

**10A NCAC 27G .7003 REQUIREMENTS FOR LOCAL MANAGEMENT ENTITY COMPLAINT INVESTIGATIONS**

(a) The Local Management Entity shall follow these procedures when investigating providers according to 10A NCAC 27G .0606:

- (1) The Local Management Entity shall make contact with the provider when investigating a complaint. The Local Management Entity shall state the purpose of the contact and inform the provider that the Local Management Entity is in receipt of a complaint concerning the provider and the general nature of the complaint.
- (2) The Local Management Entity shall complete the complaint investigation within 30 calendar days of the date of the receipt of the complaint.
- (3) Upon completion of the complaint investigation, the Local Management Entity shall submit a report of investigation findings to the complainant, the provider and client's home Local Management Entity, if different. The report shall be submitted within 15 calendar days of the date of completion of the investigation. The complaint investigation report shall include:
  - (A) statements of the allegations or complaints lodged;
  - (B) steps taken and information reviewed to reach conclusions about each allegation or complaint;
  - (C) conclusions reached regarding each allegation or complaint;
  - (D) citations of statutes and rules pertinent to each allegation or complaint; and
  - (E) required action regarding each allegation or complaint.
- (4) The provider shall submit a plan of correction to the Local Management Entity for each issue requiring correction identified in the report in a letter dated 15 calendar days from the date the provider receives the complaint investigation report.
- (5) The Local Management Entity shall review and respond in writing to the provider's plan of correction with approval or a description of additional required information. The Local Management Entity shall respond to the provider in a letter dated 15 calendar days of receipt of the plan of correction.
- (6) The provider shall implement a plan of correction within 60 calendar days from the date of the complaint investigation report.
- (7) The complainant or provider who disagrees with the results of the Local Management Entity actions may file an appeal regarding the investigation that is received by the Local Management Entity within 21 calendar days from the receipt of the Local Management Entity investigation report. The Local Management Entity shall provide notification of the appeal to the complainant or provider to inform them of this appeal. The appeal is limited to items identified in the original complaint record and the investigation report.
- (8) The Local Management Entity shall convene a review committee to review the appeal as specified in 10A NCAC 27G .7002(b)(3)(J).
- (9) The Local Management Entity Director shall issue a written decision based on the appeal committee's decision to uphold or overturn the findings of the investigation. The decision letter shall be dated within 28 calendar days from receipt of the appeal.
- (10) The Local Management Entity shall follow-up on issues requiring correction in the investigation report no later than 60 calendar days from the date the plan of correction is approved.
- (11) When a complaint investigation involving a category B provider identifies an issue which if substantiated by the Division of Mental Health, Developmental Disabilities and Substance Abuse Services could result in a revocation or suspension of the provider's funding pursuant to 10A NCAC 26C .0501 through .0504, the LME shall document the issue or issues creating the concern and notify the Division of Mental Health, Developmental Disabilities and Substance Abuse Services of the issue within 24 hours. The Division of Mental Health, Developmental Disabilities and Substance Abuse Services shall consult with the Local Management Entity and then shall determine which agency will lead the investigation and which agencies need to be involved. Separate complaint investigations shall not be performed.
- (12) Local Management Entity shall provide information regarding the disposition of the complaint to the complainant and the client's home Local Management Entity, if different, as soon as the investigation is concluded.

(b) The Local Management Entity shall maintain copies of complaint investigations, resolutions and follow-up reports for providers for review by the Department of Health and Human Services.

*History Note:* Authority G.S. 122C-112.1(a)(29);  
Eff. July 1, 2008;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 20,  
2019.