NC DEPARTMENT OF HEALTH AND HUMAN SERVICES
Division of Health Benefits

NC Medicaid Medical Care Advisory Committee (MCAC) Written Reports

Report Period Sept. 1 – Nov. 27, 2024

Clinical Policy and Programs Report

1. Policies Presented to the NC Physician Advisory Group (PAG)

   Sept. 26, 2024

   - 8A-9 Opioid Treatment Program (Amend Policy)
   - 9A- Over The Counter Products (Amend Policy)
   - 5A-3 Nursing Equipment and Supplies (Amend Policy)

   Oct. 24, 2024

   - 5A-3 Nursing Equipment and Supplies (Amend Policy)
   - Pharmacy Policies Presented to the N.C. Physician Advisory Group (PAG)

2. New or Amended Policies Posted to Medicaid Website

   Sept. 1, 2024

   - 1A-14- Surgery for Ambiguous Genitalia
   - 1A-16 - Surgery of the Lingual Frenulum
   - 1A-31- Wireless Capsule Endoscopy
   - 1-O-1 - Reconstructive and Cosmetic Surgery
   - 1-O-2 - Craniofacial Surgery
   - 2A-3 - Out-of-State (OOS) Services

   Sept. 23, 2024

   - 2A-1- Acute Inpatient Hospital

   Oct. 1, 2024

   - 1A-9- Blepharoplasty and Blepharoptosis (Eyelid Repair)
   - 1A-15, Surgery for Clinically Severe or Morbid Obesity
   - 1A-40, Fecal Microbiota Transplantation
   - 1-O-3, Keloid Excision and Scar Revision
   - 8A-7, Ambulatory Withdrawal Management (WM) without Extended On-Site Monitoring

- 8A-8, Ambulatory Withdrawal Management with Extended On-site Monitoring
- 8A-11, Medically Monitored Inpatient Withdrawal Management Service
- 8A, Enhanced Mental Health and Substance Abuse Services
- 1S-9, Genetic Testing for Diagnosis and Treatment
- 1S-10, Genetic Testing for Carrier and Prenatal
- 1S-11, Genetic Testing - Gene Expression
- 1S-12, Genetic Testing - Next Generation Sequencing (NGS)

Nov. 1, 2024

- 1A-33 Vagus Nerve Simulation for the Treatment of Seizures

Nov. 15, 2024

- 3K-1 Community Alternatives Program for Children (CAP/C)
- 3K-2 Community Alternatives Program for Disabled Adults (CAP/DA)

3. Durable Medical Equipment and Supplies, and Orthotics & Prosthetics (DMEPOS)

   DME policy 5A-3, Nursing Equipment and Supplies is being amended with proposed updates as follows:

   - Attachment A, Section B: As part of the CMS annual ICD-10 update, adding diagnosis codes E10A0, E10A1 and E10A2 to the ICD-10 code table associated with blood glucose monitors, and external insulin infusion pumps, effective 10/1/2024.
   - Attachment A, Section C: Removing HCPCS codes A9276, A9277, A9278, as adjunctive continuous glucose monitors and supplies are now described by HCPCS codes A4238 and E2102. Adding coverage and quantity limits for HCPCS codes A4271, integrated lancing and blood sample testing cartridges, and E2104, home blood glucose monitor for use with integrated lancing/blood sample testing cartridges, effective 4/1/2024. Adding coverage and quantity limits for HCPCS code A4332, individual sterile lubricant packets for use with urinary catheters, effective 2/1/2025.
   - Attachment A, Section D: Adding routine modifier instructions for new purchase, used purchase and rental items.
   - Attachment C: Updating CMS-1500 claim form instructions for DME services. Instructions about when to submit an invoice with a claim for a manually priced item is being updated to align with current practice.
   - Grammar and style corrections being made throughout.
   - Approved by PAG committee 10/24/2024.

4. Outpatient Specialized Therapies/Local Education Agencies (LEAs)

   - 10A, Outpatient Specialized Therapies policy posted for public comment to amend the age and setting restrictions on independent practitioner providers and consolidate with 10B into one comprehensive policy.

- 10B, Independent Practitioner policy posted for public comment to terminate due to consolidation with 10A.

