

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011**

**SESSION LAW 2011-258  
HOUSE BILL 808**

AN ACT TO AUTHORIZE THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF HEALTH SERVICE REGULATION, TO WAIVE ANNUAL INSPECTIONS OF ADULT CARE HOMES THAT ACHIEVE THE HIGHEST RATING, AND TO DEVELOP AN INFORMAL DISPUTE RESOLUTION PROCEDURE THAT ALLOWS ADULT CARE HOMES TO DISPUTE CITED INSPECTION DEFICIENCIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 131D-2.11(a) reads as rewritten:

"(a) State Inspection and Monitoring. – The Department shall ensure that adult care homes required to be licensed by this Article are monitored for licensure compliance on a regular basis. All facilities licensed under this Article and adult care units in nursing homes are subject to inspections at all times by the Secretary. ~~The~~ Except as provided in subsection (a1) of this section, the Division of Health Service Regulation shall inspect all adult care homes and adult care units in nursing homes on an annual basis. In addition, the Department shall ensure that adult care homes are inspected every two years to determine compliance with physical plant and life-safety requirements."

**SECTION 2.** G.S. 131D-2.11 is amended by adding two new subsections to read:

"(a1) Waiver of Annual State Inspection. – The Division of Health Service Regulation may waive the annual inspection requirement under subsection (a) of this section for any adult care home that has achieved the highest rating in accordance with rules adopted by the North Carolina Medical Care Commission pursuant to G.S. 131D-10. However, at least once every two years the Division of Health Service Regulation shall inspect any adult care home for which the annual inspection requirement was waived.

(a2) Informal Dispute Resolution. –

- (1) The Division of Health Service Regulation shall offer each adult care home an opportunity, at the facility's request and upon the facility's receipt of the official statement of deficiencies, to informally resolve disputed findings from inspections conducted by the Division of Health Service Regulation in accordance with this section.
- (2) Failure of the Division of Health Service Regulation to complete informal dispute resolution timely does not delay the effective date of any enforcement action taken by the Division of Health Service Regulation against an adult care home.
- (3) An adult care home is not entitled to seek a delay of any enforcement action against it on the grounds that the Division of Health Service Regulation has not completed informal dispute resolution prior to the effective date of the enforcement action.
- (4) If an adult care home successfully demonstrates during informal dispute resolution that any of the deficiencies cited in the official statement of deficiencies should not have been cited, the Division of Health Service Regulation shall remove the incorrectly cited deficiencies from the official statement of deficiencies and rescind any enforcement actions imposed on the adult care home solely as a result of the incorrectly cited deficiencies.
- (5) Upon request, the Division of Health Service Regulation shall provide an adult care home with written notification of these informal dispute resolution procedures."



**SECTION 3.** This act becomes effective October 1, 2011.  
In the General Assembly read three times and ratified this the 16<sup>th</sup> day of June,  
2011.

s/ Walter H. Dalton  
President of the Senate

s/ Thom Tillis  
Speaker of the House of Representatives

s/ Beverly E. Perdue  
Governor

Approved 1:52 p.m. this 23<sup>rd</sup> day of June, 2011