# Adult Care Home Corrective Action Report (CAR)

**I.** Facility Name: Absolute Care Family Care Home
Address: 431 Junny Rd Angier NC 27501
County: Harnett
License Number: FCL-043-034

**II.** Date(s) of Visit(s): 04/24/25
Purpose of Visit(s): MON
Exit/Report Date: 07/09/25

**Instructions to the Provider *(please read carefully)*:**

In column **III (b)** please provide a plan of correction to address *each of the rules* which were violated and cited in column **III (a)**. The plan must describe the steps the facility will take to achieve and maintain compliance. In column **III (c)**, indicate a specific completion date for the plan of correction.

*If this CAR includes a **Type B violation**, failure to meet compliance after the date of correction provided by the facility could result in a civil penalty in an amount up to $400.00 for each day that the facility remains out of compliance.

*If this CAR includes a **Type A1 or an Unabated B violation**, this agency *will* plan to submit an Administrative Penalty Recommendation for the violation(s). If this CAR includes a **Type A2 violation**, this agency *may* submit an Administrative Penalty Recommendation for the violation(s). The facility has an opportunity to schedule an Informal Dispute Resolution (IDR) meeting within **15 working days** from the mailing or delivery of this CAR. If on follow-up survey the **Type A1 or Type A2** violations are not corrected, a civil penalty of up to $1000.00 for each day that the facility remains out of compliance may be assessed. If on follow-up survey the **Unabated B** violations are not corrected, a civil penalty of up to $400.00 for each day that the facility remains out of compliance may also be assessed.

| **III (a). Non-Compliance Identified**<br>*For each citation/violation cited, document the following four components:*<br>• *Rule/Statute violated (rule/statute number cited)*<br>• *Rule/Statutory Reference (text of the rule/statute cited)*<br>• *Level of Non-compliance (Type A1, Type A2, Type B, Citation, Unabated Type A1, Unabated Type A2, Unabated Type B)*<br>• *Findings of non-compliance* | **III (b). Facility plans to correct/prevent:**<br>*(Each Corrective Action should be cross-referenced to the appropriate citation/violation)* | **III (c). Date plan to be completed** |
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| Rule/Statute Number:<br>10A NCAC 13G .0909 | ☐ POC Accepted<br>_____<br>*DSS Initials* | |
| Rule/Statutory Reference:<br>10A NCAC 13G .0909<br>An adult care home shall assure that the rights of all residents guaranteed under G.S. 131D-21, Declaration of Residents' Rights, are maintained and may be exercised without hindrance. | | |
| Level of Non-Compliance:<br>Type A1 Violation | | |
| Findings:<br>This Rule is not met as evidenced by:<br>TYPE A1 VIOLATION<br><br>Based on interviews and record reviews, the facility failed to ensure residents rights were maintained as related to misappropriation of residents funds for 1 of 3 sampled residents (#1) who was not provided with the State-County Special Assistance (SA) personal needs allowance payments monthly as required, whose cost of care rate exceeded the maximum amount allowed for SA recipients, and who did not receive the accurate cost of care settlement upon discharge. | | |

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The findings are:

Review of Resident #1's current FL2 dated 09/16/24 revealed:
-Diagnoses included anxiety, bipolar disorder, hypertension, gastroesophageal reflux disease, human papillomavirus, dysphagia, schizophrenic, hypercholesterolemia, hypothyroidism, hyperlipidemia, cognitive impairment, behavioral problem mental health, diabetes mellitus controlled.
-The resident was constantly disoriented.

Review of Resident #1's Resident Register dated 07/16/20 revealed:
-The resident was admitted 07/18/20.
-The resident requested that the facility handle her personal funds.
-The funds were available for her personal use during regular office hours and she had a right to examine her account or withdraw the request at any time.
-The resident signed the Resident Register when she was admitted.
-The resident provided a discharge notice on 02/26/25 and was discharged on 03/26/25 to another facility.
-The resident's family member signed the Resident Register acknowledging the discharge on 03/26/25.

