facility shall refund the resident the remainder of any advance payment following settlement of the cost of care. The refund shall be made within 14 days from the date of notice or, if no notice is given, within 14 days of the resident leaving the ~~home.~~ facility.

(c) When there is an exception to the notice as provided in Rule ~~.0705(h)~~ .0705(i) of this Subchapter to protect the health or safety of the resident or others in the ~~home,~~ facility, or when there is a sudden, unexpected closure of the facility that requires the resident to relocate, the resident is only required to pay for any nights spent in the ~~home.~~ facility. A refund shall be made to the resident by the ~~home~~ facility within 14 days from the date of notice.

(d) When a resident gives notice of leaving the ~~home,~~ facility, as may be required by the ~~home~~ facility according to Rule ~~.0705(h)~~ .0705(i) of this Subchapter, and leaves at the end of the notice period, the ~~home~~ facility shall refund the resident the remainder of any advance payment within 14 days from the date of notice. If notice is not required by the ~~home,~~ facility, the refund shall be made within 14 days after the resident leaves the ~~home.~~ facility.

(e) When a resident leaves the ~~home~~ facility with the intent of returning to it, the following apply:

(1) The ~~home~~ facility may reserve the resident's bed for a set number of days with the written agreement of the ~~home~~ facility and the resident or his or her responsible person and thereby require payment for the days the bed is held.

(2) If, after leaving the ~~home,~~ facility, the resident decides not to return to it, the resident or someone acting on his or her behalf may be required by the ~~home~~ facility to provide up to a 14-day written notice that he or she is not returning.

(3) Requirement of a notice, if it is to be applied by the ~~home,~~ facility, shall be a part of the written agreement and explained by the ~~home~~ facility to the resident and his or her family or responsible person before signing.

(4) On notice by the resident or someone acting on his or her behalf that he or she will not be returning to the ~~home,~~ facility, the ~~home~~ facility shall refund the remainder of any advance payment to the resident or his or her responsible person, minus an amount equal to the cost of care for the period covered by the agreement. The refund shall be made within 14 days after notification that the resident will not be returning to the ~~home.~~ facility.

(5) In no situation involving a recipient of State-County Special Assistance may a ~~home~~ facility require payment for more than 30 days since State-County Special Assistance is not authorized unless the resident is actually residing in the ~~home~~ facility or it is anticipated that he or she will return to the ~~home~~ facility within 30 days.

(6) Exceptions to the ~~two-weeks'~~ 14-day notice, if required by the ~~home,~~ facility, are cases where returning to the ~~home~~ facility would jeopardize the health or safety of the resident or others in the ~~home~~ facility as certified by the resident's physician or approved by the county department of social services, and in the case of the resident's death. In these cases, the ~~home~~ facility shall refund the rest of any advance payment calculated beginning with the day the ~~home~~ facility is notified.

(f) If a resident dies, the administrator of his or her estate or the Clerk of Superior Court, when no administrator for his or her estate has been appointed, shall be given a refund equal to the cost of care for the month minus any nights spent in the ~~home~~ facility during the month. This is to be done within 30 days after the resident's death.

History Note: *Authority G.S. 131D-2.16; 131D-4.5; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. July 1, 1990; June 1, 1987; April 1, 1984;
Temporary Amendment Eff. January 1, 2001;
Temporary Amendment Expired October 13, 2001;
Amended Eff. July 1, ~~2005.~~ 2005;
Readopted Eff. January 1, 2024.

DHSR Adult Care Licensure Section
Fiscal Impact Analysis
Permanent Rule Readoption and Amendment without Substantial Economic Impact

Agency: North Carolina Medical Care Commission

Contact Persons: Nadine Pfeiffer, DHSR Rules Review Manager, (919) 855-3811
Megan Lamphere, Adult Care Licensure Section Chief, (919) 855-3784
Shalisa Jones, Regulatory Analyst, (704) 589-6214

Impact:

Federal Government: No
State Government: No
Local Government: No
Private Entities: Yes
Substantial Impact: No

Titles of Rule Changes and N.C. Administrative Code Citation

Rule Readoptions (*See proposed text of these rules in Appendix)*
10A NCAC 13F. 0703 Tuberculosis Test, Medical Examination, and Immunization
10A NCAC 13F .0704 Resident Contract, Information On Home And Resident Register
10A NCAC 13F .1106 Settlement Of Cost Of Care
10A NCAC 13G .0702 Tuberculosis Test And Medical Examination
10A NCAC 13G .0704 Resident Contract And Information On Home, And Resident Register
10A NCAC 13G .1102 Authorized Representative
10A NCAC 13G .1103 Accounting For Resident's Personal Funds
10A NCAC 13G .1106 Settlement Of Cost Of Care

Rule Amendments (*See proposed text of these rules in Appendix)*
10A NCAC 13F .1103 Authorized Representative
10A NCAC 13F .1104 Accounting for Resident's Personal Funds

Rule Repeal through Readoption
10A NCAC 13G .0703 Resident Register

Authorizing Statutes: G.S. 131D-2.16; 131D-4.5; 143B-165

Introduction and Background

The agency is proposing changes to clarify the requirements of the medical examination required upon admission, update the guidelines for medical examination, and clarify the admission protocol for residents being treated for mental illness. The proposed language includes the current medical examination form that has been approved by the agency. The proposed rule language promotes a person-centered approach during the admission process by involving the resident when completing the Resident Register, allowing

the resident to provide input about their care needs and preferences. The updated rule language now includes the contents for the medical examination and Resident Register forms.

The technical changes were proposed to update information required to be included in the resident contract to specify the description of level of services. Revisions were also made to 13G .0704 to update the title of the rule and include requirements of the Resident Register to be consistent with the adult care home rules. The proposed changes will have limited fiscal impact on licensed providers as most changes have no substantial costs associated. The proposed changes will generate minimal costs and/or benefits for adult care homes and family care homes.

The proposed changes will have no impact on the Adult Care Licensure Section. The agency does not anticipate any additional impact on state government or local government (i.e. county Departments of Social Services who monitor and conduct complaint investigations in adult care homes and family care homes) beyond their current job requirements to implement, monitor, or regulate the proposed amendments.

