



Mediation Network of North Carolina

Exhibit 4

(1/24/24 Meeting Minutes)

Presentation to the House Select
Committee on Homeowners' Associations

January 24, 2024

MISSION STATEMENT

The mission of the Mediation Network of North Carolina is to promote, strengthen and support community mediation programs in North Carolina through volunteer board development, accountability, visibility and resource development.

The Mediation Network is a statewide organization serving community mediation centers across the state. Primary constituents are community mediation centers which provide a wide array of ADR (**A**lternative **D**ispute **R**esolution) services including Criminal District court, community generated disputes, school based programs and Medicaid beneficiaries. The Network office coordinates training programs, technical support to centers and recruitment needs. The preponderance of its resources are devoted to member program integrity services.

MISSION STATEMENT

The Mediation Network of North Carolina is a 501 (c) (3) non-profit organization currently comprised of fifteen (15) community mediation centers providing community based dispute mediation, juvenile focused programs and Medicaid mediation in all one hundred (100) counties. Community mediation centers offer low cost Network approved skill based training programs such as Anger Management programs, Dispute Resolution training and facilitation for groups training.

The demographics of the Network's constituency varies from urban to rural, no resident of North Carolina is ever refused service for ability to pay. North Carolina residents access information and services through a broad variety of social media, telephone, website guidance, direct marketing by centers and other professional referrals.

OUR CENTERS - WESTERN

- Conflict Resolution Center of Cabarrus County (Cabarrus and Rowan counties)
- Charlotte-Mecklenburg Community Relations Committee/Dispute Settlement Program (Mecklenburg County)
- The Conflict Resolution Center (Catawba, Burke and Caldwell Counties)
- Piedmont Mediation Center (Iredell, Davidson, Davie, Alexander Counties)
- Mediation & Restorative Justice Center, Inc. (Alleghany, Ashe, Avery, Madison, Mitchell, McDowell, Surry, Watauga, Wilkes, Yadkin, and Yancey Counties)
- Mediation Center of Southern Piedmont (Gaston, Lincoln and Cleveland Counties)

OUR CENTERS – CENTRAL AND EASTERN

- Deep River Mediation (Chatham and Lee Counties)
- Elna B. Spaulding Conflict Resolution Center (Durham County)
- One Step Further, Inc.: Mediation Services of Guilford County (Guilford County)
- Mediation Services of Rockingham County c/o ReDirections (Rockingham, Caswell, Person and Alamance Counties)
- Cumberland County Dispute Resolution Center (Cumberland County)
- Mediation Center of Eastern North Carolina (Craven, Edgecombe, Nash, Pitt and Wilson Counties)

OUR CENTERS – AFFILIATES

- Carolina Dispute Settlement Services (Wake County)
- The Mediation Center (Buncombe County)
- Coastal Community Mediation Center of North Carolina (New Hanover County)*

*MNNC membership pending

TYPES OF CASES OUR CENTERS MEDIATE

- District Criminal Court Mediation Program for citizen-initiated warrants
- Young Adult Mediation
- Shoplifting and Theft Offenders Program (S.T.O.P)
- Truancy Mediation that includes Triple P – Positive Parenting Program
- Medicaid appeals
- Misdemeanor criminal complaints
- 50C no contact orders
- Neighborhood conflicts
- HOA cases
- Consumer complaints
- Workplace disputes
- Landlord tenant issues
- Family issues
- School concerns
- Juvenile mediation
- Drug Treatment Court
- Law Enforcement-Assisted Diversion (LEAD)
- Anger Management/Conflict Resolution for youth or adults

HOA CASES (Since Authorized In 2013)

NCGS 7A-38.3F(c)-(d) (PRELITIGATION MEDIATION OF CONDOMINIUM AND HOMEOWNERS ASSOCIATION DISPUTES – INITIATION OF MEDIATION, MEDIATION PROCEDURE)

- Allows either an association or a member to contact the North Carolina Dispute Resolution Commission or the Mediation Network of North Carolina for the name of a mediator or community mediation center. Upon contacting a mediator, either the association or member may supply to the mediator the physical address of the other party, or the party's representative, and the party's telephone number and e-mail address, if known. The mediator shall contact the party, or the party's representative, to notify him or her of the request to mediate. If the parties agree to mediate, they shall request in writing that the mediator schedule the mediation. The mediator shall then notify the parties in writing of the date, time, and location of the mediation, which shall be scheduled not later than 25 days after the mediator receives the written request from the parties.
- Requires the mediator to determine who may attend mediation. The mediator may require the executive board or a large group of members to designate one or more persons to serve as their representatives in the mediation.
- All parties are expected to attend mediation. The mediator may allow a party to participate by telephone or other electronic means if the mediator determines that the party has a compelling reason to do so.
- Allows the mediator, if the parties cannot reach a final agreement in mediation because to do so would require the approval of the full executive board or the approval of a majority or some other percentage of the members of the association, to recess the mediation meeting to allow the executive board or members to review and vote on the agreement.