Review of Resident #1's Resident Admission Agreement dated 07/20/20 revealed:
-The resident was her own responsible person.
-The resident's private pay cost of care rate was $2,000.00.
-There were no documented updates to the resident's cost of care.
-Under the section titled: Resident's Personal Funds Agreement: The resident opted to manage her own personal funds.
-There was documentation that stated the rate for public assistance recipients would be the maximum amount allowed and approved in the budgets set forth by the North Carolina General Assembly, and implemented by the Social Services Commission, and the North Carolina Department of Health and Human Services (NCDHHS).
-There was documentation that stated the residents and/or responsible parties would be notified of increases which would be reflected in a signed amendment to the initial contract.
-Refunds for the resident's cost of care would be made at the time of discharge.

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| (Continued from page 2)<br><br>Review of the NCDHHS website on 04/24/25 revealed:<br>-State and County Special Assistance (SA) provided a cash supplement to low-income individuals to help pay for room and board in residential facilities.<br>-To be eligible for special assistance individuals must be age 65 or older or disabled and live in a residential facility approved for special assistance.<br>-The facility must agree to accept the state rate for special assistance residents.<br>-Individuals who were eligible for special assistance were automatically eligible for Medicaid.<br>-The maximum SA payment an eligible individual could receive was tied to the maximum rate adult care homes could charge SA recipients for room and board.<br>-The maximum rate (set the by North Carolina General Assembly) that adult care homes could charge an SA recipient for room and board was currently $1,359.00 per month.<br>-An income-eligible individual's benefit amount was determined by taking the maximum rate and subtracting the individual's total monthly countable income.<br>-A personal needs allowance of $70.00 was added to the maximum rate to allow an individual some spending money for clothing and other essentials each month which meant the total maintenance amount was $1,429.00 for 2025.<br>-Rates were adjusted yearly using the federally approved Social Security cost of living change (if any) that was effective for the applicable year.<br><br>Review of the NCDHHS SA website for Resident #1's SA payments revealed:<br>-She was approved for SA on 12/01/21 for $238.00 monthly.<br>-Her monthly SA payment in 2022 was $431.00 and the resident's social security income was unknown.<br>-Her monthly SA payment in 2023 was $462.00 and the resident's social security income was $921.00.<br>-Her monthly SA payment in 2024 was $475.00 and the resident's social security income was $944.00 per month.<br>-Her monthly SA payment in 2025 was $482.00 and the resident's social security income was $944.00.<br><br>Review of the NCDHHS annual memos to County Directors of Social Services revealed:<br>-Effective 01/01/22 the personal needs allowance increased from $46.00 to $70.00 per month and the SA basic rate changed to $1,252.00 that included the $70.00 personal allowance ($1,182.00 without the personal allowance). | | |

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| (Continued from page 3)<br><br>-The monthly $70.00 personal allowance multiplied by 12 months for 2022 was $840.00.<br>-Resident #1 paid $818.00 monthly over the Medicaid rate which totaled $9,816.00 for 2022.<br>-Effective 01/01/23 the monthly basic rate for SA changed to $1,355.00 that included the $70.00 personal allowance ($1,285.00 without the personal allowance).<br>-The monthly $70.00 personal allowance multiplied by 12 months for 2023 was $840.00.<br>-Resident #1 paid $715.00 monthly over the Medicaid rate which totaled $8,580.00 for 2023.<br>-Effective 01/01/24 the monthly basic rate for SA changed to $1,396.00 ($1,326.00 without the personal allowance).<br>-The monthly $70.00 personal allowance multiplied by 12 months for 2024 totaled $840.00.<br>-Resident #1 paid $674.00 monthly over the Medicaid rate which totaled $6,740.00 from January - October 2024.<br>-Resident #1 paid $1,326.00 monthly (due to a cost of care increase) over the Medicaid rate which totaled $4,348.00 from November - December 2024.<br>-Effective 01/01/25 the monthly basic rate for SA changed to $1,429.00 that included the $70.00 personal allowance ($1,359.00 without the personal allowance).<br>-The monthly $70.00 personal allowance for 3 months from January - March 2025 was $210.<br>-Resident #1 paid $2,141.00 monthly over the Medicaid rate which totaled $4,282.00 for January and February 2025 and $1,641 for March 2025.<br><br>Review of the facility's bank statements (for all the Owner's facilities) from January 2025-March 2025 revealed:<br>-There were two deposits from NCDHHS in the amount of $482.00 on 03/17/25.<br>-There was no deposit in the amount of $482.00 in the month of February 2025.<br>-There was a deposit from NCDHHS in the amount of $482.00 on 01/06/25.<br><br>Review of Resident #1's SA recertification re-enrollment document dated 10/07/24 revealed:<br>-The facility was listed along with the address and telephone number.<br>-The authorized representative was the owner of the facility.<br>-The resident's Social Security income was reported as $892.00 monthly.<br>-The resident signed the document. | | |