Under the authority of G.S. 150B-21.3A, Periodic review of existing rules, the North Carolina Medical Care Commission and Rules Review Commission approved the Subchapter reports with classifications for the rules under 10A NCAC 13F Licensing of Adult Care Homes of Seven or More Beds and 10 NCAC 13G Licensing of Family Care Homes. The rules were classified in the reports as necessary with substantive public interest. Rules 10A NCAC 13F .0703, 13F .0704, 13G .0702, 13G .0704, 13G .1102 are being presented for readoption with substantive changes. The following rules were identified for readoption without substantive changes: 13F .1106, 13G .1103, 13G .1106. The following rules were not identified for readoption with substantive changes based on public comment but is being proposed for amendment to correlate with the 13G rule of the same title and similar content being proposed for readoption: 13F .1103 and 13F .1104. Rule 10A NCAC 13G .0703 is being repealed through readoption, it will have no impact, and will not be discussed in this analysis.

Rules Summary and Anticipated Fiscal Impact

10A NCAC 13F .0703/13G .0702 Tuberculosis Test, Medical Examination And Immunizations:
These rules outline residents' medical examination and immunizing requirements needed for admission to a facility. Technical changes were made to be consistent with current writing styles. The proposed language includes the current examination form, guidelines for medical examination and clarifies the admission protocol for residents who have recently been treated for mental illness to ensure they receive proper follow-up care after admission to an adult care home.

1. A resident is required to undergo a medical examination prior to admission to an adult care home and annually thereafter. Paragraph (b) now identifies who can complete the resident medical examination and requires the form be used to determine if residents' needs are able to be met by the facility. The new term "physician extender" is inclusive of licensed nurse practitioners and licensed physician assistants. The new term clarifies that facilities have flexibility to use physician extenders to complete the required medical exam and FL-2 form. The proposed changes better align the rule with the current practices taking place in the adult care home industry.

2. The proposed language in Paragraph (e) updates how the medical examination is to be documented on the "Adult Care Home FL2 form" and the contents of the form are also included for clarity. The form was created by NC Medicaid and has been approved by the agency for use by facilities. The form is free and

provides no additional cost to facilities. An internet address has also been included for where the forms can be obtained at no cost.

3. The proposed language in Paragraph (h) was added to clarify procedures for when a resident is re-admitted to an adult care home after a recent hospitalization, including the responsibility to obtain and review the discharge summary or discharge instructions and medication orders when the resident returns. This practice ensures that residents receive appropriate follow-up care as ordered by the hospital physician, as well as prevents any issues related to discrepancies with medication orders before and after the resident's hospitalization. Clarifying these procedures in rule ensures safe continuity of care for a resident after hospitalization. Currently, facilities are required to obtain this information when a resident is hospitalized, therefore there are no additional impact beyond providing rule clarity.

4. Technical changes were made to clarify the wording in Paragraph (j) regarding residents who are being admitted with a history of treatment for mental illness. The proposed language was modified to include residents who have been evaluated and diagnosed with or treated for mental illness. The term "physician extender" was also added in this paragraph to include licensed nurse practitioners and licensed physician assistants, clarifying that physician extenders can complete a medical evaluation. The proposed language also clarifies that the follow-up examination can be completed by a licensed mental health professional. The proposed changes better align the rule with the current practices taking place in adult care homes.

10A NCAC 13F/G .0704 Resident Contract, Information On Home And Resident Register:
Technical changes were made to update information required to be included in the resident contract to specify the description of level of services. Revisions were also made to 13G .0704 to update the title of the rule and include requirements of the Resident Register to be consistent with the adult care home rules.

1. Paragraph (a)(1) requires facilities to have a resident contract that includes the rates of services and accommodations. The proposed language includes a description of the types of care and services and the charges for those services, and any other charges or fees a resident may incur while residing at the facility.

Currently, facilities are required to include rates and services and the costs. Facilities provide 24-hour care and services for residents who need assistance with various tasks such as personal care, medication administration, food and nutrition services, health care referral, housekeeping and laundry, social and recreational activities, and supervision for safety. These services are provided based on resident's assessed needs. Facilities may charge for services as a whole, such as a daily or monthly rate, or charge based on the types of services the resident needs. The proposed language promotes transparency about the description services provided and the potential costs to residents and families if those services are needed. Review of facility contracts submitted to the Adult Care Licensure Section as part of initial licensing process for new facilities revealed that most are already including the description of types of care and services in their contract, therefore, operational costs to update the contract would be minimal.

2. Paragraph (a)(1)(D) clarifies the 30-day notice facilities are required to give the resident or responsible party who is to be notified of a change in charges and accommodations and confirmation of receipt of the amended copy of the contract. The agency updated the language to include the confirmation of receipt to provide verification that the resident/responsible party is aware of the changes.

3. Technical changes were made in Paragraph (b) to update the language to include "management designee" as a person who is able to complete the Resident Register and clarifies that the resident is to be involved in the completion of the assessment form. Additionally, the rule includes Paragraph (b) was added to rule 13G .0704 to include the Resident Register information. The mailing address was also

removed from rule 13F. 0704 since the website address in included where the Resident Register is available at no charge. The contents of Resident Register form were included for clarity.

Rationale: Currently, rule 13F .0704 identifies the Administrator or the Administrator-In-Charge as the individuals responsible for reviewing and furnishing the Resident Register. The updated rule language now identifies an alternate person as a management designee which gives facilities flexibility to utilize other management personnel within the facility to be a part of this process. This change will be beneficial to administrators, saving them time and allowing them to focus on other job requirements as they are now able to designate this task to other management personnel. The time savings would vary depending on the time it takes to complete the Resident Register. The rule now specifies the involvement of the resident when completing the Resident Register unless they are cognitively unable to participate. Involvement of the resident allows the resident the opportunity to participate and provide input on their care and services.

Fiscal Impact: Facilities that do not already include the description of the types of charges for services would have minimal costs associated with the time to update the resident contract. The costs associated with obtaining confirmation of receipt of an amended contract are minimal. The resident or responsible party could verify confirmation either through email at no cost, in person, or via mail. Facilities have the flexibility of choosing how to obtain this confirmation.

10A NCAC 13F .1103/ 13G .1102 Authorized Representative: These rules identify the person authorized to act on behalf of the resident when managing their funds. The title of these rules was changed to "authorized representative" to update the title and provide a definition. The new definition provides clarity and the term will be used throughout the Subchapter when addressing residents' personal funds. There are no foreseeable costs associated with the proposed rule change.

10A NCAC 13F .1104/ 13G .1103 Accounting for Resident's Personal Funds: These rules outline how resident personal funds are to be accounted for if the resident is unable to manage their own funds and requests assistance in doing so. Technical changes were made to remove outdated language and provide clarity.

