NC Medicaid
Long Term Services and Supports

Community Alternative Program Stakeholder Meeting

August 17, 2026

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES
Division of Health Benefits

AGENDA

- Opening Statement
  - LTSS Deputy Director, Greg Daniels
- Announcements
  - Rate Increase announcement
  - Care Models and Codes
  - Continued Needs Review (CNR) Delays
  - Due Process
- Questions and Answers

Welcome

Greg Daniels

Deputy Director
Long Term Services and Supports

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Fee Schedule Updates

- Effective Aug. 1, 2026, NC Medicaid is applying an 18% rate increase for all applicable Personal Care Services (PCS) procedure codes.

- The increase applies to PCS delivered through NC Medicaid Direct and through the Community Alternatives Program for Children (CAP/C), the Community Alternatives Program for Disabled Adults (CAP/DA) and Community Alternatives Program for Consumer Direction (CAP/CD).

- These same increases also apply to PCS provided when contracted with Standard Plans and Tailored Plans.

- Applicable PCS codes are listed on the publicly posted fee schedule. NC Medicaid is revising the published fee schedules to reflect the rates shown above.

  Rate Increase for Personal Care Services and the Community Alternatives Program | NC Medicaid

- For Questions, contact: Medicaid.ProviderReimbursement@dhhs.nc.gov

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CAP/C and CAP/DA Care Model and Options

Provider Managed Care Model

Agency Led Care

- Services are approved and paid for hands-on care per unit/hour.
- A direct service provider schedules services through an agency.
- Legally Responsible Individual (LRI) and live-in caregivers are **not** paid under Agency led Model.
- Respite applies
- No Financial Management Agency (FMA)

Coordinated Caregiving

- A live-in caregiver provides hands on care.
- Paid per diem. The stipend is for the extraordinary care provided per day.
- Additional hands on services (other than respite) are not included, as the live-in caregiver is the primary source of support.
- Respite applies
- No FMA

Consumer Directed (CD) Care Model

CD with Paid LRI

- Services are approved and paid for hands-on care per unit/hour.
- Employer of Record (EOR) schedules the services which can include agency or other qualified individuals.
- LRIs can be approved and paid up to 40 hours per week.
- Remaining approved hours, if any, are provided by other caregiver(s).
- Respite applies
- FMA required

CD without Paid LRI

- Services are approved and paid for hands-on care per unit/hour.
- EOR schedules the services which can include agency or other qualified individuals.
- Care is provided by non-paid LRI qualified staff.
- Respite applies
- FMA required

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CAP/C Care Levels and Code Combos

Provider Managed Care Model

Agency Led Care

In-Home Aide
- S5125 & S5150

Pediatric Nurse Aide
- T1019 & T1004

Skilled Level / PDN
- T1000 & T1005

Case Management
- T1016

Coordinated Caregiving

Low Acuity
- G9004 & S5150

High Acuity
- G9003 & T1004

Skilled Acuity
- G9012 & T1005

Case Management
- T1016

Consumer Directed (CD) Care Model

CD with Paid LRI

In-Home Aide
- T2027 & S5150

Pediatric Nurse Aide
- T1019 & T1004

Attendant Nurse
- T2026 & T1005

Case Management / Care Advisor
- T2041

Financial Management
- T2040

CD without Paid LRI

In-Home Aide
- T2027 & S5150

Pediatric Nurse Aide
- T1019 & T1004

Attendant Nurse
- T2026 & T1005

Case Management / Care Advisor
- T2041

Financial Management
- T2040

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CAP/DA Care Levels and Code Combos

Provider Managed Care Model

Agency Led Care

In-Home Aide I
- S5125 & S5150

In-Home Aide II
- T1019 & T1004

Case Management
- T1016

Coordinated Caregiving

Low Acuity
- G9004 & S5150

High Acuity
- G9003 & T1004

Case Management
- T1016

Consumer Directed (CD) Care Model

CD with Paid LRI

In-Home Aide I
- S5135 & S5150

In-Home Aide II
- T1019 & T1004

Case Management / Care Advisor
- T2041

Financial Management
- T2040

CD without Paid LRI

In-Home Aide I
- T2027 & S5150

In-Home Aide II
- T1019 & T1004

Case Management / Care Advisor
- T2041

Financial Management
- T2040

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Plan of Care/Continued Needs Review and Ongoing Authorizations

- The team is experiencing higher-than-usual volumes in annual continued needs review.
- The focus remains on maintaining quality and ensuring appropriate care for all beneficiaries.
- Hands-on care authorizations are automatically extended to support continuity of care while the plan of care remains under review.
  - For questions about ongoing services during a review, contact your case manager and/or your financial manager agency.
  - After review of NCTracks, NC Medicaid can assist if authorizations are not located.

