

Rule Fiscal Note

Agency Proposing Rules: Division of Health Service Regulation (DHSR)

Title of Rules and Statutory Citation: Overnight Respite in Certified Adult Day Care Programs, 10A NCAC 14D, Statutory Authority: Session Law 2011-104

Statutory Citation for rule adoption: Session Law 2011-104

Introduction/Background for Rule Change:

The Division of Health Service Regulation is named as the regulatory agency for a three year pilot program that allows a total of four certified adult day care programs to provide overnight respite services to adults. The Secretary is named in the law as having the duty and authority to adopt rules to implement the three year pilot program. Overnight respite in certified adult day care programs is a new concept and the Department is to choose up to four programs to pilot the overnight respite concept. Participation in the overnight respite program is not mandatory but is strictly voluntary.

Process of Amending/Adopting/Repealing Rules:

These rules are being adopted by the Secretary of the Department of Health and Human Services and will be enforced by the Division of Health Service Regulation. Since Session Law 2011-104 requires the Division to select four adult day care programs participating in the pilot to have an initial inspection by January 1, 2012, the plan is to submit the rules for temporary adoption so they will be approved prior to January 1, 2012 and at the same time they are submitted for temporary adoption, file a Notice of Text for permanent rule making.

Summary of Anticipated Fiscal Impact:

As mentioned previously, the rules is being adopted to allow a total of four certified adult day care programs to provide overnight respite services to adults. Participation in the pilot program is strictly voluntary and is not mandatory for any certified adult day care program in North Carolina. The agency does not know what it will cost for a certified adult day care program to meet the rule requirements since there is wide variation in the capabilities of and the facilities at the >100 currently certified adult day care programs across the state. The pilot program will be the first time this service has ever been allowed to be provided in a certified adult day care program. However, in choosing the four sites for the pilot program, the Department will be soliciting applications from interested providers and scoring the applications in order to choose the provider which has best chance of success with minimal expenditures. For example, the rules require the facility to be used for the overnight respite program to be sprinkled as a fire safety measure. It is expected only those certified adult day care programs with facilities currently sprinkled will be chosen to participate in the pilot program since requiring a provider to sprinkle previously unsprinkled space would require financial expenditures possibly up to \$50,000. It should be noted after initial inspection and approval to operate, the four overnight respite programs are only required to be inspected every six months and the Division has determined it will be able to complete these inspections with existing staff and resources. In addition, since the Law states "The State is not authorized to pay for any overnight respite services offered through this pilot, and the pilot shall not be eligible to enroll or otherwise participate in the Medicaid program," there will be no other costs to the Department or the State of North Carolina.