1. In Paragraph (a) and (c), the proposed rule language now requires only one witness signature when documents require a mark by a resident who is physically unable to sign. There are no costs associated with this proposed change. Facilities will benefit from this change as they are no longer required to have two witness signatures, minimizing the time staff are being removed from their job duties to witness and sign the funds transactions.

Rationale: The agency received feedback from various providers regarding the hardship of finding two witnesses to provider a signature. The proposed change only requires one witness signature to remove the hardship and clarifies that the one witness cannot include staff who directly handle the residents' personal funds transactions.2. Paragraph (c) requires the authorized representative to receive a copy of the monthly resident funds statement when a resident has been adjudicated incompetent. The updated rule language changes the time required for the personal needs allowance to be credited to the resident's account from 24 hours to one business day to account for bank transactions that occur during holidays and during the weekend. It is anticipated that the costs associated with providing an authorized representative a copy of the funds statement would be minimal. Current technology and the use of email to communicate allows facilities to send a copy of the funds statement to the authorized representative quickly and easily with no cost of mailing. Based on Adult Care Licensure Section data, 99% of licensed facilities reported having an email address, and therefore, would be able to send resident fund statements electronically.

10A NCAC 13F .0703 is proposed for readoption with substantive changes as follows:

10A NCAC 13F .0703 TUBERCULOSIS TEST, MEDICAL EXAMINATION AND IMMUNIZATIONS

(a) Upon admission to an adult care home each resident shall be tested for tuberculosis disease in compliance with the control measures adopted by the Commission for Public Health as specified in 10A NCAC 41A .0205 including subsequent amendments and editions. ~~Copies of the rule are available at no charge by contacting the Department of Health and Human Services, Tuberculosis Control Program, 1902 Mail Service Center, Raleigh, North Carolina 27699-1902.~~

(b) Each resident shall have a medical examination completed by a licensed physician or physician extender prior to admission to the facility and annually thereafter. For the purposes of this Rule, "physician extender" means a licensed physician assistant or licensed nurse practitioner. The medical examination completed prior to admission shall be used by the facility to determine if the facility can meet the needs of the resident.

(c) ~~The results of the complete examination required in Paragraph (b) of this Rule are to be entered on the FL-2, North Carolina Medicaid Program Long Term Care Services, or MR-2, North Carolina Medicaid Program Mental Retardation Services, which shall comply with the following:~~

~~(1) The examining date recorded on the FL-2 or MR-2 shall be no more than 90 days prior to the person's admission to the home.~~

~~(2) The FL-2 or MR-2 shall be in the facility before admission or accompany the resident upon admission and be reviewed by the facility before admission except for emergency admissions.~~

~~(3) In the case of an emergency admission, the medical examination and completion of the FL-2 or MR-2 as required by this rule shall be within 72 hours of admission as long as current medication and treatment orders are available upon admission or there has been an emergency medical evaluation, including any orders for medications and treatments, upon admission.~~

~~(4) If the information on the FL-2 or MR-2 is not clear or is insufficient, the facility shall contact the physician for clarification in order to determine if the services of the facility can meet the individual's needs.~~

~~(5) The completed FL-2 or MR-2 shall be filed in the resident's record in the home.~~

~~(6) If a resident has been hospitalized, the facility shall have a completed FL-2 or MR-2 or a transfer form or discharge summary with signed prescribing practitioner orders upon the resident's return to the facility from the hospital.~~

The medical examination shall be completed no more than 90 days prior to the resident's admission to the facility, except in the case of emergency admission.

(d) In the case of an unplanned, emergency admission, the medical examination of the resident shall be conducted within 72 hours after admission. Prior to an emergency admission, the facility shall obtain current medication and treatment orders from a licensed physician or physician extender.

(e) The result of the medical examination required in Paragraph (b) of this Rule shall be documented on the North Carolina Medicaid Adult Care Home FL-2 form which is available at no cost on the Department's Medicaid website at https://medicaid.ncdhhs.gov/media/6549/open. The Adult Care Home FL-2 shall be signed and dated by the physician or physician extender completing the medical examination. The medical examination shall include the following:

(1) resident's identification information, including the resident's name, date of birth, sex, admission date, county and Medicaid number, current facility and address, physician's name and address, a relative's name and address, current level of care, and recommended level of care;

(2) resident's admitting diagnoses, including primary and secondary diagnoses and dates of onset;

(3) resident's current medical information, including orientation, behaviors, personal care assistance needs, frequency of physician visits, ambulatory status, functional limitations, information related to activities and social needs, neurological status, bowel and bladder functioning status, manner of communication of needs, skin condition, respiratory status, and nutritional status including orders for therapeutic diets;

(4) special care factors, including physician orders for blood pressure, diabetic urine testing, physical therapy, range of motion exercises, a bowel and bladder program, a restorative feeding program, speech therapy, and restraints;

(5) resident's medications, including the name, strength, dosage, frequency and route of administration of each medication;

(6) results of x-rays or laboratory tests determined by the physician or physician extender to be necessary information related to the resident's care needs; and

(7) additional information as determined by the physician or physician extender to be necessary for the care of the resident.

(f) If the information on the Adult Care Home FL-2 is not clear or is insufficient, or information provided to the facility related to the resident's condition or medications after the completion of the medical examination conflicts with the information provided on the Adult Care Home FL-2, the facility shall contact the physician or physician extender for clarification in order to determine if the facility can meet the individual's needs.

(g) The results of the medical examination shall be maintained in the resident's record in accordance with Rule .1201 of this Subchapter. Discharge medication orders shall be clarified in accordance with Rule .1002(a) of this Subchapter.

(h) Upon a resident's return to the facility from a hospitalization, the facility shall obtain and review the hospital discharge summary or discharge instructions, including any discharge medication orders. If the facility identifies discrepancies between the discharge orders and current orders at the facility, the facility shall clarify the discrepancies with the resident's physician or physician extender.

~~(d)~~(i) Each resident shall be immunized against pneumococcal disease and annually against influenza virus according to G.S. 13D-9, except as otherwise indicated in ~~this~~ law.

~~(e)The facility shall make arrangements for any resident, who has been an inpatient of a psychiatric facility within 12 months before entering the home and who does not have a current plan for psychiatric care, to be examined by a local physician or a physician in a mental health center within 30 days after admission and to have a plan for psychiatric follow-up care when indicated.~~

(j) The facility shall make arrangements for a resident to be evaluated by a licensed mental health professional, licensed physician or licensed physician extender for follow-up psychiatric care within 30 days of admission or re-admission to the facility when the resident:

(1) has been an inpatient of a psychiatric facility within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care; or

(2) has been hospitalized due to threatening or violent behavior, suicidal ideation or self-harm, or other psychiatric symptoms that required hospitalization within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Temporary Adoption Eff. September 1, 2003;
Eff. June 1, ~~2004.~~ 2004;
Readopted Eff. January 1, 2024.