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Review of facility records on 04/24/25 revealed there was no Personal Funds Account Ledger for Resident #1 for review.

Review of facility records on 04/24/25 revealed there was no monthly accounting / summary statement for Resident #1 for review.

Review of copies of checks addressed to the facility from Resident #1's family member for Resident #1's cost of care revealed:
-A payment of $3,500.00 was received by the facility for the resident on 01/01/25.
-A payment of $2,000 was received by the facility for the resident on 11/30/24.
-A payment of $2,000 was received by the facility for the resident on 07/01/24.
-A payment of $2,000 was received by the facility for the resident on 05/01/24.
-A payment of $2,000 was received by the facility for the resident on 04/01/24.
-A payment of $2,000 was received by the facility for the resident on 03/04/24.
-A payment of $2,000 was received by the facility for the resident on 01/31/24.
-A payment of $2,000 was received by the facility for the resident on 11/29/23.

Review of a copy of a facility check dated 03/31/25 sent to Resident #1's family member for the settlement of cost of care revealed an amount of $320.00.

Telephone interview with Resident #1's family member on 04/16/25 at 10:30am revealed:
-He had not received a refund from the facility as of this date.
-He received a letter from Medicaid stating the resident was receiving SA for the 3 years she resided at the facility.
-He called the county income maintenance worker and was told the facility completed the recertifications annually on the resident's behalf unbeknownst to him.
-He was aware that the resident was receiving Medicaid but was not aware of the SA payments.
-The owner told him in the past that the resident was "not in a Medicaid bed" and had to pay a private pay rate.
-The resident's income was only $933.00 per month and he paid the difference.

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-The resident's cost of care from the time she was admitted was $2,000.00 and the owner increased the cost of care to $3,500.00 in November 2024.
-He called the owner to inquire about the SA payments that were sent to the facility, the owner acknowledged receipt of the SA payments and applied the SA payment for the month of March 2025 to the cost of care for the final month the resident resided in the home.
-He paid $3,000 for the month of March 2025 instead of $3,500 and the owner stated she would apply $500.00 from the SA payment received for the month.
-The SA payments were not previously applied to the resident's cost of care for the duration of her stay at the facility.
-The resident's health insurance covered the cost of her prescriptions and he paid for the over-the-counter medications out of pocket.
-Resident #1 had not seen a "dime" of any personal funds money.

Telephone interview with the county income maintenance worker on 04/16/25 at 11:16am revealed:
-Resident #1 was approved for SA on 12/01/21.
-Resident #1's family member called her and she explained to him that SA helped the resident pay for her room and board at the facility.
-He told her that the resident was in a semi-private room and he paid the difference for her cost care because she was not in a "Medicaid bed."
-She recommended to the family member that he move the resident since the resident was paying more than the Medicaid rate.
-She told him if the resident was in a private room she was subject to the difference.
-Resident #1's SA payments monthly were $482.00 for 2025, $475.00 for 2024, $462.00 for 2023, and $431.00 for 2022.
-The $70.00 personal needs allowance was supposed to come out of the SA payment sent to the facility monthly for the resident.
-The family member signed the initial application and the owner of the facility signed the recertification documentation in 2022, 2023, and 2024.

Interview with the Owner on 04/24/25 at 9:18am revealed there were no residents in the facility that received SA payments.

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Second interview with the Owner on 04/24/25 at 11:08am revealed she called Resident #1's family member and he stated he received the settlement of cost of care payment ($320.00).

