



North Carolina Department of Health and Human Services
Division of Facility Services • Mental Health Licensure and Certification Section
Tel 919-855-3795 • Fax 919-715-8078
2718 Mail Service Center • Raleigh, North Carolina 27699-2718

Michael F. Easley, Governor
Alexander, Chief

Carmen Hooker Odom, Secretary

Stephanie M.

MEMORANDUM

To: Providers Licensed for 10A NCAC 27G .1300 or 10A NCAC 27G .1500
From: Stephanie Alexander, Chief, MH Licensure & Certification Section, DFS
Thru: Bob Fitzgerald, Director, Division of Facility Services
Mike Moseley, Division Director, Division of Mental Health/Developmental Disabilities/Substance Abuse Services
Mark Benton, COO, Division of Medical Assistance
Date: August 1, 2005
Re: Child Residential Rules Update, including licensure requirements for 10A NCAC 27G .1300 and 10A NCAC 27G .1500

This communication serves as an update of the memorandum sent to providers June 2, 2005 from Stephanie Alexander, Section Chief, Division of Facility Services (DFS), Mental Health Licensure & Certification Section. This memo includes new information from the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS) about the proposed child residential rules, revised expectations regarding DFS licensure and Division of Medical Assistance (DMA) expectations regarding enrollment with Medicaid.

As has been communicated on the DFS and the DMH/DD/SAS web sites, the approval of the proposed child residential rules has been delayed. The Rules Review Commission did not take action on the rules at the meeting held on 6/16/05 due to a request made to the Commission prior to the meeting to have the Office of State Budget and Management make a determination if the rules have a substantial fiscal impact. In addition, the Rules Review Commission received more than ten letters opposing the proposed rules, which could further delay the process. Although the Department of Health and Human Services (DHHS) firmly believes that the new rules are necessary to better safeguard the health and safety of children served in these facilities; the administrative rules process has made it impossible to implement the new rules effective July 1, 2005. DHHS continues to explore various options to implement the proposed rules at the earliest possible date.

Providers who have already sent in their attestation letter to the DFS will need to resend it according to the revised instructions outlined below.

When the rules go into effect, current providers of residential treatment services who want to continue providing residential treatment level II, III, IV or PRTF services must complete and sign the attached attestation letter and may need to change their licensure category in order to denote compliance with the new rule requirements.



Level II and Level III services are prohibited from being provided in the same facility. Providers will need to choose the service category-- .1300 (Level II), .1700 (Level III), .1500 (Level IV) or .1900 (PRTF) per each facility.

Following is an outline of the expectations of new providers, including DFS and DMA requirements which supersede the requirements outlined in the letter of June 2, 2005.

Current License/Program	Wish to Remain in this Service Category	Wish to Switch to New Service Category
.1300, Level II	<p>Send to DFS: Submit the attached attestation letter stating that you are a Level II facility and wish to remain licensed as a .1300. DFS will issue a new license with the .1300 service category and designation of Level II Facility.</p> <p>Send to DMA: Submit copy of attestation letter and copy of new license in order to maintain current status and provider number.</p>	N/A*
.1300, Level III	<p>Send to DFS: Submit the attached attestation letter that you (a) wish to remain in the .1300 service category, and (b) will switch to a Level II facility. DFS will issue a new license with the .1300 service category and designation of Level II Facility.</p> <p>Send to DMA: Submit copy of attestation letter opting for reduction in service level to Level II and a copy of new license in order to maintain current status and provider number.</p>	<p>Send to DFS: Submit attestation letter and change application stating that you wish to change service categories to .1700. DFS will contact provider to review revised policies and procedures. A .1700 license will be issued to those providers who meet the .1700 requirements. This license will include the service category and designation of Level III Facility.</p> <p>Send to DMA: Submit copy of attestation letter and copy of new .1700 license in order to maintain current status and provider number.</p>
.1500, Level IV	<p>Send to DFS: Submit the attached attestation letter stating that you are a Level IV facility and will remain licensed as a .1500, Level IV facility. DFS will issue a new license with the .1500 service category and designation of Level IV Facility.</p> <p>Send to DMA: Submit copy of attestation letter and copy of new license.</p>	N/A*
.1500, PRTF	N/A*	<p>Send to DFS: Submit attestation letter and change application stating that you wish to change service categories to .1900. DFS will contact provider to review revised policies and procedures. A .1900 license will be issued to those providers who meet the .1900 requirements.</p> <p>Send to DMA: Submit copy of attestation letter and copy of new .1900 license in order to maintain current status and provider number.</p>

*If you wish to change to a service category other than .1300, .1500, .1700, or .1900, please follow the standard change instructions as posted on the DFS website: <http://facility-services.state.nc.us/formsapp.htm>



Please continue to monitor the DFS website: <http://facility-services.state.nc.us/announcement.htm> and the DMH/DD/SAS website for continued updates regarding the status of the child residential rules. <http://www.dhhs.state.nc.us/mhddsas/>

Cc: DMH/DD/SAS Executive Leadership Team
NC Council of Community Programs
Division of Social Services
Division of Medical Assistance



Attestation Letter

To: Stephanie Alexander, Chief, Mental Health Licensure & Certification Section, DFS

From: Provider Name: _____

Address: _____

MHL #: _____

Medicaid #: _____

Date: _____

Re: Decision Regarding Service Category

Please complete and sign this letter and return to:

Division of Facility Services
MH Licensure & Certification Section
2718 Mail Service Ctr.
Raleigh, NC 27699-2718
Attn: Laurel Callis

Note: If you have more than one facility that is affected by these changes, you must complete a separate attestation letter for each facility.

Failure to comply with submission of the necessary licensure and provider enrollment documentation shall be reasonable cause for administrative action and withdrawal of participation from the Medicaid program. Billing for services not authorized or within your licensed service category shall be cause for recoupment and applicable penalties under state and federal law.

Currently I provide the following service (check one):

- _____ .1300 Level II
- _____ .1300 Level III
- _____ .1500 Level IV
- _____ .1500 PRTF

Based on the new rules and expectations, I plan to provide the following service beginning _____ 2005 for this facility (check one):

- _____ .1300 Level II
- _____ .1500 Level IV
- _____ .1700 Level III
- _____ .1900 PRTF

I pledge to comply with the new rules regarding this service category beginning _____ 2005.

Signature of Licensee

Date