10A NCAC 13F .0704 is proposed for readoption with substantive changes as follows:

10A NCAC 13F .0704 RESIDENT CONTRACT, INFORMATION ON ~~HOME~~ FACILITY, AND RESIDENT REGISTER

(a) An adult care home administrator or ~~administrator-in-charge~~ or their management designee shall furnish and review with the resident or ~~responsible person~~ the resident's authorized representative as defined in Rule .1103 of this Subchapter information on the ~~home~~ facility upon admission and when changes are made to that information. The facility shall involve the resident in the review of the resident contract and information on the facility unless the resident is cognitively unable to participate in the discussion. A statement indicating that this information has been received upon admission or amendment as required by this Rule shall be signed and dated by each person to whom it is given and retained in the resident's record in the ~~home~~ facility. The information shall include the following:

(1) the resident contract to which the following applies:

(A) the contract shall specify ~~rates~~ charges for resident services and accommodations, including the cost of different levels of service, ~~if applicable,~~ description of levels of care and services, and any other charges or fees;

(B) the contract shall disclose any health needs or conditions that the facility has determined it cannot ~~meet pursuant to G.S. 131D-2(a1)(4);~~ meet;

(C) the contract shall be signed and dated by the administrator or ~~administrator-in-charge~~ management designee and the resident or ~~responsible person,~~ the resident's authorized representative, a copy given to the resident or ~~responsible person~~ the resident's authorized representative and a copy kept in the resident's record;

(D) the resident or ~~responsible person~~ the resident's authorized representative shall be ~~notified as soon as any change is known, but not less than 30 days before the change for rate changes initiated by the facility, of any changes in the contract~~ given a written 30-day notice prior to any change in charges for resident services and accommodations, including the cost of different levels of service, description of level of care and services, and any other charges or fees, and be provided an amended contract or an amendment to the contract for review and ~~signature;~~ confirmation of receipt;

(E) gratuities in addition to the established rates shall not be accepted; and

(F) the maximum monthly adult care home rate that may be charged to Special Assistance recipients ~~is~~ as established by the North Carolina Social Services Commission and the North Carolina General Assembly.

Note: Facilities may accept payments for room and board from a third party, such as family member, charity or faith community, if the payment is made voluntarily to supplement the cost of room and board for the added benefit of a private room or a private or semi-private room in a special care unit.

(2) a written copy of all house rules, including facility policies on smoking, alcohol consumption, visitation, refunds and the requirements for discharge of residents consistent with the rules of this Subchapter, and amendments disclosing any changes in the house ~~rules;~~ rules. The house rules shall be in compliance with G.S. 131D-21;

(3) a copy of the Declaration of Residents' Rights as found in G.S. 131D-21;

(4) a copy of the ~~home's~~ facility's grievance procedures ~~which~~ that shall indicate how the resident is to present complaints and make suggestions as to the ~~home's~~ facility's policies and services on behalf of himself or herself or others; and

(5) a statement as to whether the ~~home~~ facility has signed Form DSS-1464, Statement of Assurance of Compliance with Title VI of the Civil Rights Act of 1964 for Other Agencies, Institutions, Organizations or Facilities, and which shall also indicate that, if the ~~home~~ facility does not choose to comply or is ~~found to be in non-compliance,~~ non-compliant, the residents of the ~~home~~ facility would not be able to receive State-County Special Assistance for Adults and the ~~home~~ facility would not receive supportive services from the county department of social services.

(b) The administrator or ~~administrator-in-charge~~ their management designee and the resident or the resident's ~~responsible person~~ representative shall complete and sign the Resident Register initial assessment within 72 hours of the resident's admission to the facility ~~and revise the information on the form as needed.~~ in accordance with G.S. 131D-2.15. The facility shall involve the resident in the completion of the Resident Register unless the resident is cognitively unable to participate. The Resident Register shall include the following:

(1) resident's identification information including the resident's name, date of birth, sex, admission date, medical insurance, family and emergency contacts, advanced directives, and physician's name and address;

(2) resident's current care needs including activities of daily living and services, use of assistive aids, orientation status;

(3) resident's preferences including personal habits, food preferences and allergies, community involvement, and activity interests;

(4) resident's consent and request for assistance including the release of information, personal funds management, personal lockable space, discharge information, and assistance with personal mail;

(5) name of the individual identified by the resident who is to receive a copy of the notice of discharge per G.S. 131D-4.8; and

(6) resident's consent including a signature confirming the review and receipt of information contained in the form.

The Resident Register is available on the internet website, https://info.ncdhhs.gov/dhsr/acls/pdf/resregister.pdf ~~or~~ at no ~~charge from the Division of Health Service Regulation, Adult Care Licensure Section, 2708 Mail Service Center, Raleigh, NC 27699-2708.~~ charge. The facility may use a resident information form other than the Resident Register as long as it contains ~~at least~~ the

same information as the Resident Register. Information on the Resident Register shall be kept updated and maintained in the resident's record.

History Note: *Authority 131D-2.15; 131D-2.16; 143B-165;*
Temporary Adoption Eff. July 1, 2004;
Eff. July 1, 2005.
Amended Eff. April 1, ~~2022.~~ 2022;
Readopted Eff. January 1, 2024.

10A NCAC 13F .1103 is proposed for amendment as follows:

10A NCAC 13F .1103 ~~LEGAL~~ AUTHORIZED REPRESENTATIVE ~~OR PAYEE~~

(a) In situations where a resident of an adult care home is unable to manage ~~his~~ their monetary funds, the administrator shall contact a family member or the county department of social services regarding the need for ~~a legal representative or payee.~~ an authorized representative. For the purposes of this Rule, an "authorized representative" shall mean a person who is legally authorized or designated in writing by the resident to act on his or her behalf in the management of their funds. The administrator and other staff of the ~~home~~ facility shall not serve as a resident's ~~legal~~ authorized representative, payee, or executor of a will, except as indicated in Paragraph (b) of this Rule.

(b) In the case of funds administered by the Social Security Administration, the Veteran's Administration or other federal government agencies, the administrator of the ~~home~~ facility may serve as a payee when so authorized as a legally constituted authority by the respective federal agencies.

(c) The administrator shall give the resident's ~~legal~~ authorized representative or payee receipts for any monies received on behalf of the resident.