5. Long Term Services and Supports (LTSS)

   - The Community Alternatives Program for Disabled Adults waiver application expired on October 31, 2024. A renewal request to continue this waiver was submitted to the Centers for Medicare and Medicaid Services (CMS) on October 4, 2024. While CMS reviews the renewal application, the currently approved CAP/DA waiver remains active through an extension period. CMS has 90 days to inform the state of approval of the renewed CAP/DA waiver. NC Medicaid anticipates approval of the CAP/DA waiver by January 2025 with an effective approved cycle from November 1, 2024 – October 31, 2029.
   - The Personal Care Services (PCS) Clinical Coverage Policies (CCP) was revised to realign the rate methodology for providers rendering PCS in congregate settings such as adult care homes, combination homes, and special care units. As a result of the realignment, two separate policies were created for PCS—one rendered in in-home settings and the other in congregate settings. The CCP for congregate setting rate methodology will change from a 15-minute reimbursement to a daily per diem rate. The assessment process and hours approved based on assessed activities of daily needs (ADLs) will remain the same.
   - The North Carolina Program of All-Inclusive Care for the Elderly (PACE) in coordination with the Centers for Medicare and Medicaid Services (CMS) finalized the approval for service area expansion for the PACE Organization Senior Total Life Care effective September 1, 2024. The expansion included the addition of a PACE Center in Shelby, NC and the addition of Rutherford County to the PACE Organization's approved service area.
   - The Geropsychiatric Units in Nursing Facilities Clinical Coverage Policy Is in the process of being revised to remove the Continued Stay Criteria to align with the Parity requirements as outlined by Center for Medicare/Medicaid Services. The revised policy was posted on the NC Medicaid website for public comment on November 15, 2024.

6. Behavioral Health I/DD Section

   - Clinical Coverage Policy 8A-7, Ambulatory Withdrawal Management without Extended Onsite Monitoring (ASAM Level 1-WM) promulgated on 10/1/2024.
   - Clinical Coverage Policy 8A-8, Ambulatory Withdrawal Management with Extended Onsite Monitoring (ASAM Level 2-WM) promulgated on 10/1/2024.
   - Clinical Coverage Policy 8A-11, Medically Monitored Inpatient Withdrawal Management (ASAM Level 3.7-WM) promulgated on 10/1/2024.
   - Clinical Coverage Policy 8A, Enhanced Mental Health (MH) and Substance Abuse (SA) Services was amended to remove Ambulatory Detox and Non-hospital Detox due to promulgation of the standalone clinical coverage policies 8A-7, Ambulatory Withdrawal Management without Extended Onsite Monitoring and 8A-11, Medically Monitored Inpatient Withdrawal Management on 10/1/2024.

- Clinical Coverage Policy 8A-9, Opioid Treatment policy posted on 10/25/2024 to 11/23/2024 for a 30-day public comment period. The policy was amended to include medication and mobile units as places of service.
- The following clinical coverage policies (CCP) were amended to bring the State into compliance with the Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) and the Code of Federal Regulations Title 42 Chapter IV Subchapter C Part 438 Subpart K, § 438.900. CCPs were amended to remove quantitative treatment limitations (QTLs) (units, hours, days, or visit limits) and/or non-quantitative treatment limitations (NQTLs) (prior authorization, concurrent review, or reauthorization requirements). The CCPs were posted for a 30-day public comment period on 11/15/2024. The impacted CCPs include:
- CCP 8A Enhanced MH and SA Services
    - Mobile Crisis Management (MCM) Services
    - Intensive In-Home Services (IIH)
    - Multisystemic Therapy (MST)
    - Psychosocial Rehabilitation (PSR)
    - Child and Adolescent Day Treatment
    - Partial Hospitalization (PH)
    - Professional Treatment Services in Facility-Based Crisis Program
    - Substance Abuse Intensive Outpatient Program (SAIOP)
    - Substance Abuse Comprehensive Outpatient Program (SACOT)
    - Substance Abuse Non-medical Community Residential Treatment (ASAM Level 3.5)
    - Substance Abuse Medically Monitored Community Residential Treatment (ASAM Level 3.7)
        - CCP 8A-1 Assertive Community Treatment (ACT) Program
        - CCP 8A-2, Facility-Based Crisis Service for Children and Adolescents
        - CCP 8A-5, Diagnostic Assessment (DA)
        - CCP 8A-6, Community Support Team (CST)
        - CCP 8A-7, Ambulatory Withdrawal Management (WM) without Extended On-Site Monitoring
        - CCP 8A-8, Ambulatory Withdrawal Management with Extended On-site Monitoring
        - CCP 8A-11, Medically Monitored Inpatient Withdrawal Management Service
        - CCP 8C, Outpatient Behavioral Health Services Provided by Direct-Enrolled Providers
        - CCP 8G, Peer Support Services