Third interview with the Owner on 04/24/25 at 11:44am revealed:
-She acknowledged that Resident #1 received Medicaid and SA.
-She received one check from the state (NCDHHS) for all the residents that received SA and it was "not broken down into who gets what."
-Resident #1's family member was her representative payee (the resident did not have a representative payee), he took care of everything, and he never shared with her that Resident #1 received SA.
-Resident #1's family member did not share that Resident #1 was getting SA benefits until January or February 2025.
-The SA payments were deposited into the facility account without a name listed and if she did not apply for the SA benefits she did not know who received it.
-She told the family member that she would do some research to find out "who got what and who was getting what amount."
-The family members received the SA paperwork not the facility.
-She did not have a way to determine how much each resident received.
-She did not know that Resident #1 was getting SA, she did not receive the SA letter, and she would not have known because she did not apply for SA for Resident #1.
-She denied signing the SA recertification documents "my administrative staff completes the recerts (SA annual recertification documents)."
-She gave the administrative staff permission to sign her signature (on the recertification documents).
-She would start a ledger for Resident #1.
-She could not be responsible for what she was not aware of.
-She increased Resident #1's rate from $2,000.00 to $3,500.00 via a verbal agreement.
-Resident #1 was paying a private pay rate because "someone else was paying."
-Resident #1's family was responsible for paying the additional money (beyond the Medicaid SA rate) and took responsibility.
-Resident #1's family paid from their "mother's account."
-The facility rate was $2,000 even if the residents received SA.

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| (Continued from page 7)<br><br>-If the resident could not pay the $2,000 cost of care, then she wrote it off as a "loss" because the residents were not paying the full amount.<br>-She increased Resident #1's cost of care in January 2025 because "everything needed to go up because she [Resident #1] refused to be assessed for personal care assistance (a Medicaid funded payment to the facility for personal care assistance when residents were unable to complete activities of daily living).<br>-Resident #1 started drooling and declining but continued to refuse to be assessed for personal care assistance.<br>-She could not continue to take a loss.<br>-Resident #1's SA funds went into the facility account (although never applied to the resident's cost of care until March 2025).<br>-Resident #1's SA funds went into the facility account and was used for business expenses such as utilities, rent, mortgage, and food.<br>-If a resident had personal funds, she managed the funds.<br>-If she owed any money, she would pay Resident #1.<br>-She should not be penalized for something she did not know the residents had.<br>-She did not know that Resident #1's SA was deposited into the facility account.<br>-The deposits from NCDHHS were made once per month into the facility account for all of her facilities.<br>-She acknowledged that Resident #1 was supposed to receive $70.00 per month for personal funds (although the resident never received the personal funds).<br><br>Review of the facility bank account on 04/24/25 on the Owner's cell phone revealed:<br>-There were multiple individual deposits from NCDHHS with different numbers listed next to the deposit.<br>-There was a deposit in the amount of $482.00 on an unknown date (Resident #1's monthly SA amount).<br><br>Telephone interview with the facility accountant on 05/13/25 at 9:51am revealed:<br>-She was the bookkeeper for the facility.<br>-She compiled data for the facility each month.<br>-She logged into the facility bank account, printed the bank statements, and imported data into the system.<br>-She allocated "what comes in, the expenses, and put them where they needed to be filed." | | |

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-She reconciled the register, balanced it with the bank statements, and gave the owner the proper loss statements and balance sheets.
-She only tracked one account for the facility where all the deposits went.
-The deposits from Medicaid came from NCDHHS and she put them all under "Medicaid income."
-She could not identify the amount each resident was paid as there was no way of knowing that information.

Review of a voicemail message received from the Owner on 06/12/25 at 5:20pm revealed:
-She tried to get in touch with Resident #1's county income maintenance worker to reconcile the residents SA account for any outstanding funds owed to her for the $90.00 or $66.00 (personal needs allowance) that she owed her.
-She was going to send the resident a certified check for any outstanding funds owed.
-She was not clear that she owed her but now that she was aware she was going to reimburse her.

Review of a copy of a facility cashier's check dated 06/12/25 revealed:
-The check was made out to Resident #1.
-The check amount was $3,390.00
-The check memo stated, "reimbursement for funds."

