

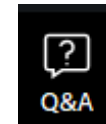
**Thank you for joining, please put your name
and organization in the chat**



Communication Tips

The following communication tips ensure everyone can participate fully and has equal access to information:

- Make sure you are on mute unless speaking.
- All participants should state their names and pause 3 seconds before continuing (e.g., “this is Lauren,” count 1, 2, 3....comment). This gives attendees the chance to identify who is speaking.
- Presenters should pause 10 seconds to allow attendees time to read the slide before speaking and wait 5 seconds before moving to the next slide. This allows someone using an interpreter to follow and participate in asking questions.
- **For questions:** Please place them in the **Q&A box**.
To find it, click **More** at the bottom of your Zoom screen, then select **Q&A**.
- For comments, please place them in the chat. We are collecting feedback and will review all responses at the end of the session.



Connecting Communities & Medicaid Session # 8

October 14 , 2026



Connecting Communities and Medicaid (CCM)

- Welcome/Update (Monica F. Johnson)
- Proposed H.R. 1 Medical Frailty Policy (Dr. Brittany Watson)
- Questions and Answers (Francisco Guzman)
- Closing (Denita Nash)



Vaya Partners Merger

Vaya Health and Partners Health Management merged Oct. 1, 2026, to create Vaya Partners.

- Their focus is to ensure continuity of care for members.
- Eligibility for Medicaid and State-Funded services will not be affected by the merger.
- Individuals who receive services through Vaya or Partners (and remain eligible for services) were automatically enrolled with Vaya Partners.

If members have questions

- **Member Support Contact:** You can reach Vaya Partners member services at 1-888-235-4673 or vayapartners.org/member-recipient-portal/
- Member and Recipient Services are available Monday-Saturday, 7 a.m. to 6 p.m.



H.R. 1 Proposed Medical Frailty Policy

Dr. Brittany Watson
Associate Medical Director Consultant
Division of Health Benefits (NC Medicaid)

H.R. 1 Background – Community Engagement Requirements

H.R. 1 requires some low-income adults, ages 19 through 64, who are enrolled under Medicaid expansion, to participate in qualifying activities (e.g., have a monthly income of \$580 per month, work, participate in a work training program, go to school or volunteer in the community) for at least 80 hours per month to be eligible for Medicaid health coverage.

Medical Frailty Exclusion from Work and Community Engagement Requirements

An individual who is **medically frail or otherwise has special medical needs** is excluded from mandatory participation in qualifying activities for community engagement. Medical frailty is defined in H.R. 1 as an individual:

- who is blind or disabled (as defined in section 1614)*
- with a substance use disorder
- with a disabling mental disorder;
- with a physical, intellectual or developmental disability that significantly impairs their ability to perform one or more activities of daily living or
- with a serious **or** complex medical condition

* A determination must be made by Disability Determination Services (DDS) to validate that an individual meets the definition of blind or disabled in section 1614 of the Social Security Act.



Community Engagement Exclusions, Exceptions and Activities

Individuals must first be identified as an excluded or applicable individual to determine whether assessment for compliance with work and community engagement requirements can occur.

Identify Excluded Population

Is the applicant or beneficiary a specified excluded individual?

- Not subject to work and community engagement requirements
- Are evaluated in month of application

Medically frail – a person with special medical needs that significantly impact their ability to comply with the work and community engagement activities. This includes:

- Blind or Disabled
- Substance Use Disorder
- Disabling Mental Disorder
- Physical, intellectual or developmental disability that impairs ability to perform one or more activities of daily living
- Serious or Complex Medical Condition
- Participant in a drug or alcohol treatment and rehabilitation program
- Member of a household receiving SNAP and not exempt from SNAP work requirements
- Meet TANF work requirements
- Parents, guardians, caretaker relatives or family caregiver of a dependent child under age 14 or a person with a disability
- American Indians, Alaska Natives, members eligible for IHS
- Veteran with a total disability rating (100%)
- Inmates of a public institution (prison or jail)
- Former foster care youth under age 26 and those currently in foster care



Community Engagement Exclusions, Exceptions and Activities

Review Prior Months

Has the applicable individual met qualifying activities or an exception in the review period?

