

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 726

Short Title: Restoration of ACH Licensure After Violations. (Public)

Sponsors: Representative Wray.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Health, if favorable, Rules, Calendar, and Operations of the House

April 29, 2021

A BILL TO BE ENTITLED

AN ACT CONCERNING RESTORATION OF FULL ADULT CARE HOME LICENSURE FOLLOWING A LICENSE DOWNGRADE OR A SUSPENSION OF ADMISSIONS DUE TO PRIOR LICENSE VIOLATIONS; AND ESTABLISHING FOR ALL ADULT CARE HOME LICENSURE APPLICANTS THE RIGHT TO CONTEST A DENIAL OF CERTIFICATION OF SUBSTANTIAL COMPLIANCE WITH A CORRECTION PLAN.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 131D-2.4(c) reads as rewritten:

"(c) Prior Violations. – No new license shall be issued for any adult care home to an applicant for licensure under any of the following circumstances for the period of time indicated:

...

(3) Is the owner, principal, or affiliate of an adult care home and is responsible for the operation of the facility that had its license downgraded to provisional status or had its admissions suspended as a result of violations under this Article, Chapter 122C, or Article 7 of Chapter 110 of the General Statutes until ~~six~~ the earlier of the following:

a. Six months from the date of restoration from provisional to full licensure, termination of the provisional license, or lifting or termination of the suspension of admissions, as applicable.

b. Until the home has substantially complied with the correction plan established pursuant to G.S. 131D-34 and substantial compliance has been certified by the Department.

...

An applicant for new licensure may appeal a denial of certification of substantial compliance under ~~subdivision (2) of this subsection~~ by filing with the Department a request for review by the Secretary within 10 days of the date of denial of the certification. Within 10 days of receipt of the request for review, the Secretary shall issue to the applicant a written determination that either denies certification of substantial compliance or certifies substantial compliance. ~~The decision of the Secretary is final.~~ Any applicant for licensure who wishes to contest a determination that denies certification of substantial compliance is entitled to an administrative hearing, as provided in Chapter 150B of the General Statutes."

SECTION 2. G.S. 131D-2.7(d)(1) reads as rewritten:

"(1) In addition to the administrative penalties described in this Article, the Secretary may suspend the admission of any new residents to an adult care home where the conditions of the adult care home are detrimental to the health



1 or safety of the residents. This suspension shall be for the period determined
2 by the Secretary and shall remain in effect until the Secretary is satisfied that
3 conditions or circumstances merit removing the suspension home has
4 substantially complied with the correction plan established pursuant to
5 G.S. 131D-34 and substantial compliance has been certified by the
6 Department."

7 **SECTION 3.** This act becomes effective October 1, 2021, and applies to adult care
8 home licensure actions and suspensions of admission occurring on or after that date.