Review of a letter addressed to Resident #1's family member dated 06/14/25 revealed:
-A cashier's check was attached in the amount of $3,390.00 (inaccurate accounting).
-The funds were reimbursement for funds received by the facility for Resident #1 through "Medicaid Special Assistance Program."
-Resident #1's family member brought to the owner's attention that the resident was receiving SA that the owner was unsure about.
-Based on review of the owner's records, from February 2021 through December 2024, the resident was entitled to receive $66.00 per month for the first 3 years and $90.00 per month from 2024 which totaled $3,390.00.
-The owner apologized for the inconvenience for the oversight.

Attempted telephone interview with Resident #1 on 06/25/25 at 10:10am was unsuccessful.

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Refer to 10A NCAC 13F .1104 (d) Accounting of Resident's Personal Funds

Refer to 10A NCAC 13F .1104 (b) Accounting of Resident's Personal Funds

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The facility failed to protect Resident #1 from exploitation related to not providing the resident with her personal funds for a 40 month period ($4,200.00) as allotted by NCDHHS for residents to have spending money for clothing and other essentials monthly, failed to charge the resident the maximum cost of care rate set by the North Carolina General Assembly that adult care homes could charge an SA recipient for room and board for a 40 month period which resulted in Resident #1 being overcharged approximately $35,000.00 (the private pay rate charged monthly minus the maximum SA rate an adult care home could charge an SA recipient monthly for a 40 month period), and failed to provide an accurate settlement of cost of care at the time of discharge according to the facility policy. This failure resulted in exploitation of the resident and constitutes a Type A1 Violation.

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The facility provided a Plan of Protection in accordance with G.S.131D-34 on April 30, 2025.

THE CORRECTION DATE FOR THIS TYPE A1 VIOLATION SHALL NOT EXCEED AUGUST 8, 2025.

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Rule/Statute Number:
10A NCAC 13G .1104 (d)
Rule/Statutory Reference:
10A NCAC 13G .1104 (d)
Accounting for Resident's Personal Funds
(d) A resident's personal funds shall not be commingled with facility funds. The facility shall not commingle the personal funds of residents in an interest-bearing account.
Level of Non-Compliance:
TYPE B VIOLATION
Findings:
This Rule is not met as evidenced by:

TYPE B VIOLATION

(Continued from page 10)

Based on interviews and record reviews, the facility failed to assure 1 of 3 sampled residents (#1) personal funds were not commingled with the facility funds.

The findings are:

Review of Resident #1's current FL2 dated 09/16/24 revealed diagnoses included anxiety, bipolar disorder, hypertension, gastroesophageal reflux disease, human papillomavirus, dysphagia, schizophrenic, hypercholesterolemia, hypothyroidism, hyperlipidemia, cognitive impairment, behavioral problem mental health, diabetes mellitus controlled.

Review of Resident #1's Resident Register revealed the resident was admitted 07/18/2020.

Review of Resident #1's Resident Admission Agreement dated 07/20/20 revealed:
-The resident was her own responsible person.
-The resident's cost of care rate was $2,000.00.

Review of the North Carolina Department of Health and Human Services (NCDHHS) State and County Special Assistance (SA) website for Resident #1's SA payments revealed:
-She was approved for SA on 12/01/21 for $238.00 monthly.
-Her monthly SA payment in 2022 was $431.00.
-Her monthly SA payment in 2023 was $462.00.
-Her monthly SA payment in 2024 was $475.00.
-Her monthly SA payment in 2025 was $482.00.

Review of the NCDHHS annual memos to County Directors of Social Services revealed:
-Effective 01/01/22 the personal needs allowance increased from $46.00 to $70.00 per month and the SA basic rate changed to $1,252.00 that included the $70.00 personal allowance.
-Effective 01/01/23 the monthly basic rate for SA changed to $1,355.00 that included the $70.00 personal allowance.
-Effective 01/01/24 the monthly basic rate for SA changed to $1,396.00.
-Effective 01/01/25 the monthly basic rate for SA changed to $1,429.00 that included the $70.00 personal allowance.