- Applicants must meet in the review period (each of the three consecutive months prior to the application month)
- Current beneficiaries must meet in the review period (at least three of the months in the prior certification period)

Qualifying Activities

- 80 hours per month of work, community service or participate in a work training program
- Enrolled in educational program at least half time
- Any combination of the above totaling 80 hours per month
- Monthly income of \$580 per month (for seasonal workers over a 6-month period)

Mandatory Exceptions

- Children up to age 19
- People who qualify for Medicare
- People who get Supplemental Security Income (SSI) or Social Security Disability Insurance or (SSDI)
- People who were incarcerated (in jail or prison) at some time during the last 3 months

Short-term Hardship Exceptions

- Was in an inpatient hospital, nursing facility, intermediate care for individuals with intellectual disabilities, inpatient psychiatric hospital (or other services of similar acuity)*
- Reside in a county with a federally declared emergency or disaster
- Reside in a county with a high unemployment rate
- Individual or their dependent must travel outside of their community for an extended period to receive necessary medical services not available within their community of residence*

* Must be requested by the applicant or beneficiary.



CMS Interim Final Rule – Medically Frail Definition

The CMS interim final rule with comment (IFC), published on June 1, 2026, added important restrictions and requirements to the medically frail exclusion. A “**medically frail**” individual is defined as someone whose physical, mental or behavioral health condition significantly impairs the person’s ability to comply with the work and community engagement requirement.

Key Principles

- **Functional Impairment:** Diagnosis alone is not sufficient; the condition’s severity and impact on function are critical. States need to establish standards linking the severity of a particular condition to an individual’s ability to work.
- **No State Expansion:** States cannot add additional categories to the definition for community engagement purposes beyond those listed in H.R. 1.
- **Lists and Processes:** States must develop auditable and justifiable lists of qualifying diseases, diagnoses, disorders and other health conditions (e.g., using ICD-10 codes) and update them regularly. If a condition is not on the list, individuals must have a process to request consideration for the exclusion.
- **Limits on use of attestation:** IFC allows states to use attestation for medical frailty (in the absence of electronic data) in year one, with limits on the use of attestation beginning in 2028.

* Note: HB696 has further limitations on attestation



Tiered Approach for Defining Medical Frailty

As suggested by CMS, NC Medicaid is using a **tiered approach** to defining medical frailty. The Department's team of clinical experts have been working to define each tier and the codes to include.

- **Tier 1**
 - Standalone diagnoses and services that indicate the condition significantly impairs an individual's ability to work.
 - Beneficiaries who are eligible for Behavioral Health / I/DD Tailored Plans are automatically included in this tier.
 - Automatic detection using this tier begins January 1, 2027.
- **Tier 2**
 - A combination of diagnoses, services, medications and/or durable medical equipment that together indicate the condition significantly impairs an individual's ability to comply with the community engagement requirements.
 - Finalized criteria for Tier 2 and the ability to detect through claims data and Electronic Health Records (EHR) will be implemented later in 2027.
- **Tier 3**
 - Documentation from the beneficiary (completed by the beneficiary's provider) confirming an individual has a condition that impairs their ability to work will be accepted starting January 1, 2027.
 - A Provider Attestation Form used by SNAP was revised for Medicaid and can be used for providers to verify clinical exemptions from SNAP **and** Medicaid work requirements.



NC Medicaid Definition of Medical Frailty – Tier 1

- **Tailored Plan Eligible**

Already defined. Includes those enrolled or eligible for a Behavioral Health and Intellectual/Developmental Disabilities Tailored Plan

- **Disabling Mental Disorder**

- Major depressive disorders – moderate to severe
- Bipolar disorders
- Schizophrenia and other chronic psychotic disorders
- Anorexia/bulimia nervosa – moderate to extreme
- Post-traumatic stress disorder
- Agoraphobia
- Enhanced Assertive Community Treatment (ACT) and inpatient treatment services



NC Medicaid Definition of Medical Frailty – Tier 1

- **Substance Use Disorder**

- Alcohol or drug dependence (e.g., opioid, cannabis, stimulants, other psychoactive substances, excluding tobacco-related)
- Certain conditions arising due to withdrawal or chronic alcohol/substance abuse or dependence (e.g., seizures, dementia, psychosis)
- Withdrawal management, Opioid Treatment Program (OTP), Substance Abuse Intensive Outpatient Program (SAIOP), Substance Abuse Comprehensive Outpatient Treatment (SACOT), residential and inpatient substance use disorder treatment services

- **Blind or Disabled**

Already defined. Based on a determination made by Disability Determination Services (DDS) to validate an individual meets the definition of blind or disabled in section 1614 of the Social Security Act.



