

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 44*
Corrected Copy 2/3/05
Committee Substitute Favorable 4/5/05

Short Title: CAP/DA Audit Funds.

(Public)

Sponsors:

Referred to:

February 3, 2005

A BILL TO BE ENTITLED

1
2 AN ACT TO APPROPRIATE FUNDS AND TO DIRECT THE STATE AUDITOR
3 TO CONDUCT AN AUDIT TO DETERMINE THE MEDICAL AND CLINICAL
4 QUALITY AND THE ADEQUACY OF CARE AND SERVICES DELIVERED
5 THROUGH THE COMMUNITY ALTERNATIVES PROGRAM FOR DISABLED
6 ADULTS (CAP/DA), AS RECOMMENDED BY THE NORTH CAROLINA
7 STUDY COMMISSION ON AGING.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.(a)** The Office of the State Auditor shall conduct an audit of the
10 medical and clinical quality and the adequacy of care and services delivered through the
11 Community Alternatives Program for Disabled Adults (CAP/DA). This audit shall
12 build upon the results of the audit conducted by the Office of the State Auditor in
13 accordance with S.L. 2003-284, Section 10.29B(a) and the study conducted by the
14 North Carolina Institute of Medicine in accordance with S.L. 2002-126, Section
15 10.16(c).

16 **SECTION 1.(b)** In conducting this audit, the Office of the State Auditor
17 shall determine compliance with CAP/DA waiver guidelines and program goals. The
18 audit shall include review of: case files to assure compliance with the requirement for
19 medical necessity, plans of care, and the provision of needed services; service provider
20 standards and monitoring of these standards; safeguards to protect the health and
21 welfare of clients; whether clients are able to be safely cared for in their homes in
22 accordance with federal requirements for CAP participation; an independent assessment
23 function for the program; and any other items the Auditor considers appropriate.
24 Components of the study shall include: a qualifications review of case managers and
25 providers; a documentation review of medical justification, care plans, and a
26 comparison of services provided to services prescribed by the attending physicians; and
27 in-home client visits to discuss care and document services.

1 **SECTION 1.(c)** The Office of the State Auditor shall report the results of
2 this audit, as well as the current status of recommendations resulting from the audit
3 authorized by S.L. 2003-284, Section 10.29B(a), to the North Carolina Study
4 Commission on Aging by February 1, 2006.

5 **SECTION 2.** There is appropriated from the General Fund to the Office of
6 the State Auditor the sum of one hundred fifty thousand dollars (\$150,000) for the
7 2005-2006 fiscal year to fund the audit of the medical and clinical quality and the
8 adequacy of care and services delivered through the Community Alternatives Program
9 for Disabled Adults (CAP/DA).

10 **SECTION 3.** This act becomes effective July 1, 2005.