

**NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
*Abbreviated Public Notice for Extension Request for the Substance Use Disorder (SUD)*  
*Component of North Carolina's Medicaid Reform Section 1115 Demonstration*  
July 28, 2023

**PUBLIC NOTICE.** *This abbreviated public notice provides information of public interest regarding a proposed extension request for the SUD component of North Carolina's Medicaid Reform Section 1115 Demonstration.*

North Carolina's Medicaid Reform Section 1115 demonstration authorizes significant transformations of North Carolina's Medicaid delivery system through a mandatory managed care program, the Healthy Opportunities Pilots and federal Medicaid matching funds for individuals obtaining substance use disorder (SUD) treatment in institutions for mental diseases (IMDs). The demonstration as a whole aims to advance integrated, high-value care; improve population health; engage and support providers; and establish a more sustainable program with more predictable costs.

This request is to extend North Carolina's expenditure authority for services provided to individuals obtaining residential and inpatient SUD treatment in an IMD. Aligned with this authority, North Carolina is expanding its continuum of SUD services offered and undertaking a variety of initiatives to improve the quality of SUD care delivered in the state. As with the current demonstration, the goal of the proposed extension is to reduce SUD, including decreasing long-term use of opioids, and improve quality and outcomes for patients with SUD.

The SUD component of North Carolina's Section 1115 Medicaid Demonstration expires on October 31, 2023, whereas the other components of the demonstration currently have an end date of October 31, 2024. Through this extension request, North Carolina seeks to extend the SUD component of the demonstration for an additional five years. North Carolina is not requesting any changes to the delivery system, eligibility requirements, benefit coverage, or cost sharing, as compared to the State's current demonstration features.

Electronic copies of this abbreviated public and the full public notice and proposed extension request are available on the North Carolina Department of Health and Human Services Medicaid website at [medicaid.ncdhhs.gov/transformation/proposed-program-design](https://medicaid.ncdhhs.gov/transformation/proposed-program-design).

Written comments may be sent to the following address; please indicate "NC Section 1115 Waiver" in the written message:

North Carolina Department of Health and Human Services  
NC Medicaid Section 1115 Waiver Team  
1950 Mail Service Center  
Raleigh NC 27699-1950

Comments may also be emailed to [Medicaid.NCEngagement@dhhs.nc.gov](mailto:Medicaid.NCEngagement@dhhs.nc.gov). Please indicate "NC Section 1115 Waiver" in the subject line of the email message.

To be assured consideration prior to submission of this waiver extension request, comments must be received by 5 p.m. (Eastern Time) on August 28, 2023.

North Carolina hosted two public hearings to seek input regarding the waiver extension request. Hearings were held on Tuesday, April 11 at 5 p.m. Eastern and Thursday, April 13 at 2 p.m. Eastern via Microsoft Teams. The slide deck used during the public hearings can be found at the

following link: <https://medicaid.ncdhhs.gov/documents/medicaid/ncdhhs-sud-waiver-extension-public-hearing/download?attachment>. The public hearings included presentations describing the proposed changes and opportunities for public testimony.

For more information about NC Medicaid Managed Care transformation, visit [medicaid.ncdhhs.gov/transformation](https://medicaid.ncdhhs.gov/transformation).