NC Medicaid Definition of Medical Frailty – Tier 1

Physical, Intellectual or Developmental Disability

- Acute respiratory failure
- Age-related cognitive decline
- Cerebral palsy
- Chromosomal abnormalities
- Central nervous system diseases/disorders and spinal cord injuries
- Certain fractures, surgeries or other injuries (e.g., spine, head, leg)
- Use of certain medical equipment (e.g., wheelchair)



NC Medicaid Definition of Medical Frailty – Tier 1

Serious or Complex Medical Condition

- Cancer, malignant neoplasms, chemotherapy/radiation treatments
- End-stage renal disease, failure/disease of kidney, heart, etc.
- Organ transplants, removals, and other major surgeries
- Diabetes (Type 1 and Type 2) with complications
- Heart failure with complications
- Use of certain medical equipment (e.g., insulin pump, oxygen)
- Infections, diseases and viruses (e.g., tuberculosis, sepsis, HIV)
- Dementias

Note: These are examples of some diagnoses/services included in Tier 1 for each category of medical frailty. This list is NOT comprehensive.



Verifying Medical Frailty

Information provided in Medicaid applications and recertifications must be verified prior to making an eligibility determination. Local Departments of Social Services will follow the same approach verifying medically frail exemptions as they do with other information.

- **Online Data Sources**

- Application: Information provided in an application will be validated against all available online data sources and verified automatically, when applicable.
- Recertification: When possible, recertifications (renewals) will be completed ex parte. This means online data sources will be used to validate that the beneficiary is still eligible without contact from their local Department of Social Services caseworker.

- **Manual Documentation**

Applications and Recertifications: For information that may impact an applicant or beneficiary's Medicaid eligibility that cannot be verified via online sources, caseworkers will send a Request for Information form by mail (followed by a text/email reminder) to obtain manual documentation. Beneficiaries can return the required documentation by mail, at their local Department of Social Services or uploaded to an enhanced ePASS account.



Verifying Medical Frailty

- **Attestation**

- Applications: Answers to questions on the signed application (attestation) may be used as verification in the event the applicant cannot reasonably provide manual documentation.*
- Recertifications: Information provided on the recertification form (attestation) may be used as verification in the event the beneficiary cannot reasonably provide manual documentation.*

* Individuals who do not respond to a Request for Information or recertification form may be determined ineligible due to failure to respond to the request



Verifying Medical Frailty – Online Data Sources

- Applicants and beneficiaries considered specified excluded individuals or meet an exception will not have to demonstrate participation in qualifying activities.
- The medically frail exclusion will be verified based on clinical criteria (e.g., diagnosis codes). Automated verification will be derived from clinical data in Medicaid claims and encounters (sources: NC Analytics, electronic health records via the NC Health Information Exchange - HIEA).
- Other exclusions, mandatory exceptions and short-term hardship exception criteria will be derived from information already housed in NC FAST (e.g., SNAP/TANF eligibility), existing data sharing processes (e.g., incarceration files) or new data sources (e.g., HIEA).



Verifying Medical Frailty – Provider Attestation Form

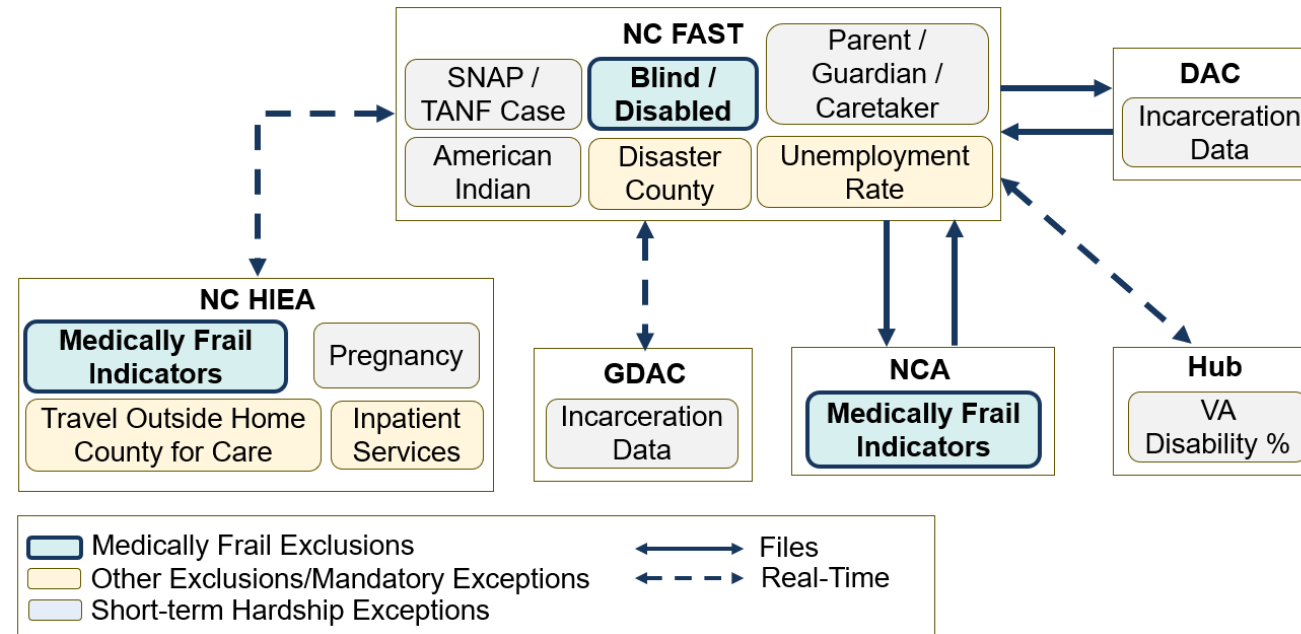
NC Medicaid worked with the NC Division of Child and Well-being (DCFW) to update an existing form used by SNAP to serve as provider attestation of medical frailty for Medicaid when electronic data are not available, or a condition is not on the medically frail code list.

