

STATE OF NORTH CAROLINA
COUNTY OF WAKE

BEFORE THE NORTH CAROLINA
ADDICTIONS SPECIALIST
PROFESSIONAL PRACTICE BOARD
EC CASE NO. 902-25

NORTH CAROLINA ADDICTIONS
SPECIALIST PROFESSIONAL
PRACTICE BOARD,

Petitioner,

v.

KIM JONES KELLY
(LCAS No. 2526),

Respondent.

CONSENT ORDER

THIS MATTER is before a Panel of the Ethics Committee (the "Panel") of the North Carolina Addictions Specialist Professional Practice Board (the "Board"), pursuant to Chapter 150B, Article 3A of the North Carolina General Statutes; Chapter 90, Article 5C of the North Carolina General Statutes, the North Carolina Substance Use Disorder Professional Practice Act; and Title 21, Chapter 68 of the North Carolina Administrative Code. The Board, with a quorum present, and Respondent stipulate and agree to the entry of the following Consent Order:

FINDINGS OF FACT

1. Petitioner Board was established by the North Carolina General Assembly to credential and regulate substance use disorder professionals in North Carolina, in accordance with Chapter 90, Article 5C of the North Carolina General Statutes.
2. Respondent currently is a citizen and resident of Pitt County, North Carolina; and is neither a minor nor an incompetent person.
3. On February 22, 2016, Respondent was credentialed before the Board as a Licensed Clinical Addictions Specialist ("LCAS") (LCAS No. 2526), which will expire on February 21, 2026, if not renewed.

4. On September 18, 2025, Barden Culbreth ("Culbreth"), Senior Administrative Director for the Board, submitted a formal ethics complaint before the Board alleging Respondent pled guilty to Conspiracy to Make and Use Materially False Writing and Documents Relating to Health Care Matters, the issuance of the criminal charge of which was not reported by Respondent to the Board. The complaint was designated by the Board as Ethics Complaint ("EC") Case No. 902-25.
5. Upon investigation into EC Case No. 902-25, the Board determined the following:
 - a. Respondent currently operates The Kelly Code, LLC ("Kelly Code"), a limited liability company registered before the North Carolina Secretary of State that offers DWI assessments, alcohol and drug education training ("ADETS") and substance use treatment.
 - b. On February 1, 2013, Respondent first enrolled as a Medicaid provider in North Carolina through the NC Tracks system.
 - c. At the time of the alleged criminal conduct described herein, Respondent was affiliated with Our Treatment Center ("OTC"), a North Carolina corporation.
 - d. Respondent allegedly purported to provide outpatient behavioral health services, primarily psychotherapy, to North Carolina Medicaid beneficiaries while working at OTC pursuant to her LCAS.
 - e. Respondent collected Medicaid Identification Numbers ("MIN") and other personally identifiable information from clients in the course of her employment at OTC. The MINs were utilized to bill Medicaid for psychotherapy and related evaluations.

- f. Respondent allegedly created materially false documentation to account for time spent servicing social needs of OTC clients, as opposed to rendering clinical services, in order to affect Medicaid reimbursement.
- g. Respondent allegedly drafted clinical therapy notes which did not accurately reflect services rendered to OTC clients, in order to affect Medicaid reimbursement.
- h. Medicaid issued affiliated reimbursements for clinical services purportedly rendered to OTC clients, a portion of the proceeds of which were allegedly paid to Respondent.
- i. On or about August 27, 2024, Respondent was criminally charged with Conspiracy to Make and Use Materially False Writings and Documents Relating to Health Care Matters - Felony in violation of 18 U.S. Code § 371. The criminal case is being heard in United States District Court, Eastern District of North Carolina – Western Division, court case no. 5:24 CR 00251-D-1.
- j. On January 17, 2025, Respondent waived indictment in the above-referenced case.
- k. The offense date for the above-referenced alleged criminal conduct was from on or about January 2017 until on or about June 2023.
- l. Per the Orders Setting Conditions of Release filed on January 17, 2025, in the above-referenced criminal case, Respondent was ordered not to serve in any capacity whereby Respondent or others are billing or servicing recipients of any federal health care benefit program.
- m. The above-referenced criminal case is scheduled for sentencing before the court on December 8, 2025.

- n. Respondent failed to report the issuance of the above-referenced criminal charge to the Board.