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Review of the facility's bank statements from January 2025-March 2025 revealed:
-There were two deposits from NCDHHS in the amount of $482.00 on 03/17/25.
-There was no deposit in the amount of $482.00 in the month of February 2025.
-There was a deposit from NCDHHS in the amount of $482.00 on 01/06/25.

Review of the facility records on 04/24/25 revealed there was no Personal Funds Account Ledger for Resident #1 for review.

Telephone interview with Resident #1's family member on 04/16/25 at 10:30am revealed:
-He received a letter from Medicaid stating the resident was receiving SA for the 3 years she resided at the facility.
-He called the county income maintenance worker and was told the facility completed the recertifications annually on the resident's behalf unbeknownst to him.
-He was aware that the resident was receiving Medicaid but was not aware of the SA payments.
-He called the owner to inquire about the SA payments that were sent to the facility and the owner acknowledged receipt of the SA payments.
-The resident had not seen a "dime" of any personal fund money.

Telephone interview with the County Income Maintenance Worker on 04/16/25 at 11:16am revealed:
-The resident was approved for SA on 12/01/21.
-The resident's SA payments annually were $482.00 for 2025, $475.00 for 2024, $462.00 for 2023, and $431.00 for 2022.
-The $70.00 personal needs allowance was supposed to come out of the SA payment sent to the facility monthly for the resident.
-The family member signed the initial application and the owner of the facility signed the recertification documentation in 2022, 2023, and 2024.

Interview with the owner on 04/24/25 at 9:18am revealed there were no residents in the facility that received SA payments.
Second interview with the owner on 04/24/25 at 11:44am revealed:
-She acknowledged that Resident #1 received Medicaid and SA.
-If a resident had personal care funds, she managed the funds.

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-She received one check from the state (NCDHHS) for all the residents that received SA and it was "not broken down into who gets what."
-The SA payments were deposited into the facility account without a name and if she did not apply for SA for the resident she did know which resident received SA.
-She did not have a way to determine how much each resident received.
-Resident #1's SA funds went into the facility account and was used for business expenses such as utilities, rent, mortgage, and food.
-"She [Resident #1] had to eat and toilet and the mortgage payment was a part of her cost of care."
-She did not know that Resident #1's SA was deposited into the facility account.
-The deposits from NCDHHS were made once per month into the facility account for all of her facilities.
-The residents funds from her 4 cluster facilities, facilities in other counties, and her group homes were deposited into one account
-She would come up with a system for the NCDHHS checks and figure out how to identify the deposits based on the number associated with the deposit.

Review of the facility bank account on the owner's cell phone on 04/24/25 revealed:
-There were multiple individual deposits from NCDHHS with different numbers listed next to each deposit.
-There was a deposit in the amount of $482.00 (Resident #1's monthly SA amount).

Telephone interview with the owner on 04/29/25 at 4:01pm revealed:
-She paid the facility bills out of the account that the residents' funds were deposited into.
-The account the residents' funds were deposited into was a business account.
-She paid everything out of the account for the "residents' room and board, water, lights, and food. Everything comes out of that account."
-She would call her bank and open an account for the residents' funds.
-She would ensure the residents' deposits were going into a separate account.

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Telephone interview with the facility accountant on 05/13/25 at 9:51am revealed:
-She was the bookkeeper for the facility.
-She compiled data for the facility each month.
-She logged into the facility bank account, printed the bank statements, and imported data into the system.
-She allocated "what comes in, the expenses, and put it where they needed to be filed."
-She reconciled the register and balanced them with the bank statements and gave the owner the proper loss statements and balance sheets.
-She only tracked one account for the facility where all the deposits went.
-The deposits from Medicaid came from NCDHHS and she put them all under "Medicaid income."
-She could not identify the amount each resident paid as there was no way of knowing that information.

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The facility failed to ensure Resident #1's personal funds were not commingled with facility funds. The resident's funds were commingled with the facility funds for a 40-month period and the facility was unable to identify and / or verify the resident's funds in the business account. The facility used the same account for business expenses such as the mortgage / rent payments, utilities, and food expenses. This failure constitutes a TYPE B VIOLATION.

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The facility provided a Plan of Protection in accordance with G.S.131D-34 on April 30, 2025.