- CCP 8H-2, 1915(i) Individual Placement & Support (IPS) for Mental Health & Substance Use
- CCP 8H-3, 1915(i) Individual and Transitional Support (ITS)
- CCP 8I, Psychological Services in Health Departments and School-Based Health Centers Sponsored by Health Departments to the under-21 Population
- CCP 8J, Children's Developmental Service Agencies (CDSAs)
- CCP 8L, Mental Health/Substance Abuse Targeted Case Management
- CCP 8B, Inpatient Behavioral Health Services
- CCP 8D-1, Psychiatric Residential Treatment Facilities for Children under the Age of 21 (PRTF)
- CCP 8D-2, Residential Treatment Services

- Medically Supervised or ADATC Detoxification Crisis Stabilization benefit (H2036) which is included in CCP 8A, Enhanced MH and SA Services is being terminated a Medicaid State Plan benefit with an effective of 01/01/2025. As part of the 1115 SUD Demonstration Waiver, approved by CMS, it was indicated that once ASAM Level 4-WM was incorporated into CCP 8B, Inpatient Behavioral Health Services, the Medically Supervised or ADATC Detoxification Crisis Stabilization benefit would be terminated. ASAM Level 4-WM has been incorporated into CCP 8B. Termination of this benefit will not impact members needing this level of care as they would receive ASAM Level 4-WM.

Provider Operations Report

Provider Operations is responsible for the management and oversight of the enrollment, credentialing, and maintenance of approximately 100,000 NC Medicaid participating providers as well as the monitoring of provider related activities for seventeen vendors. Following are the highlights of the work conducted by staff each day.

Hurricane Helene Flexibilities

In response to Hurricane Helene's impact on the far western counties of North Carolina, the Disaster Relief Provider Enrollment Application was made available to providers rendering covered services during the disaster period. These applications use lite enrollment criteria as defined by CMS (e.g. Fees and site visit waived, rely on Medicare or home state enrollment, etc.) and our fiscal agent, NCTracks, must complete these applications within one business day. As of Nov. 21, 2024, 58 applications have been received, with 50 approved to render services.

Additional flexibilities initiated include:

- Expedited processing of out-of-state Lite Enrollment Applications when located in a border state, under the assumption that they may be helping with the disaster.
- Paused the Maintain Eligibility Application process for the last calendar quarter of 2024.
- Providers in the impacted counties set to suspend in October-December due to not completing reverification were contacted to assess their ability to complete the process. The due date for those confirmed unable to submit their application, or for whom no response was received (assumed unable to submit), was extended by three months.

- Any providers suspended or with an expiring credential during the months of October or November in the impacted counties were contacted to assess their ability to update their credential. For those who were non-responsive or confirmed their inability to update their credential, NC Medicaid extended their due date to allow for a 30-day grace period.

Outreach and Education

The Medicaid Provider Ombudsman team received 1,166 cases directly through the Provider Ombudsman Listserv. The team responded directly to 174 of those and collaborated with the appropriate business owner, including the health plans, General Dynamics Information Technology/NCTracks, or another operational unit within NC Medicaid for the remaining cases. The Provider Ombudsman team offers updates to each business owner if a case has aged for seven days or greater and monitors all open cases bi-weekly through closure.

Trending inquiries continue to be related to Claims/Finance and Provider Enrollment. Our NC Area Health Education Center (AHEC) provider engagement and technical support partner reported completing 5,330 contacts to rural and independent primary care provider practices from September through November.

