

Division of Health Service Regulation

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER: MHL036-363	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____ B. WING _____	(X3) DATE SURVEY COMPLETED R-C 11/03/2025
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NAME OF PROVIDER OR SUPPLIER NEXX PHASE, LLC	STREET ADDRESS, CITY, STATE, ZIP CODE 101 APRICOT STREET BELMONT, NC 28012
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V 000	<p>INITIAL COMMENTS</p> <p>A complaint and follow up survey was completed on November 3, 2025. One complaint was substantiated (intake #NC00233757) and one complaint was unsubstantiated (intake #NC00233987). Deficiencies were cited.</p> <p>This facility is licensed for the following service category: 10A NCAC 27G .1700 Residential Treatment Staff Secure for Children and Adolescents.</p> <p>This facility is licensed for 4 and has a current census of 4. The survey sample consisted of audits of 2 current clients.</p> <p>This survey was originally closed on 10/8/25 but was approved to be reopened on 10/14/25 due to an additional complaint.</p>	V 000		
V 298	<p>27G .1706 Residential Tx. Child/Adol - Operations</p> <p>10A NCAC 27G .1706 OPERATIONS</p> <p>(a) Each facility shall serve no more than a total of 12 children and adolescents.</p> <p>(b) Family members or other legally responsible persons shall be involved in development of plans in order to assure a smooth transition to a less restrictive setting.</p> <p>(c) The residential treatment staff secure facility shall coordinate with the local education agency to ensure that the child's educational needs are met as identified in the child's education plan and the treatment plan. Most of the children will be able to attend school; for others, the facility will coordinate services across settings such as alternative learning programs, day treatment, or a job placement.</p> <p>(d) Psychiatric consultation shall be available as</p>	V 298		

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LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE _____ TITLE _____ (X6) DATE _____

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V 298	<p>Continued From page 1</p> <p>needed for each child or adolescent.</p> <p>(e) If an adolescent has his 18th birthday while receiving treatment in the facility, he may remain for six months or until the end of the state fiscal year, whichever is longer.</p> <p>(f) Each child or adolescent shall be entitled to age-appropriate personal belongings unless such entitlement is counter-indicated in the treatment plan.</p> <p>(g) Each facility shall operate 24 hours per day, seven days per week, and each day of the year.</p> <p>This Rule is not met as evidenced by: Based on interview, record review and observation the facility failed to operate 24 hours per day, seven days a week, and each day of the year affecting for 1 current client (Client #1) The findings are:</p> <p>On review 9/29/25 of the facility's incident reports revealed: -On 9/24/25 staff #1 and staff #2 took Client #1 to the bus stop but left before client #1 boarded the school bus. -Client #1 got on the wrong school bus and had to get off. -Client #1 walked back to the facility and there was no one there. -Neighbors called local Child Protective Services and the local Police.</p> <p>Interview on with Client #1 revealed: -On 9/24/25 he got on the wrong school bus. -Drove him to the bus stop and when he saw the bus he got out of the car.</p>	V 298		

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V 298	<p>Continued From page 2</p> <ul style="list-style-type: none"> - Staff #1 and Staff #2 drove off. - "When I got on the bus I realized it wasn't my (school) bus so I got off." - Walked back to the facility. - "I knocked on the door and window but no one was there." - The neighbor called the police and School Social Worker. - School Social Worker picked him up and took him to school. <p>Interview with the School Social Worker revealed:</p> <ul style="list-style-type: none"> - There were ongoing issues at the facility. - The facility's neighbor called and informed him Client #1 was locked out of the facility. - Called the local police. - Met the police at the facility, made a report and transported Client #1 to school. - Client #1 was told the day prior that his assigned school bus was not going to come pick him up. <p>Interview with Staff #1 revealed:</p> <ul style="list-style-type: none"> - On 9/24/25 he and Staff #2 drove Client #1 to the bus stop. - "He (Client #1) got out of the care when he saw the bus coming. As the school bus was pulling up, I pulled off." - Not aware that Client #1 had been told his bus wasn't coming on 9/24/25. - "My shift ended after he (Client #1) went to school and someone else (Former Staff (FS) #3) was supposed to be on the next shift." - Was not aware FS #3 was not at the facility. - Was suspended for a week without pay. - Received a coaching from the Director. <p>Staff #2 is on workman's comp leave due to a hand injury and was not available for an interview.</p> <p>Attempted to contact FS #3 on 9/29/25, 10/3/25</p>	V 298		