- Collect information related to pregnancy, substance use disorder (SUD) treatment program participation and medical frailty.
- Signed by the provider, the form will confirm the individual has a condition or diagnosis that *impacts their ability to work*.
- Includes instructions for the individual, provider and local Department of Social Services worker.
- Will be sent with a request for information form at application or recertification if applicable.
- Can serve as verification for 12 months.



Verifying Medical Frailty – Online Data Sources

- NC Medicaid will first try to identify people that meet the medically frail exclusion automatically using health information it already has such as diagnoses, services, medications and medical equipment using claims and encounters data from NCAalytics (NCA) and electronic health records from the NC Health Information Exchange Authority (HIEA).
- Data for other exclusions, mandatory and short-term hardship exceptions will come from information already in NC FAST (e.g., parents/guardians/caretakers), from existing data sharing processes (e.g., incarceration files) or from new data sources (e.g., HIEA).



Next Steps – Medical Frailty

- Publish provider-specific resources (webpage, fact sheets) and conduct stakeholder engagements (e.g., Back Porch Chat and other provider webinars)
- Review public comments on the proposed clinical policy, code list and provider form
- Post final Medical Frailty clinical coverage policy (Dec. 1, 2026)
 - NC Medicaid will promulgate the final medical frailty policy, code lists and provider attestation form after public comments have been reviewed, with an effective date of Jan. 1, 2027.
- Finalize comprehensive Tier 2 criteria
- Establish process for stakeholders to request the additional codes to the medically frail code list
- Establish process for NC Medicaid to conduct regular code list updates

The public comment period for the proposed policy for H.R. 1 Medical Frailty Exclusions, provider attestation form and medically frail code list is open through Nov. 5, 2026.

medicaid.ncdhhs.gov/meetings-notice/proposed-medicaid-policies



Closing

DeNita Gail Murdock Nash, M.Ed., NCCM
Human Services Program Manager I
NC Minority Diabetes Prevention Program

NC MDPP Update: Expanding prevention, supporting healthy aging

- The NC Minority Diabetes Prevention Program (NC MDPP) is partnering with the National Association of Chronic Disease Directors (NACDD) on a \$90,000 investment to expand diabetes prevention in select communities.
- The initiative is available to people eligible for either Medicaid and/or Medicare. This includes eligible people enrolled in both programs.
- Eligible participants will receive a 12-month lifestyle change program with coaching on healthy eating, physical activity and stress management.
- **Help Us Reach Older Adults!** CCM Partners can connect adults with prediabetes to support that helps prevent or delay type 2 diabetes and build healthy habits.
- Learn more and find a NC MDPP Regional Contact: ncdhhs.gov/mdpp



Expand our Network

Feel free to invite community partners to join the workgroup! Check the chat for the survey link, which will also be included in the meeting notes.

[CCM Interest Form](#)



Additional Questions?

Contact us at:

Medicaid.NCEngagement@dhhs.nc.gov



Next Meeting

Wednesday, November 4

NC Medicaid understands that together, we can create meaningful impact and improve health outcomes for all Medicaid beneficiaries.