History Note: *Authority G.S. 35A-1203; 108A-37; 131D-2.16; 143B-165;*
Eff. July 1, 2005;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. March 6, ~~2018.~~ 2018;
Amended Eff. January 1, 2024.

10A NCAC 13F .1104 is proposed for amendment as follows:

10A NCAC 13F .1104 ACCOUNTING FOR RESIDENT'S PERSONAL FUNDS

(a) To document a resident's receipt of the State-County Special Assistance personal needs allowance after payment of the cost of care, a statement shall be signed by the resident or marked by the ~~resident with two witnesses' signatures.~~ resident. If the statement is marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the signature of the resident's authorized representative shall be required. Witnesses cannot include the staff handling the residents' personal funds transactions. The statement shall be maintained in the ~~home.~~ facility.

(b) Upon the written authorization of the resident or ~~his legal representative or payee,~~ their authorized representative, an ~~administrator~~ administrator, or the administrator's designee may handle the personal money for a resident, provided an accurate

accounting of monies received and disbursed and the balance on hand is available upon request of the resident or ~~his legal representative or payee.~~ their authorized representative during the facility's established business days and hours.

(c) A record of each transaction involving the use of the resident's personal funds according to Paragraph (b) of this Rule shall be signed by the ~~resident, legal~~ resident of the resident's authorized representative ~~or payee~~ or marked by the ~~resident, if not adjudicated incompetent, with two witnesses' signatures~~ resident at least monthly verifying the accuracy of the disbursement of personal funds. If marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the facility shall provide the resident's authorized representative with a copy of the monthly resident's funds statement and shall obtain verification of receipt. The ~~record~~ records shall be maintained in the ~~home.~~ facility.

(d) A resident's personal funds shall not be commingled with facility funds. The facility shall not commingle the personal funds of residents in an interest-bearing account.

(e) All or any portion of a resident's personal funds shall be available to the resident or ~~his legal representative or payee~~ their authorized representative upon request during ~~regular office hours,~~ the facility's established business days and hours except as provided in Rule .1105 of this ~~Subchapter.~~ Section.

(f) The resident's personal needs allowance shall be credited to the ~~resident~~" resident's account within ~~24 hours of the check being deposited following endorsement.~~ one business day of the funds being available in the facility's resident personal funds account.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. July 1, 2005;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. March 6, ~~2018.~~ 2018;
Amended Eff. January 1, 2024.

10A NCAC 13F .1106 is proposed for readoption without substantive changes as follows:

10A NCAC 13F .1106 SETTLEMENT OF COST OF CARE

(a) If a resident of an adult care home, after being notified by the facility of its intent to discharge the resident in accordance with Rule .0702 of this Subchapter, ~~moves out of the facility before the period of time specified in the notice has elapsed,~~ the facility shall refund the resident an amount equal to the cost of care for the remainder of the month minus any nights spent in the facility during the notice period. The refund shall be made within 14 days after the resident leaves the facility. For the purposes of this Rule, "cost of care" means any monies paid by the resident or the resident's legal representative in advance for room and board and services provided by the facility as agreed upon in the resident's contract.

(b) If a resident moves out of the facility without giving notice, as may be required by the facility according to Rule ~~.0702(h)~~ .0702(i) of this Subchapter, or before the facility's required notice period has elapsed, the resident owes the facility an amount equal to the cost of care for the required notice period. If a resident receiving State-County Special Assistance moves before the facility's required notice period has elapsed, the former facility is entitled to the required payment for the notice period before the new facility receives any payment. The facility shall refund the resident the remainder of any advance payment following settlement of the cost of care. The refund shall be made within 14 days from the date of notice or, if no notice is given, within 14 days after the resident leaves the facility.

(c) When there is an exception to the notice, as provided in Rule ~~.0702(h)~~ .0702(i) of this Subchapter, to protect the health or safety of the resident or others in the facility, or when there is a sudden, unexpected closure of the facility that requires the resident to relocate, the resident is only required to pay for any nights spent in the facility. A refund shall be made to the resident by the facility within 14 days from the date of notice.

(d) When a resident gives notice of leaving the facility, as may be required by the facility according to Rule ~~.0702(h)~~ .0702(i) of this Subchapter, and leaves at the end of the notice period, the facility shall refund the resident the remainder of any advance payment within 14 days from the date of notice. If notice is not required by the facility, the refund shall be made within 14 days after the resident leaves the facility.

(e) When a resident leaves the facility with the intent of returning to it, the following apply:

(1) The facility may reserve the resident's bed for a set number of days with the written agreement of the facility and the resident or his or her responsible person and thereby require payment for the days the bed is held.

(2) If, after leaving the facility, the resident decides not to return to it, the resident or someone acting on his or her behalf may be required by the facility to provide up to a 14-day written notice that he is not returning.

(3) Requirement of a notice, if it is to be applied by the facility, shall be a part of the written agreement and explained by the facility to the resident and his or her family or responsible person before signing.

(4) On notice by the resident or someone acting on his or her behalf that he will not be returning to the facility, the facility shall refund the remainder of any advance payment to the resident or his or her responsible person, minus an amount equal to the cost of care for the period covered by the agreement. The refund shall be made within 14 days after notification that the resident will not be returning to the facility.

(5) In no situation involving a recipient of State-County Special Assistance may a facility require payment for more than 30 days since State-County Special Assistance is not authorized unless the resident is actually residing in the facility or it is anticipated that he or she will return to the facility within 30 days.

(6) Exceptions to the ~~two weeks'~~ 14-day notice, if required by the facility, are cases where returning to the facility would jeopardize the health or safety of the resident or others in the facility as certified by the resident's physician or approved by the county department of social services, and in the case of the resident's death. In these cases, the facility shall refund the rest of any advance payment calculated beginning with the day the facility is notified.

(f) If a resident dies, the administrator of his estate or the Clerk of Superior Court, when no administrator for his or her estate has been appointed, shall be given a refund equal to the cost of care for the month minus any nights spent in the facility during the month. This is to be done within 30 days after the resident's death.

History Note: *Authority G.S. 131D-2.16; 131D-4.5; 143B-165;*
Eff. July 1, ~~2005.~~ 2005;
Readopted Eff. January 1, 2024.