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V 298	Continued From page 3 and 10/8/25 but he never returned calls. Interview on 10/3/25 with Assistant Director revealed: -Staff #1 and Staff #2 were not supposed to leave until the bus left with Client #1. -Staff #1 and Staff #2's shift ended once Client #1 was off to school. -Staff #3 was supposed to be at the facility to start his shift from 7am-3pm. -Was not aware Staff #3 had left the facility and was not available. -Received a call from the School Social Worker advising her that Client #1 had been locked out of the facility and he (School Social Worker) picked Client #1 up. -Suspended Staff #1, Staff #2 and Staff #3 without pay on 9/24/25. -Staff #1 and Staff #2 were coached and written up before returning to work on 9/29/25. -Staff #3 was terminated on 9/29/25.	V 298		
V 536	27E .0107 Client Rights - Training on Alt to Rest. Int. 10A NCAC 27E .0107 TRAINING ON ALTERNATIVES TO RESTRICTIVE INTERVENTIONS (a) Facilities shall implement policies and practices that emphasize the use of alternatives to restrictive interventions. (b) Prior to providing services to people with disabilities, staff including service providers, employees, students or volunteers, shall demonstrate competence by successfully completing training in communication skills and other strategies for creating an environment in which the likelihood of imminent danger of abuse or injury to a person with disabilities or others or	V 536		

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V 536	<p>Continued From page 4</p> <p>property damage is prevented.</p> <p>(c) Provider agencies shall establish training based on state competencies, monitor for internal compliance and demonstrate they acted on data gathered.</p> <p>(d) The training shall be competency-based, include measurable learning objectives, measurable testing (written and by observation of behavior) on those objectives and measurable methods to determine passing or failing the course.</p> <p>(e) Formal refresher training must be completed by each service provider periodically (minimum annually).</p> <p>(f) Content of the training that the service provider wishes to employ must be approved by the Division of MH/DD/SAS pursuant to Paragraph (g) of this Rule.</p> <p>(g) Staff shall demonstrate competence in the following core areas:</p> <ol style="list-style-type: none"> (1) knowledge and understanding of the people being served; (2) recognizing and interpreting human behavior; (3) recognizing the effect of internal and external stressors that may affect people with disabilities; (4) strategies for building positive relationships with persons with disabilities; (5) recognizing cultural, environmental and organizational factors that may affect people with disabilities; (6) recognizing the importance of and assisting in the person's involvement in making decisions about their life; (7) skills in assessing individual risk for escalating behavior; (8) communication strategies for defusing and de-escalating potentially dangerous behavior; 	V 536		

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V 536	<p>Continued From page 5</p> <p>and</p> <p>(9) positive behavioral supports (providing means for people with disabilities to choose activities which directly oppose or replace behaviors which are unsafe).</p> <p>(h) Service providers shall maintain documentation of initial and refresher training for at least three years.</p> <p>(1) Documentation shall include:</p> <p>(A) who participated in the training and the outcomes (pass/fail);</p> <p>(B) when and where they attended; and</p> <p>(C) instructor's name;</p> <p>(2) The Division of MH/DD/SAS may review/request this documentation at any time.</p> <p>(i) Instructor Qualifications and Training Requirements:</p> <p>(1) Trainers shall demonstrate competence by scoring 100% on testing in a training program aimed at preventing, reducing and eliminating the need for restrictive interventions.</p> <p>(2) Trainers shall demonstrate competence by scoring a passing grade on testing in an instructor training program.</p> <p>(3) The training shall be competency-based, include measurable learning objectives, measurable testing (written and by observation of behavior) on those objectives and measurable methods to determine passing or failing the course.</p> <p>(4) The content of the instructor training the service provider plans to employ shall be approved by the Division of MH/DD/SAS pursuant to Subparagraph (i)(5) of this Rule.</p> <p>(5) Acceptable instructor training programs shall include but are not limited to presentation of:</p> <p>(A) understanding the adult learner;</p> <p>(B) methods for teaching content of the course;</p>	V 536		