Email Medicaid.providerombudsman@dhhs.nc.gov if Prior Authorizations are missing from NCTracks.

- If the review results in either a denial or reduction, appeal rights under due process applies.
  - When an appeal is in place, maintenance of service is put in place to ensure there is no gap or changes in service until a final determination is made.

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Due Process Appeal Rights - General Principles

a. Federal law requires due process appeal rights for all adverse decisions made by NC Medicaid or its contractors regarding Medicaid services.
   - An Adverse Decision is required any time a requested service is denied, terminated, suspended, or reduced.
   - This means the Medicaid beneficiary must have appropriate notice of the adverse decision and must have an appropriate opportunity to challenge the decision.

b. The decision written is called the Notice of the Adverse Decision
   - Appropriate notice includes a written decision that is clear and easy to understand with all the reasons for the decision thoroughly explained.
     - Denial letter must include what is denied, why it was denied and how they can appeal the decision, as well as the timeframe for filing an appeal.
   - All adverse decisions must be uploaded to the Due Process/Appeals Clearinghouse

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Due Process Appeal Rights – Filing an Appeal

a. Beneficiaries or an authorized representative may file via mail, phone (oral), or fax.
   - Beneficiaries must file appeals directly to Office of Administrative Hearings (OAH).

b. The appeal process, includes mediation and possibly a hearing at the Office of Administrative Hearings (OAH), and is the opportunity to challenge the decision.
   - A state fair hearing may be requested within 30 days from the date of the notice.
   - Maintenance of service may be available for cases that involve previously authorized services that were denied or reduced.
   - Pursuant to 42 C.F.R. § 431.224, “a recipient may request that an appeal be expedited if the time otherwise permitted for a hearing could jeopardize the recipient's life, health, or ability to attain, maintain, or regain maximum function.”

Due Process Appeal Rights – OAH

Questions about the appeal or any additional information or evidence the family wishes to be considered should be directed to the Office of Administrative Hearings.

Until a final determination is made, any previously approved services continue under maintenance of service and previously approved services should not lapse during this process.

Office of Administrative Hearings (OAH)

- Attention: Clerk of Court
- 1711 New Hope Church Road
  Raleigh, NC 27609
- Telephone: 984-236-1850
- Facsimile: 984-236-1871

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Extraordinary Circumstances for Paid Caregiving

- Extraordinary circumstances for Paid Caregiving are outlined in the waiver.
  - Beneficiary services are approved based on the person-centered Plan of Care needs, which is separate from approving extraordinary circumstances for a paid caregiver.
  - Your Case Manager is your first point of contact for all questions about the Plan of Care.
- LRI documentation requirements depend on each individual situation.

There is not a one size fits all, definitive list of documentation.