10A NCAC 13G .0702 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .0702 TUBERCULOSIS TEST AND MEDICAL ~~EXAMINATION~~ EXAMINATION, AND IMMUNIZATIONS

(a) Upon admission to a family care home each resident shall be tested for tuberculosis disease in compliance with the control measures adopted by the Commission for Public Health as specified in 10A NCAC 41A .0205 including subsequent amendments and editions. ~~Copies of the rule are available at no charge by contacting the Department of Health and Human Services, Tuberculosis Control Program, 1902 Mail Service Center, Raleigh, North Carolina 27699-1902.~~

(b) Each resident shall have a medical examination completed by a licensed physician or physician extender prior to admission to the home and annually thereafter. For the purposes of this Rule, "physician extender" means a licensed physician assistant or licensed nurse practitioner. The medical examination completed prior to admission shall be used by the facility to determine if the facility can meet the needs of the resident.

(c) ~~The results of the complete examination are to be entered on the FL-2, North Carolina Medicaid Program Long Term Care Services, or MR-2, North Carolina Medicaid Program Mental Retardation Services, which shall comply with the following:~~

~~(1) The examining date recorded on the FL-2 or MR-2 shall be no more than 90 days prior to the person's admission to the home.~~

~~(2) The FL-2 or MR-2 shall be in the facility before admission or accompany the resident upon admission and be reviewed by the administrator or supervisor-in-charge before admission except for emergency admissions.~~

~~(3) In the case of an emergency admission, the medical examination and completion of the FL-2 or MR-2 shall be within 72 hours of admission as long as current medication and treatment orders are available upon admission or there has been an emergency medical evaluation, including any orders for medications and treatments, upon admission.~~

~~(4) If the information on the FL-2 or MR-2 is not clear or is insufficient, the administrator or supervisor-in-charge shall contact the physician for clarification in order to determine if the services of the facility can meet the individual's needs.~~

~~(5) The completed FL-2 or MR-2 shall be filed in the resident's record in the home.~~

~~(6) If a resident has been hospitalized, the facility shall have a completed FL-2 or MR-2 or a transfer form or discharge summary with signed prescribing practitioner orders upon the resident's return to the facility from the hospital.~~

The medical examination shall be completed no more than 90 days prior to the resident's admission to the facility, except in the case of emergency admission.

(d) In the case of an unplanned, emergency admission, the medical examination of the resident shall be conducted within 72 hours after admission. Prior to an emergency admission, the facility shall obtain current medication and treatment orders from a licensed physician or physician extender.

(e) The result of the medical examination required in Paragraph (b) of this Rule shall be documented on the North Carolina Medicaid Adult Care Home FL-2 form which is available at no cost on the Department's Medicaid website at https://medicaid.ncdhhs.gov/media/6549/open. The Adult Care Home FL-2 shall be signed and dated by the physician or physician extender completing the medical examination. The medical examination shall include the following:

(1) resident's identification information, including the resident's name, date of birth, sex, admission date, county and Medicaid number, current facility and address, physician's name and address, a relative's name and address, current level of care, and recommended level of care;

(2) resident's admitting diagnoses, including primary and secondary diagnoses and dates of onset;

(3) resident's current medical information, including orientation, behaviors, personal care assistance needs, frequency of physician visits, ambulatory status, functional limitations, information related to activities and social needs, neurological status, bowel and bladder functioning status, manner of communication of needs, skin condition, respiratory status, and nutritional status including orders for therapeutic diets;

(4) special care factors, including physician orders for blood pressure, diabetic urine testing, physical therapy, range of motion exercises, a bowel and bladder program, a restorative feeding program, speech therapy, and restraints;

(5) resident's medications, including the name, strength, dosage, frequency and route of administration of each medication;

(6) results of x-rays or laboratory tests determined by the physician or physician extender to be necessary information related to the resident's care needs; and

(7) additional information as determined by the physician or physician extender to be necessary for the care of the resident.

(f) If the information on the Adult Care Home FL-2 is not clear or is insufficient, or information provided to the facility related to the resident's condition or medications after the completion of the medical examination conflicts with the information provided on the Adult Care Home FL-2, the facility shall contact the physician or physician extender for clarification in order to determine if the facility can meet the individual's needs.

(g) The results of the medical examination shall be maintained in the resident's record in accordance with Rule .1201 of this Subchapter. Discharge medication orders shall be clarified in accordance with Rule .1002(a) of this Subchapter.

(h) Upon a resident's return to the facility from a hospitalization, the facility shall obtain and review the hospital discharge summary or discharge instructions, including any discharge medication orders. If the facility identifies discrepancies between the discharge orders and current orders at the facility, the facility shall clarify the discrepancies with the resident's physician or physician extender.

~~(d)~~(i) Each resident shall be immunized against pneumococcal disease and annually against influenza virus according to G.S. 131D-9, except as otherwise indicated in ~~this~~ law.

~~(e) The home shall make arrangements for any resident, who has been an inpatient of a psychiatric facility within 12 months before entering the home and who does not have a current plan for psychiatric care, to be examined by a local physician or a physician in a mental health center within 30 days after admission and to have a plan for psychiatric follow up care when indicated.~~

(j) The facility shall make arrangements for a resident to be evaluated by a licensed mental health professional, licensed physician or licensed physician extender for follow-up psychiatric care within 30 days of admission or re-admission to the facility when the resident:

(1) has been an inpatient of a psychiatric facility within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care; or

(2) has been hospitalized due to threatening or violent behavior, suicidal ideation or self-harm, or other psychiatric symptoms that required hospitalization within 12 months prior to admission to the facility and does not have a current plan for follow-up psychiatric care.

History Note: *Authority G.S. 131D-2.16; 143B-165;*

Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. December 1, 1993; July 1, 1990; April 1, 1987; April 1, 1984;
Temporary Amendment Eff. September 1, 2003;
Amended Eff. June 1, ~~2004.~~ 2004;
Readopted Eff. January 1, 2024.

10A NCAC 13G .0703 is proposed for repeal through readoption as follows:

10A NCAC 13G .0703 RESIDENT REGISTER

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. July 1, 1990; April 1, 1987; April 1, 1984;
Temporary Amendment Eff. July 1, 2004;
Amended Eff. April 1, 2022; July 1, ~~2005.~~ 2005;
Repealed Eff. January 1, 2024.