THE CORRECTION DATE FOR THIS TYPE B VIOLATION SHALL NOT EXCEED TBD.

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Rule/Statute Number:
10A NCAC 13G .1104 (b)
Rule/Statutory Reference:
10A NCAC 13G .1104 (b) Accounting for Resident's Personal Funds
b) No employee of a facility shall handle the personal funds for a resident, except for the facility administrator or the administrator's designee after having received prior written authorization from the resident or the resident's authorized representative. The facility administrator or their designee shall

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maintain an accurate account balance and accounting of all funds received, disbursements, and the balance on hand which shall be available upon request to the resident or their authorized representative during the facility's regular business office hours.
Level of Non-Compliance:
Standard Deficiency
Findings:
This Rule is not met as evidenced by:
Standard Deficiency

Based on interviews and record reviews, the facility failed to maintain an accurate account balance and accounting of all funds received from North Carolina Department of Health and Human Services (NCDHHS) State and County Special Assistance (SA) for 1 of 3 sampled residents (#1).

The findings are:

Review of Resident #1's current FL2 dated 09/16/24 revealed diagnoses included anxiety, bipolar disorder, hypertension, gastroesophageal reflux disease, human papillomavirus, dysphagia, schizophrenic, hypercholesterolemia, hypothyroidism, hyperlipidemia, cognitive impairment, behavioral problem mental health, diabetes mellitus controlled.

Review of Resident #1's Resident Register dated 07/18/20 revealed:
-The resident was admitted 07/18/2020.
-The resident requested that the facility handle her personal funds. The funds were available for her personal use during regular office hours and she had a right to examine her account or withdraw the request at any time.
-The resident signed the resident register when she was admitted.

Review of Resident #1's Resident Admission Agreement dated 07/20/20 revealed:
-The resident was her own responsible person.
-Under the section titled: Resident's Personal Funds Agreement: The resident opted to manage her own personal funds.

Review of the North Carolina Department of Health and Human Services (NCDHHS) State and County Special

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Assistance (SA) website for Resident #1's SA payments revealed:
-She was approved for SA on 12/01/21 for $238.00 monthly.
-Her monthly SA payment in 2022 was $431.00.
-Her monthly SA payment in 2023 was $462.00.
-Her monthly SA payment in 2024 was $475.00.
-Her monthly SA payment in 2025 was $482.00.

Review of the facility records on 04/24/25 revealed there was no Personal Funds Account Ledger for Resident #1 for review.

Review of the facility records on 04/24/25 revealed there was no monthly accounting / summary statement for Resident #1 for review.

Telephone interview with the County Income Maintenance Worker on 04/16/25 at 11:16am revealed:
-The resident was approved for SA on 12/01/21.
-The resident's SA payments annually were $482.00 for 2025, $475.00 for 2024, $462.00 for 2023, and $431.00 for 2022.
-The $70.00 personal needs allowance was supposed to come out of the SA payment sent to the facility monthly for the resident.

Interview with the owner on 04/24/25 at 9:18am revealed there were no residents in the facility that received SA payments.

Second interview with the owner on 04/24/25 at 11:44am revealed:
-She acknowledged that Resident #1 received Medicaid and SA.
-If a resident had personal funds, she managed the funds.
-She did not know that Resident #1's SA was deposited into the facility account.
-She acknowledged that Resident #1 was supposed to receive $70.00 per month.

Rule/Statute Number:
10A NCAC 13G .0704 (1)(d)
Rule/Statutory Reference:
10A NCAC 13G .0704 (1)(d)
Resident Contract, Information on Facility, and Resident Register
(1) the resident contract to which the following applies:

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(D) the resident or the resident's authorized representative shall be given a written 30-day notice prior to any change in charges for resident services and accommodations, including the cost of different levels of service, description of level of care and services, and any other charges or fees, and be provided an amended contract or an amendment to the contract for review and confirmation of receipt.
Level of Non-Compliance:
Standard Deficiency
Findings:

This Rule is not met as evidenced by:
Standard Deficiency

Based on interviews and record reviews, the facility failed to give a written 30-day notice prior to an increase in cost of care for 1 of 3 sampled residents (#1) and failed to ensure the resident contract reflected the accurate amount of the resident's cost of care for 1 of 3 sampled residents (#3).