CONCLUSIONS OF LAW

- 6. Respondent is subject to the North Carolina Addictions Specialist Professional Practice Act and the rules promulgated pursuant to that Act. The Board has jurisdiction over Respondent and the subject matter of this proceeding.
- 7. The acts and omissions of Respondent as described above constitute violations of the following:
 - a. N.C. Gen. Stat. § 90-113.44(a)(6), for engaging in an act or practice in violation of any of the provisions of N.C. Gen. Stat. § 90, Article 5C, or any of the rules adopted pursuant to it;
 - b. N.C. Gen. Stat. § 90-113.44(a)(7), for the commission of an act of malpractice, gross negligence, or incompetence while serving as a substance use disorder professional, intern, or registrant;
 - c. N.C. Gen. Stat. § 90-113.44(a)(9), for engaging in conduct that could result in harm or injury to the public;
 - d. 21 NCAC 68 .0503(e), for failing to report known unethical conduct by a substance use disorder professional to the Board;
 - e. 21 NCAC 68 .0601(5)(c), for being an accessory to or participating in dishonesty, fraud, misrepresentation, or any other illegal act involving a client or person served;

- f. 21 NCAC 68 .0601(7)(b), for sending or receiving any form of remuneration for referral of clients or persons served for substance use disorder treatment services from the professional to whom the referral was made; and
- g. 21 NCAC 68 .0606(c)-(d), for failing to notify the Board within 30 days from the date of any charges, conviction or finding of guilt, or pleading of nolo contendere for all criminal convictions.

Respondent committed one or more of the violations described above. Pursuant to N.C. Gen. Stat. § 90-113.33(2), the Board has the authority to deny, suspend, or revoke Respondent's licensure, certification, or registration to practice in this State or reprimand or otherwise discipline Respondent's license, certificate, or registration in North Carolina.

BASED upon the foregoing Findings of Fact and Conclusions of Law, and in lieu of further proceedings, Respondent wishes to resolve this matter by consent and agrees that Board staff and counsel may discuss this Consent Order with the Board *ex parte* whether or not the Board accepts this Consent Order as written.

Whereas Respondent acknowledges that she read this entire document and understands it;

Whereas Respondent acknowledges that she enters into this Consent Order freely and voluntarily;

Whereas Respondent acknowledges that she had full and adequate opportunity to confer with legal counsel in connection with this matter;

Whereas Respondent understands that this Consent Order must be presented to the Board for approval; and

Whereas the Board has determined that the public interest is served by resolving this matter as set forth below.

THEREFORE, with the consent of Respondent, it is ORDERED that:

1. Respondent's credential as a LCAS (LCAS No. 2526) before the North Carolina Addictions Specialist Professional Practice Board is hereby VOLUNTARILY SURRENDERED as of the execution of this Consent Order.
 - a. If Respondent applies for a new credential or registration before the Board in the future, Respondent shall meet with the Board's Ethics Committee at that time.
2. The Board shall retain jurisdiction under Article 3A, Chapter 150B for all administrative hearings held in connection with or pursuant to this Consent Order. If the Board receives evidence that Respondent has violated any term of this Consent Order or any other law or rule enforced by the Board, the Board shall schedule a show cause hearing for a determination of the violations. If the Board determines that a violation has occurred, the Board may impose such disciplinary action as it determines is appropriate and is authorized by law.
3. This Consent Order shall take effect immediately upon its execution by the Board and Respondent and reflect the entire agreement between Respondent and the Board, there being no agreement of any kind, verbal or otherwise, which varies, alters, or modifies this Consent Order.
4. No modification or waiver of any provision of this Consent Order shall be effective unless it is in writing, adopted and approved by the Board, and signed by the parties affected.
5. Both the Board and Respondent participated in the drafting of this Consent Order. Any

ambiguities herein shall not be construed against either party in any future civil or administrative proceeding.

6. Each party to this proceeding shall bear their own costs, and the Board shall bear its own costs of investigation.
7. Upon its execution by the Board and Respondent, this Consent Order shall become a public record within the meaning of Chapter 132 of the North Carolina General Statutes and shall be subject to public inspection and dissemination pursuant to the provisions thereof.

CONSENTED TO BY:

KIM JONES KELLY

Kim Jones Kelly Date: *12/5/25*
Respondent Signature Respondent Signature Date
12/5/25

By Order of the North Carolina Addictions Specialist Professional Practice Board, this the

5 day of December, 2025.

By: *Kathy Allen CHDC-SAP, ICADC*
Kathy Allen, Ethics Chair