

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 703

Short Title: Rate and Inflationary Increases/MH Providers. (Public)

Sponsors: Senators Nesbitt; Atwater and Holloman.

Referred to: Health Care.

March 21, 2005

A BILL TO BE ENTITLED

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2 AN ACT TO REQUIRE THE DEPARTMENT OF HEALTH AND HUMAN
3 SERVICES TO PROVIDE FOR RATE AND INFLATIONARY INCREASES IN
4 STATE-FUNDED MENTAL HEALTH, DEVELOPMENTAL DISABILITIES,
5 AND SUBSTANCE ABUSE SERVICES THAT CORRESPOND TO RATE AND
6 INFLATIONARY INCREASES FOR EQUIVALENT MEDICAID SERVICES.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** The Department of Health and Human Services shall include
9 in its rate-setting methodology for State-funded mental health, developmental
10 disabilities, and substance abuse services rate and inflationary increases that correspond
11 to rate and inflationary increases provided for equivalent Medicaid services, such that as
12 rates are increased and adjusted for inflation for Medicaid services, a corresponding rate
13 increase and inflation adjustment applies for equivalent State-funded mental health,
14 developmental disabilities, and substance abuse services. The Department shall ensure
15 that rate and inflationary increases do not result in a reduction in the services provided
16 or in the number of persons eligible for services.

17 **SECTION 2.** This act becomes effective July 1, 2005.