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V 536	<p>Continued From page 6</p> <p>(C) methods for evaluating trainee performance; and</p> <p>(D) documentation procedures.</p> <p>(6) Trainers shall have coached experience teaching a training program aimed at preventing, reducing and eliminating the need for restrictive interventions at least one time, with positive review by the coach.</p> <p>(7) Trainers shall teach a training program aimed at preventing, reducing and eliminating the need for restrictive interventions at least once annually.</p> <p>(8) Trainers shall complete a refresher instructor training at least every two years.</p> <p>(j) Service providers shall maintain documentation of initial and refresher instructor training for at least three years.</p> <p>(1) Documentation shall include:</p> <p>(A) who participated in the training and the outcomes (pass/fail);</p> <p>(B) when and where attended; and</p> <p>(C) instructor's name.</p> <p>(2) The Division of MH/DD/SAS may request and review this documentation any time.</p> <p>(k) Qualifications of Coaches:</p> <p>(1) Coaches shall meet all preparation requirements as a trainer.</p> <p>(2) Coaches shall teach at least three times the course which is being coached.</p> <p>(3) Coaches shall demonstrate competence by completion of coaching or train-the-trainer instruction.</p> <p>(l) Documentation shall be the same preparation as for trainers.</p>	V 536		

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V 536	<p>Continued From page 7</p> <p>This Rule is not met as evidenced by: Based on record review and interviews, the facility failed to ensure 1 of 3 audited Staff (#3) demonstrated competence in alternatives to restrictive interventions. The findings are:</p> <p>Review on 10/15/25 of the facility's internal incident reports revealed: -Client #2 was upset on 10/7/25 because Staff #1 took a ski mask away from him on 10/6/25. -Client #1 and Client #2 planned to attack the House Manager to get the ski mask back. -When the House Manager arrived to the facility Client #2 became increasingly upset about the ski mask. -Client #2 spit on the House Manager then proceeded to physically attack the House Manager. -The House Manager was trying to block the strikes from Client #2. -While attempting to put Client #2 in a restraint, the house manger and director fell to the floor with Client #2. -There were no injuries reported.</p> <p>Client #2 eloped from the Day Treatment Program on 10/15/25 and his whereabouts were unknown.</p> <p>Interview on 10/17/25 with Client #1 revealed: -Did not know anything.</p> <p>Interview on with the House Manager revealed: -Did not know Staff #1 had took a ski mask from Client #2 and placed it in his office. -On 10/7/25 Client #2 became increasingly angry</p>	V 536		

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V 536	<p>Continued From page 8</p> <p>because he could not get the ski mask back. -Client #2 spit on him and tried to punch him. -Blocked Client #2's strikes with his forearm. -The Director tried to get in position to restrain Client #2 but he (House Manager), Client #2 and House Manger fell to the floor. -"He (Client #2) eventually stopped trying (to attack him). -No one was injured.</p> <p>Interview on with the Director revealed: -On 10/7/25 she heard the House Manager say, "Don't put your hands on me." -Went into the room where the House Manager and Client #2 were and saw Client #2 physically attacking the House Manager. -Tried to position herself to put Client #2 in a restraint to stop the attack on the House Manager." -"I grabbed him (Client #2) but he was too strong and all of us fell." -Client did not report any injuries. -Unaware how Client #2 sustained scratches or bruises.</p>	V 536		