

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 628\*

Short Title: Uniform Sliding Fees - MH/DD/SA Services. (Public)

Sponsors: Representatives Insko; Alexander, Brown, Earle, Harrison, Luebke, and Weiss.

Referred to: Mental Health Reform, if favorable, Finance.

March 14, 2007

A BILL TO BE ENTITLED

AN ACT TO CREATE A UNIFORM SLIDING FEE SCHEDULE FOR MH/DD/SA SERVICES AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 122C-146 reads as rewritten:

"§ 122C-146. Fee for service.

(a) ~~The area authority LME and its contractual provider agencies shall prepare fee schedules implement the standardized fee schedule and sliding fee schedule adopted by the Secretary for services and under G.S. 122C-112.1(a). The LME and its contractual provider agencies shall also make every reasonable effort to collect appropriate reimbursement for costs in providing these services from individuals or entities able to pay, including insurance and third-party payment, except that individuals payments. However, no individual may be refused services because of an inability to pay.~~

(b) Individuals may not be charged for free services, as required in "The Amendments to the Education of the Handicapped Act", P.L. 99-457, provided to eligible infants and toddlers and their families. This exemption from charges does not exempt insurers or other third-party payors from being charged for payment for these services, if the person who is legally responsible for any eligible infant or toddler is first advised that the person may or may not grant permission for the insurer or other payor to be billed for the free services. ~~However, no individual may be refused services because of an inability to pay.~~

(c) All funds collected from fees from ~~area authority LME~~ operated services shall be used for the fiscal operation or capital improvements of the ~~area authority's LME's~~ programs. The collection of fees by an ~~area authority LME~~ may not be used as justification for reduction or replacement of the budgeted commitment of local tax

1 revenue. All funds collected from fees by contractual provider agencies shall be used to  
2 provide services to individuals in targeted populations."

3         **SECTION 2.** G.S. 122C-112.1(a) is amended by adding a new subdivision  
4 to read:

5 "**§ 122C-112.1. Powers and duties of the Secretary.**

6         (a) The Secretary shall do all of the following:

7         ...

8                 (34) Adopt rules to implement a standard fee schedule and sliding fee  
9 schedule to be used by LMEs and by contractual provider agencies  
10 under G.S. 122C-146."

11         **SECTION 3.** The Secretary of the Department of Health and Human  
12 Services shall identify all services that are funded by or through the Department's  
13 budget and that do not require income-based criteria in order for an individual to be  
14 eligible to receive the service. The Secretary shall develop a proposal for implementing  
15 income-based criteria for eligibility for those programs and shall submit the proposal to  
16 the General Assembly and the Fiscal Research Division by November 1, 2007.

17         **SECTION 4.** This act is effective when it becomes law and applies to  
18 services provided on or after the effective date of the rules adopted by the Secretary  
19 under Section 2 of this act.