10A NCAC 13G .0704 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .0704 RESIDENT ~~CONTRACT AND INFORMATION ON HOME~~ CONTRACT, INFORMATION ON FACILITY, AND RESIDENT REGISTER

(a) The administrator or supervisor-in-charge shall furnish and review with the resident or ~~his responsible person~~ the resident's authorized representative as defined in Rule .1103 of this Subchapter information on the ~~family care home~~ facility upon admission and when changes are made to that information. The facility shall involve the resident in the review of the resident contract and information on the facility unless the resident is cognitively unable to participate in the discussion. A statement indicating that this information has been received upon admission or amendment as required by this Rule shall be signed and dated by each person to whom it is given. This statement shall be retained in the resident's record in the ~~home.~~ facility. The information shall ~~include:~~ include the following:

(1) ~~a copy of the home's resident contract specifying rates for resident services and accommodations, including the cost of different levels of service, if applicable, any other charges or fees, and any health needs or conditions the home has determined it cannot meet pursuant to G.S. 131D-2(a1)(4). In addition, the following applies:~~ the resident contract to which the following applies:

(A) the contract shall specify charges for resident services and accommodations, including the cost of different levels of service, description of levels of care and services, and any other charges or fees;

(B) the contract shall disclose any health needs or conditions that the facility has determined it cannot meet;

~~(a)~~(C) ~~The~~ the contract shall be signed and dated by the administrator or supervisor-in-charge and the resident or ~~his responsible person~~ the resident's authorized representative and a copy given to the resident or ~~his responsible person;~~ the resident's authorized representative and a copy kept in the resident's record;

~~(b)~~(D) ~~The~~ the resident or ~~his responsible person~~ the resident's authorized representative shall be ~~notified as soon as any change is known, but not less than 30 days for rate changes initiated by the home, of any rate changes or other changes in the contract affecting the resident services and accommodations~~ given a written 30-day notice prior to any change in charges for resident services and accommodations, including the cost of different levels of service, description of level of care and services, and any other charges or fees, and be provided an amended copy of the contract for review and ~~signature;~~ confirmation of receipt;

~~(c) A copy of each signed contract shall be kept in the resident's record in the home;~~

~~(d)~~(E) ~~Gratuities~~ gratuities in addition to the established rates shall not be accepted; and

~~(e)~~(F) The maximum monthly rate that may be charged to Special Assistance recipients ~~is~~ as established by the ~~North Carolina Social Services Commission and the~~ North Carolina General Assembly;

Note: Facilities may accept payments for room and board from a third party, such as family member, charity or faith community, if the payment is made voluntarily to supplement the cost of room and board for the added benefit of a private room.

(2) a written copy of any house rules, including ~~the conditions for the discharge and transfer of residents, the refund policies, and the home's~~ facility's policies on smoking, alcohol ~~consumption and visitation~~ consumption, visitation, refunds, and the requirements for discharge of residents consistent with the rules in this Subchapter and amendments disclosing any changes in the house ~~rules;~~ rules. The house rules shall be in compliance with G.S. 131D-21;

(3) a copy of the Declaration of Residents' Rights as found in G.S. 131D-21;

(4) a copy of the ~~home's~~ facility's grievance procedures ~~which~~ that shall indicate how the resident is to present complaints and make suggestions as to the ~~home's~~ facility's policies and services on behalf of self or others; and

(5) a statement as to whether the ~~home~~ facility has signed Form DSS-1464, Statement of Assurance of Compliance with Title VI of the Civil Rights Act of 1964 for Other Agencies, Institutions, Organizations or Facilities, and which shall also indicate that if the ~~home~~ facility does not choose to comply or is ~~found to be in non-compliance~~ non-compliant the residents of the ~~home~~ facility would not be able to receive State-County Special Assistance for Adults and the ~~home~~ facility would not receive supportive services from the county department of social services.

(b) A family care home's administrator or supervisor-in-charge and the resident or the resident's responsible person shall complete and sign the Resident Register initial assessment within 72 hours of the resident's admission to the facility in accordance with G.S. 131D-2.15. The facility shall involve the resident in the completion of the Resident Register unless the resident is cognitively unable to participate. The Resident Register shall include the following:

(1) resident's identification information including the resident's name, date of birth, sex, admission date, medical insurance, family and emergency contacts, advanced directives, and physician's name and address;

(2) resident's current care needs including activities of daily living and services, use of assistive aids, orientation status;

(3) resident's preferences including personal habits, food preferences and allergies, community involvement, and activity interests;

(4) resident's consent and request for assistance including the release of information, personal funds management, personal lockable space, discharge information, and assistance with personal mail;

(5) name of the individual identified by the resident who is to receive a copy of the notice of discharge per G.S. 131D-4.8; and

(6) resident's consent including a signature confirming the review and receipt of information contained in the form.

The Resident Register is available on the internet website, https://info.ncdhhs.gov/dhsr/acls/pdf/resregister.pdf, at no charge. The facility may use a resident information form other than the Resident Register as long as it contains same information as the Resident Register. Information on the Resident Register shall be kept updated and maintained in the resident's record.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. April 1, 1984;
Amended Eff; July 1, 1990; April 1, 1987;
Temporary Amendment Eff. July 1, 2004;
Amended Eff. July 1, ~~2005.~~ 2005;
Readopted Eff. January 1, 2024.

10A NCAC 13G .1102 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .1102 ~~LEGAL~~ AUTHORIZED REPRESENTATIVE ~~OR PAYEE~~

(a) In situations where a resident of a family care home is unable to manage ~~his funds,~~ their monetary funds the administrator shall contact a family member or the county department of social services regarding the need for a ~~legal representative or payee.~~ authorized representative. For the purposes of this Rule, an "authorized representative" shall mean a person who is legally authorized or designated in writing by the resident to act on his or her behalf in the management of their funds. The administrator and other staff of the ~~home~~ facility shall not serve as a resident's ~~legal~~ authorized representative, payee, or executor of a will, except as indicated in Paragraph (b) of this Rule.

(b) In the case of funds administered by the Social Security Administration, the Veteran's Administration or other federal government agencies, the administrator of the ~~home~~ facility may serve as a payee when so authorized as a legally constituted authority by the respective federal agencies.

(c) The administrator shall give the resident's ~~legal~~ authorized representative ~~or payee~~ receipts for any monies received on behalf of the resident.

History Note: *Authority G.S. 35A-1203; 108A-37; 131D-2.16; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. July 1, 2005; April 1, ~~1984.~~ 1984;

Effective January 1, 2024.

10A NCAC 13G .1103 is proposed for readoption with substantive changes as follows:

10A NCAC 13G .1103 ACCOUNTING FOR RESIDENT'S PERSONAL FUNDS

(a) To document a resident's receipt of the State-County Special Assistance personal needs allowance after payment of the cost of care, a statement shall be signed by the resident or marked by the ~~resident with two witnesses' signatures.~~ resident. If the statement is marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the signature of the resident's authorized representative shall be required. Witnesses cannot include the staff handling the residents' personal funds transactions. The statement shall be maintained in the ~~home.~~ facility.