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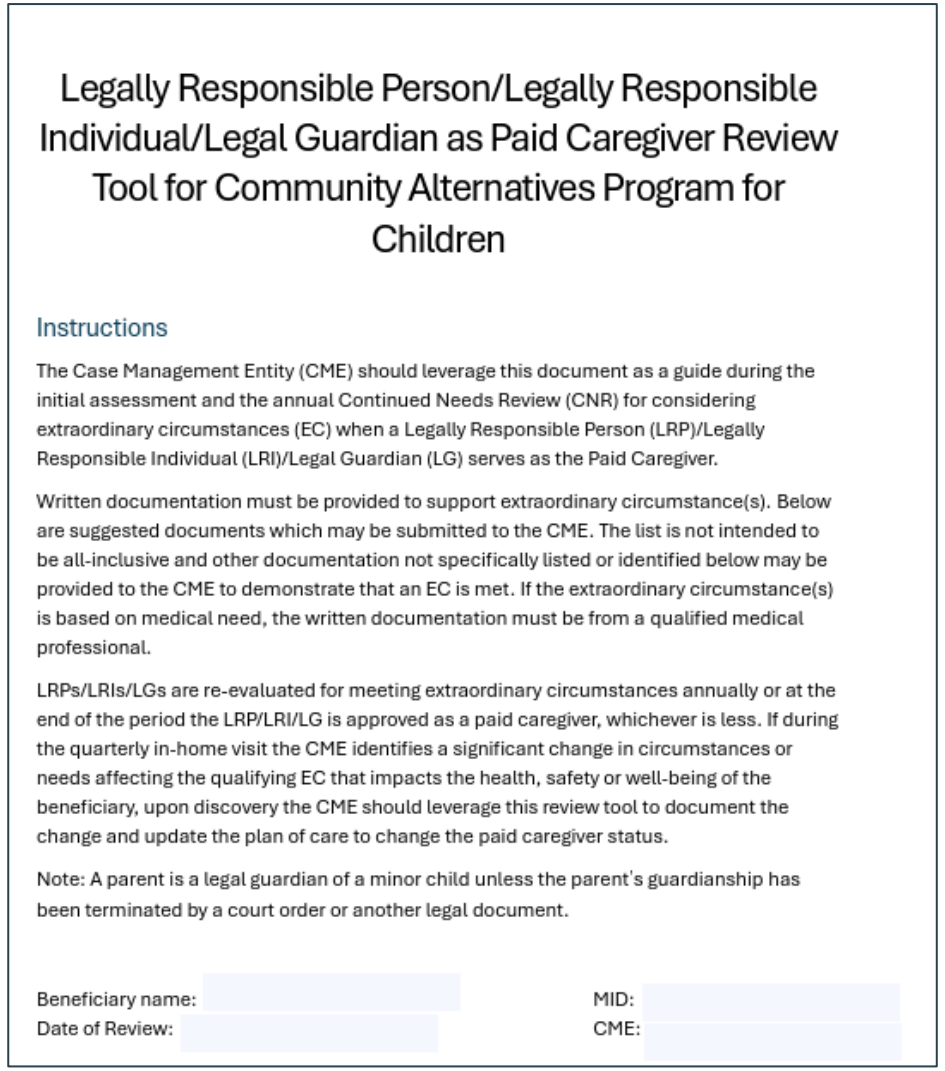
Paid Caregiver Review Tool

Examples of supporting documentation that may be provided to demonstrate EC criteria is included in the *Legally Responsible Person/Legally Responsible Individual/Legal Guardian as Paid Caregiver Review Tool for Community Alternatives Program for Children* released in May 2026.

The tool can be found on the NC Medicaid's website here: LRP Paid Caregiver Review Tool.



Legally Responsible Person/Legally Responsible Individual/Legal Guardian as Paid Caregiver Review Tool for Community Alternatives Program for Children

Instructions

The Case Management Entity (CME) should leverage this document as a guide during the initial assessment and the annual Continued Needs Review (CNR) for considering extraordinary circumstances (EC) when a Legally Responsible Person (LRP)/Legally Responsible Individual (LRI)/Legal Guardian (LG) serves as the Paid Caregiver.

Written documentation must be provided to support extraordinary circumstance(s). Below are suggested documents which may be submitted to the CME. The list is not intended to be all-inclusive and other documentation not specifically listed or identified below may be provided to the CME to demonstrate that an EC is met. If the extraordinary circumstance(s) is based on medical need, the written documentation must be from a qualified medical professional.

LRPs/LRIs/LGs are re-evaluated for meeting extraordinary circumstances annually or at the end of the period the LRP/LRI/LG is approved as a paid caregiver, whichever is less. If during the quarterly in-home visit the CME identifies a significant change in circumstances or needs affecting the qualifying EC that impacts the health, safety or well-being of the beneficiary, upon discovery the CME should leverage this review tool to document the change and update the plan of care to change the paid caregiver status.

Note: A parent is a legal guardian of a minor child unless the parent's guardianship has been terminated by a court order or another legal document.

Beneficiary name: MID:
Date of Review: CME:

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Questions and Answers

- Reminders:
  - For complaints, concerns, or issues related to CAP services, or program operations, please contact the NC Medicaid Ombudsman Program:
    - Email: Medicaid.ProviderOmbudsman@dhhs.nc.gov or
    - Phone: 877-201-3750.
- For case-specific questions, documentation needs, or service coordination, please contact your case management agency.
- Stakeholder FAQ webpage is available: Stakeholder FAQs
- CAP Stakeholder Workgroup webpage: Stakeholder Webpage

Next CAP Stakeholder Meetings

These sessions are quarterly on the third Monday at 1 p.m. on the following dates:

- Nov. 16, 2026
- Feb. 15, 2027

Registration details and meeting information will be shared ahead of each session.