The findings are:

1. Review of Resident #1's current FL2 dated 09/16/24 revealed diagnoses included anxiety, bipolar disorder, hypertension, gastroesophageal reflux disease, human papillomavirus, dysphagia, schizophrenic, hypercholesterolemia, hypothyroidism, hyperlipidemia, cognitive impairment, behavioral problem mental health, diabetes mellitus controlled.

Review of Resident #1's Resident Register dated 07/18/20 revealed:
-The resident was admitted 07/18/2020.
-The resident signed the resident register when she was admitted.

Review of Resident #1's Resident Admission Agreement dated 07/20/2020 revealed:
-The resident was her own responsible person.
-The resident's private pay cost of care rate was $2,000.00.
-There were no documented updates to the resident's cost of care.
Review of copies of checks addressed to the facility for Resident #1's cost of care revealed:
-A payment of $3,500.00 was received by the facility on 01/01/25.

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-A payment of $2,000 was received by the facility on 11/30/24.
-A payment of $2,000 was received by the facility on 07/01/24.
-A payment of $2,000 was received by the facility on 05/01/24.
-A payment of $2,000 was received by the facility on 04/01/24.
-A payment of $2,000 was received by the facility on 03/04/24.
-A payment of $2,000 was received by the facility on 01/31/24.
-A payment of $2,000 was received by the facility on 11/29/23.

Telephone interview with Resident #1's family member on 04/16/25 at 10:30am revealed the resident's cost care from the time she was admitted was $2,000.00 and the owner increased the cost of care to $3,500.00 in November 2024.

Interview with the owner on 04/24/24 at 11:44am revealed she increased Resident #1's rate from $2,000.00 to $3,500.00 via a verbal agreement.

2. Review of Resident #3's current FL2 dated 03/25/25 revealed diagnoses included dementia, dehydration with ethanol alcohol, alcohol abuse, atrial fibrillation, and nonischemic cardiomyopathy.

Review of Resident #3's Resident Register dated 03/17/25 revealed he was admitted on 03/17/25.

Review of Resident #3's Resident Admission Agreement dated 03/17/25 revealed:
-The resident was his own responsible person.
-The resident's cost of care rate was $2,500.00.

Review of the NCDHHS SA website for Resident #3 revealed:
-He was approved for SA in 2021.
-His last SA payment received was December 2024.
-The resident's current monthly income was $1230.00.

Interview with the owner on 04/24/25 at 11:44am revealed:
-The facility cost of care rate was $2,000.00 per month ($2,500 was documented on the contract).
-The facility rate was $2,000 even if the residents received SA.
-If the resident could not pay the $2,000 cost of care, then she wrote it off as a loss because the resident was not paying the full amount.
-Resident #3's cost of care was $1,100.00 but she expected to receive $2,000.00 per month.
-Resident #3 owed her from the time he was admitted to now however she was willing to take a loss.

Facility Name:

| * The Plan of Correction should be completed and returned to Harnett County Department of Social Services by July 30, 2025. | | |
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| **IV. Delivered Via:** | Electronic Mail (Email) | Date: 7/9/25 |
| **DSS Signature:** | Angel Tinlin DHS | Return to DSS By: 7/30/25 |

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|---|---|---|
| **V. CAR Received by:** | Administrator/Designee (print name): Carolyn Weston | Date: 07/11/25 |
| | Signature: Carolyn Weston | |
| | Title: C.E.O. | |

| | | |
|---|---|---|
| **VI. Plan of Correction Submitted by:** | Administrator (print name): | Date: |
| | Signature: | |

**VII. Agency's Review of Facility's Plan of Correction (POC)**

☐ ***POC Not Accepted*** By: Date:

Comments:

☐ ***POC Accepted*** By: Date:

Comments:

| | | | |
|---|---|---|---|
| **VIII. Agency's Follow-Up:** | By: | | Date: |
| | Facility in Compliance: ☐ Yes ☐ No | | Date Sent to ACLS: |

Comments:

**For follow-up to CAR, attach Monitoring Report showing facility in compliance.*