



North Carolina Department of Health and Human Services
Division of Medical Assistance

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Michael F. Easley, Governor
Carmen Hooker Odom, Secretary

L. Allen Dobson, Jr., M.D., Assistant Secretary
for Health Policy and Medical Assistance

December 15, 2006

RE: Children in DSS Custody May Be Affected

Dear County Director of Social Services:

Effective December 31, 2006, licensed Child Residential Services providers may have their Medicaid enrollment terminated if they do not take immediate action to complete the LME endorsement process. If this action occurs, it will mean that Medicaid will deny payment for services rendered for children in those homes as of January 1, 2007.

Attached to this letter is a [list of the facilities](#) that may be potentially end dated by Medicaid. Just over 600 facilities are reflected on this list – some of whom have already submitted their application for endorsement, and others who have not yet. Given the need to quickly disseminate this information, we were unable to provide you a list that only identified those facilities that had not (as of today) applied for endorsement.

You may have children in your custody with one of these affected residential services providers. As custodian of these children, if the current provider does not enroll by December 18, 2006 you should be working with the Local Management Entity (LME) to move the children to an appropriate placement provider whose enrollment will continue in the Medicaid program.

If the Local Management Entity has not contacted you, please contact them to determine where the children can be placed so Medicaid will continue to pay for these services. Please refer to the [Division of Mental Health and Medical Assistance Implementation Update #20](#) for further information regarding this situation – a copy of which is attached to this letter. You may also refer to the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS) provider endorsement website for additional information: <http://www.ncdmh.net/endorsedprovider/publiclogin.htm>. An updated list of providers who have sought endorsement will be available no later than Wednesday of next week.

If you have questions regarding this information please contact the LME Director for your county or Dick Oliver of the State Division of MH/DD/SAS at Dick.Oliver@ncmail.net.

Sincerely,

L. Allen Dobson, Jr., M.D.

Attachments