HOA CASES

Since Authorized in 2013

- Wilmington – 19 cases, 18 of those resolved
- Brunswick – 4 cases, all 4 resolved
- Piedmont – 30 referrals – 27 refused, 3 were mediated and resolved
- Deep River – 3 requests – 2 HOA refused to participate, 1 unresolved – heard by judge
- Carolina Dispute Settlement – 97 requests – all HOAs refused to participate
- Durham Mediation Center - Between 2019 and 2023, 12 cases: 6 refusals by HOA, 3 resolved (all parties agreed to participate), and 3 consultations
- ReDirections of Rockingham County – 10 cases, 8 resolved
- Charlotte-Mecklenburg – Respondents (HOA's): 16 declined; 27 - No response to mediator's call for mediation; 2 Respondents that could not be scheduled; 2 Respondents that were a No Show to scheduled mediation. Of the cases that did go to mediation, 99 were resolved and 5 went to impasse.

MEDICAID APPEALS PROCESS

- Program started to save the State money as Medicaid benefits continued while cases were under appeal and the appeal process was backlogged
- Allows mediation but must be done within 25 days of request (and in some cases as little as 10 days)
- OAH receives the request and contacts Mediation Network who assigns the case to a center and provides all paperwork to the appropriate parties (OAH and DHHS usually)
- Mediation Network provided training to the centers and handles all requests for funds for mediation and provides those to the individual centers after taking a small administrative amount
- All are done by phone with trained mediators
- Mediators file a report of the mediation

MEDICAID APPEALS PROCESS

- Great success rate of resolving cases and completely eliminated the appeals backlog
- In 2023, of the Medicaid appeals cases that were mediated, the success rate of the mediation was between 72-85%

SIMILARITIES BETWEEN MEDICAID APPEALS AND HOA CASES

- Need Quick Resolution
- Contentious Cases
- Imbalance of Power
- Statewide Needs and Availability

Mediations Held in October/November 2023 (N = 379)

Service Type	Settled	Impassed	Declined Mediation	Petitioner Unavailable / Services Approved Prior to Mediation	Total
Orthodontics	77	9	0	18	104
Dental	43	0	0	21	64
Outpatient Pharmacy	32	1	0	10	43
PCS - In-Home	19	16	0	8	43
DME	17	1	1	12	31
CAP-C	13	7	0	2	22
Lock-in Program	4	0	0	8	12
Optical Services	6	0	0	5	11
Surgery	2	2	0	1	5
Medical	3	1	0	1	5
PCS - Facility	3	1	0	1	5
Physical Therapy	3	0	1	1	5
Outpatient Hospital (PHP)	2	2	0	0	4
Occupational Therapy	3	1	0	0	4
Eligibility	1	0	0	2	3
Behavioral Health - Innovations Waiver	3	0	0	0	3
Private Duty Nursing	1	1	0	0	2
Inpatient Hospital (PHP)	1	0	0	1	2
Nursing Facilities	0	1	0	1	2
Imaging	1	1	0	0	2
Speech Therapy	1	1	0	0	2
PCS (PHP)	1	0	0	0	1
Out of State Services	0	0	0	1	1
PHP	0	0	0	1	1
CAP-DA	1	0	0	0	1
Denial of Payment	0	0	0	1	1
Behavioral Health (PHP)	0	0	0	0	0
Grand Total	237	46	1	95	379

OBSTACLES TO MEDIATION

- Power Imbalance
- Entrenched Positions
- Financial Imbalance

MEDIATION NETWORK RECOMMENDS

- Require Good Faith Mediation of HOA Cases
- Require MNNC to manage the cases by distributing the cases and reporting the program results to the General Assembly
- Cost can remain the same – split by the parties unless otherwise agreed upon in mediation
- Recommend a fund to be created to assist those who would not be able to afford mediation

QUESTIONS?

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