



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

**JOSH STEIN** • Governor

**DEV DUTTA SANGVAI** • Secretary

**JAY LUDLAM** • Deputy Secretary, NC Medicaid

**SIGNATURE REQUEST MEMORANDUM**

**TO:**

Jay Ludlam

<sup>DS</sup>  
*JL*

**FROM:**

Ashley Blango, SPA Manager

**RE:**

State Plan Amendment

Title XIX, Social Security Act  
Transmittal #2025-0019

**Purpose**

Attached for your review and signature is a Medicaid State Plan Amendment (**Clinically Managed Low-Intensity Residential Treatment Services (ASAM Level 3.1)**) summarized below, and submitted on December 22, 2025, with a due date of January 2, 2026.

**Clearance**

This amendment has been reviewed for both accuracy and completeness by:

*Ashley Blango, Kathryn Horneffer, Todd Baustert, Tabitha Evans, Adam Levinson, Melanie Bush*

**Background and Summary of Request**

It is recommended that you sign this State Plan Amendment submission per Centers for Medicare and Medicaid Services (CMS) protocol as head of the Single State Agency administering the Medicaid program.

The purpose of the revisions to the State Plan Amendment is to add Clinically Managed Low-Intensity Residential Treatment Services (ASAM Level 3.1) to increase access to SUD services; and align existing SUD services with The American Society of Addiction Medicine (ASAM) Criteria, Third Edition, 2013. The new rate will be established at \$176.15 per diem effective January 1, 2026. This rate increase is intended to sustain provider participation within the Medicaid program, address some of the increased cost of the service, and support access to care statewide.

The proposed effective date for the SPA is January 1, 2026.

Your approval of this State Plan Amendment is requested. If you have any questions or concerns, please contact me at 919-812-6145.

**NC MEDICAID**

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS**

**State Plan Under Title XIX of the Social Security Act**  
**Medical Assistance Program**  
**State: NORTH CAROLINA**

---

**13. D. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (*continued*)**  
*Description of Services*

Clinically Managed Low-Intensity Residential Treatment Services ASAM Level 3.1

Clinically Managed Low-Intensity Residential Treatment Services, The American Society of Addiction Medicine (ASAM) Criteria, Third Edition, Level 3.1, is a 24-hour structured, safe, and supportive living environment that addresses functional limitations of a beneficiary with a substance use disorder. This service provides support for a beneficiary to develop and practice interpersonal and group living skills, strengthen their recovery skills, reintegrate into the community and family, and resume employment or academic pursuits.

Services provided include:

- clinical assessment
- individual, group and family therapy
- person centered plan development and implementation
- referral and coordination for medication management, medication education, mental health evaluation and treatment
- referral for laboratory and toxicology services
- coordination of medication assisted treatment as medically and clinically indicated
- coordination with primary and preventative healthcare provider(s)
- vocational rehabilitation and job placement
- psychoeducation, and
- discharge or transfer planning.

Clinically Managed Low-Intensity Residential Treatment Services must be ordered by a physician, physician assistant, nurse practitioner, or licensed psychologist.

Clinically Managed Low-Intensity Residential Treatment Services are provided by staff that include:

- Licensed Clinical Addiction Specialists (LCAS), associate level LCAS;
- Licensed Clinical Social Workers (LCSW), associate level LCSW, Licensed Clinical Mental Health Counselor (LCMHC), associate level LCMHC; Licensed Marriage and Family Therapist (LMFT), associate level LMFT; Licensed Psychologist
- Certified Alcohol and Drug Counselors (CADC), CADC-Interns (a CADC applicant who has passed the International Certification & Reciprocity Consortium (IC & RC) Alcohol and Drug Counselor Exam and completed 300 hours of supervised work with a Certified Clinical Supervisor (CCS) or Clinical Supervisor Intern (CSI) at a ratio of 1 hour of supervision per 10 hours of work); and
- qualified professionals, paraprofessionals, and associate professionals

Staff providing direct care to beneficiaries must be licensed or certified by the State. In accordance with 25 U.S.C. 1621t, licensed health professionals employed by a tribal health program are exempt, if licensed in any state, from the licensing requirements of the State (North Carolina) in which the tribal health program performs the services described in the contract or compact of the tribal health program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

This service must be provided in a facility licensed by the State or by an Indian Health Service (IHS) or 638 contract or compact operated by a Federally Recognized Tribe as allowed in USC CH. 18: INDIAN HEALTH CARE §1621t Licensing and §1647a Nondiscrimination under federal health care programs in qualifications for reimbursement services.

This service is not available in an IMD, except as authorized under an 1115 demonstration authority.

Staff Qualifications for Each Specific Service (Continued)

Service	Agency Qualifications		Staff Qualifications					
			Authorization	See Definitions for QP, AP, PP in Attachment 3.1-A.1 Pages 15a.14-15:			Medical Coverage	
	Licensed	Credentialed	Service Ordered by: MD, Nurse Practitioner, Physicians Assistant or PhD Psychologist licensed in NC	Qualified Professional (QP), includes SA Professionals	Under Supervision of a Qualified Professional:		Medical Oversight/ Participation by:	
	All facilities must be 16 beds or less				Associate Professional	Para-Professional	Psychiatrist/ MD	Registered Nurse* RNs are considered QPs as well
SA Comprehensive Outpatient Treatment	X	X	X	X	X	X	Recipients must have access to MD assessment and tx.	
SA Non-Medical Community Residential Tx	X	X	X	X	X	X		
SA Medically Monitored Residential Tx	X	X	X	X	X	X	X	X
Ambulatory Withdrawal Management Without Extended Onsite Monitoring	X	X	X	X	X	X	X (provides assessment w/n 24 hrs.)	X (provides admission assessment /monitors tx
Ambulatory Withdrawal Management With Extended Onsite Monitoring	X	X	X	X	X	X	X	X
Clinically Managed Residential Withdrawal Services	X	X	X	X	X	X	X	X
Medically Monitored Inpatient Withdrawal Service	X	X	X	X	X	X	X (provides assessment w/n 24 hrs.)	X (provides admission assessment /monitors tx
Clinically Managed Low Intensity Residential Service	X	X	X	X	X	X		

MEDICAL ASSISTANCE State:  
NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

---

30. Clinically Managed Low-Intensity Residential Treatment Services (H2034)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Clinically Managed Low-Intensity Residential Treatment Services.

Effective January 1, 2026, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules).

This service will be provided by direct enrolled Medicaid providers who may be either private or governmental. This service is not cost settled for any provider. This service is provided in accordance with Attachment 3.1-A.1 Page 15a 7-F, and Attachments 3.1-A.1 Page 15a.2-B through 3.1-A.1 Page 15a.2-D.

The facilities providing this service are not IMD facilities and NC Medicaid is not reimbursing room and board for this service.

In the event this service is operated by a 638 Compact or Indian Health Service Provider, the rate of reimbursement shall be the All-Inclusive Rate (AIR) established on an annual basis as published in the Federal Register.

In the event this service is operated by a 638 Compact or Indian Health Service Provider and is not covered under the criteria to receive the All-Inclusive Rate (AIR), the provider is subject to the NC Medicaid Fee Schedule or other agreed upon rate(s) by the payor.