(b) Upon the written authorization of the resident or ~~his legal representative or payee,~~ their authorized representative, an administrator or the administrator's designee may handle the personal money for a resident, provided an accurate accounting of monies received and disbursed and the balance on hand is available upon request of the resident or ~~his legal representative or payee.~~ their authorized representative during the facility's established business days and hours.

(c) A record of each transaction involving the use of the resident's personal funds according to Paragraph (b) of this Rule shall be signed by the ~~resident, legal representative or payee~~ the resident or the resident's authorized representative, or marked by the ~~resident, if not adjudicated incompetent, with two witnesses' signatures~~ resident, at least monthly verifying the accuracy of the disbursement of personal funds. If marked by the resident, there shall be one witness signature. For residents who have been adjudicated incompetent, the facility shall provide the resident's authorized representative with a copy of the monthly resident's funds statement and shall obtain verification of receipt. The ~~record~~ records shall be maintained in the ~~home.~~ facility.

(d) A resident's personal funds shall not be commingled with facility funds. The facility shall not commingle the personal funds of residents in an interest-bearing account.

(e) All or any portion of a resident's personal funds shall be available to the resident or ~~his legal~~ their authorized representative ~~or payee~~ upon request during ~~regular office hours~~, the facility's established business days and hours except as provided in Rule .1105 of this Subchapter.

(f) The resident's personal needs allowance shall be credited to the resident's account within ~~24 hours of the check being deposited following endorsement.~~ one business day of the funds being available in the facility's resident personal funds account.

History Note: *Authority G.S. 131D-2.16; 143B-165;*
Eff. April 1, 1984;
Amended Eff. July 1, 2005; April 1, ~~1987.~~ 1987;
Readopted Eff. January 1, 2024.

10A NCAC 13G .1106 is proposed for readoption without substantive changes as follows:

10A NCAC 13G .1106 SETTLEMENT OF COST OF CARE

(a) If a resident of a family care home, after being notified by the ~~home~~ facility of its intent to discharge the resident in accordance with Rule .0705 of this Subchapter, ~~moves out of the home before the period of time specified in the notice has elapsed,~~ the ~~home~~

facility shall refund the resident an amount equal to the cost of care for the remainder of the month minus any nights spent in the ~~home~~ facility during the notice period. The refund shall be made within 14 days after the resident leaves the ~~home.~~ facility. For the purposes of this Rule, "cost of care" means any monies paid by the resident or the resident's legal representative in advance for room and board and services provided by facility as agreed upon in the resident's contract.

(b) If a resident moves out of the ~~home~~ facility without giving notice, as may be required by the ~~home~~ facility according to Rule ~~.0705(h)~~ .0705(i) of this Subchapter, or before the ~~home's~~ facility's required notice period has elapsed, the resident owes the ~~home~~ facility an amount equal to the cost of care for the required notice period. If a resident receiving State-County Special Assistance moves without giving notice or before the notice period has elapsed, the former ~~home~~ facility is entitled to the required payment for the notice period before the new ~~home~~ facility receives any payment. The ~~home~~ facility shall refund the resident the remainder of any advance payment following settlement of the cost of care. The refund shall be made within 14 days from the date of notice or, if no notice is given, within 14 days of the resident leaving the ~~home.~~ facility.

(c) When there is an exception to the notice as provided in Rule ~~.0705(h)~~ .0705(i) of this Subchapter to protect the health or safety of the resident or others in the ~~home,~~ facility, or when there is a sudden, unexpected closure of the facility that requires the resident to relocate, the resident is only required to pay for any nights spent in the ~~home.~~ facility. A refund shall be made to the resident by the ~~home~~ facility within 14 days from the date of notice.

(d) When a resident gives notice of leaving the ~~home,~~ facility, as may be required by the ~~home~~ facility according to Rule ~~.0705(h)~~ .0705(i) of this Subchapter, and leaves at the end of the notice period, the ~~home~~ facility shall refund the resident the remainder of any advance payment within 14 days from the date of notice. If notice is not required by the ~~home,~~ facility, the refund shall be made within 14 days after the resident leaves the ~~home.~~ facility.

(e) When a resident leaves the ~~home~~ facility with the intent of returning to it, the following apply:

(1) The ~~home~~ facility may reserve the resident's bed for a set number of days with the written agreement of the ~~home~~ facility and the resident or his or her responsible person and thereby require payment for the days the bed is held.

(2) If, after leaving the ~~home,~~ facility, the resident decides not to return to it, the resident or someone acting on his or her behalf may be required by the ~~home~~ facility to provide up to a 14-day written notice that he or she is not returning.

(3) Requirement of a notice, if it is to be applied by the ~~home,~~ facility, shall be a part of the written agreement and explained by the ~~home~~ facility to the resident and his or her family or responsible person before signing.

(4) On notice by the resident or someone acting on his or her behalf that he or she will not be returning to the ~~home,~~ facility, the ~~home~~ facility shall refund the remainder of any advance payment to the resident or his or her responsible person, minus an amount equal to the cost of care for the period covered by the agreement. The refund shall be made within 14 days after notification that the resident will not be returning to the ~~home.~~ facility.

(5) In no situation involving a recipient of State-County Special Assistance may a ~~home~~ facility require payment for more than 30 days since State-County Special Assistance is not authorized unless the resident is actually residing in the ~~home~~ facility or it is anticipated that he or she will return to the ~~home~~ facility within 30 days.

(6) Exceptions to the ~~two weeks'~~ 14-day notice, if required by the ~~home,~~ facility, are cases where returning to the ~~home~~ facility would jeopardize the health or safety of the resident or others in the ~~home~~ facility as certified by the resident's physician or approved by the county department of social services, and in the case of the resident's

death. In these cases, the ~~home~~ facility shall refund the rest of any advance payment calculated beginning with the day the ~~home~~ facility is notified.

(f) If a resident dies, the administrator of his or her estate or the Clerk of Superior Court, when no administrator for his or her estate has been appointed, shall be given a refund equal to the cost of care for the month minus any nights spent in the ~~home~~ facility during the month. This is to be done within 30 days after the resident's death.

History Note: *Authority G.S. 131D-2.16; 131D-4.5; 143B-165;*
Eff. January 1, 1977;
Readopted Eff. October 31, 1977;
Amended Eff. July 1, 1990; June 1, 1987; April 1, 1984;
Temporary Amendment Eff. January 1, 2001;
Temporary Amendment Expired October 13, 2001;
Amended Eff. July 1, ~~2005.~~ 2005;
Readopted Eff. January 1, 2024.