

**10A NCAC 27G .0212 DISCLOSURE OF FINANCIAL INTEREST OF PROVIDERS OF MH/DD/SA SERVICES TO POTENTIAL CLIENTS**

(a) When a provider refers a potential client to another provider in which the referring provider holds a financial interest, the referring provider shall disclose and document the disclosure of the financial interest to the potential client prior to or at the time of referral.

(b) A referring provider shall be considered to have a financial interest when the referring provider is an owner, principal, employee, a potential employee of the provider who is in the hiring process, immediate family member of an owner, principal employee or an affiliate of the provider that the potential client is referred to.

(c) For purposes of this Rule, a "referring provider entity" includes:

- (1) an agency;
- (2) an organization;
- (3) a local management entity (LME) as set forth in G.S. 122C-3(20b); or
- (4) an individual employee or contractor of an agency, organization or LME.

(d) For purposes of this Rule, "immediate family member of an employee" means husband or wife; birth or adoptive parent, child, or sibling; stepparent, stepchild, stepbrother, or stepsister; father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law; grandparent or grandchild; or spouse of a grandparent or grandchild.

(e) For the purposes of this Rule, "affiliate" means any person or organization that controls or did control a provider agency or any person or organization who is controlled by a person or organization who controls or did control a provider agency. Two or more providers who are under common control are affiliates.

*History Note:* Authority G.S. 122C-3(20b); 122C-26(5)(e);  
Eff. July 1, 2008;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 20, 2019.