Monitoring

For Standard Plan, Behavioral Health and Intellectual/Developmental Disability Tailored Plan and NC Medicaid Direct, the Provider Operations team:

- Continues to host bimonthly and individual meetings to assist with Provider Operations-related questions and issues that arise, as well as to provide technical support and guidance for the contracts.
- Continues to review, provide feedback to the health plans, and finalize all the managed care annual deliverables submitted into PCDU.
- All but one health plan was in compliance with the requirement to send Provider Welcome Packets within five calendar days of provider contract execution for the last reporting period.
    - A Notice of Deficiency (NOD) has been initiated with the Managed Care Oversight team for the one Standard Plan not in compliance.
- Monitored health plan compliance with removing non-active providers from their Provider Network Files (PNFs) within one business day of receipt of notification from the Department that the provider was terminated:
    - September, two Standard Plans were slightly out of compliance. In October, all five Standard Plans were compliant with this requirement.
    - All the NC Medicaid Direct remained in compliance this quarter.
    - For the month of September, two Tailored Plans were slightly out of compliance. All complied in October.
    - The in-house report used to support this monitoring effort is continuously reviewed and improved for optimal accuracy with monitoring.
    - All health plans were compliant with the requirement to send letters to providers when terminations were initiated by the health plan.

- The health plans continue to be responsive and timely with correcting errant provider data in their electronic and paper provider directories when notified of errors.
- The procedure and process related to the requirement for the health plans to successfully send a processed full PNF to the Department by 5 p.m. each calendar day was tested internally and rolled out to the leadership teams. Targeted monitoring began in September for the Standard Plans and NC Medicaid Direct. Once this requirement is formally added to the pending Tailored Plan amendment, monitoring will begin for Tailored Plans.
- Continue to work on the review of, and revisions to, the internal Tailored Plan, NC Medicaid Direct and Standard Pan monitoring processes and procedures.

Provider Operations began their part of the implementation process for the new Children and Families Specialty Plan (CFSP) contract, to include:

- Schedule bi-weekly implementation meetings to provide technical support and guidance to the awarded health plan.
- Deliverable review.
- Continue to monitor for risks and issues with the CFSP that arise during the implementation phase.
- Review all Provider Operations Managed Care contractual requirements and propose amendments to the contract to ensure accuracy and alignment across programs.

Provider Operations has been actively involved in the following external audit activity during the timeframe of September – November 2024:

- OSA 2024 PEF (Provider Enrollment Follow-up) Audit – Six deliverables provided to Audit.
- SFY 2024 OSA Single Audit – Two deliverables provided to Audit.
- SFY 2024 EAGLE Audit (0) This Audit Closed in September 2024 with no findings for PO.
- SFY 2025 EAGLE Audit (0) Audit Kick off held October 2024.

The Provider Operations Monitoring Plan dictates the monitoring of the fiscal agent's performance of provider enrollment and termination, as well as the performance of vendors, contractors and health plans to ensure approved providers meet qualification requirements and ineligible providers are terminated from the program in a timely manner. As part of this effort, Provider Operations monitored:

- 259 licensure disciplinary actions imposed by 19 NC licensure boards
- 492 notifications from four NCDHHS Divisions (Health Services Regulation, Aging and Adult Services, Social Services and Public Health)
- 54 notifications from the Centers for Medicare & Medicaid Services (CMS For Cause)
- 172 provider applications processed by our fiscal agent
- 60 monthly LexisNexis background checks

The Provider Operations Monitoring Plan also requires management quality control review of monitoring activities conducted by its staff, including but not limited to the activities listed above. During this quarter, management reviewed 436 items.

NC Medicaid's fiscal agent reports certain provider termination action to CMS, the U.S. Department of Health, and Human Services (HHS-OIG) and the National Practitioner Databank (NPDB) in accordance with federal and state regulations. During this quarter Provider Operations monitored the following number of actions to ensure they were reported timely and accurately:

- 7 actions reportable to CMS
- 0 actions reportable to HHS-OIG
- 4 actions reportable to NPDB

NC Medicaid's fiscal agent is responsible for initiating provider screenings, site visits, and initial enrollment online training, which is conducted by Public Consulting Group (PCG). During this quarter, Provider Operations monitored 36 site visits and 36 online trainings to ensure compliance with state and federal rule and regulations.

PDM/CVO Solution

NC Medicaid paused the implementation of the Provider Data Management/Centralized Verification Organization (PDM/CVO) module until further notice. While NC Medicaid expects to fully implement a PDM/CVO module in the future, providers will continue to use NCTracks for all enrollment activities.

Stakeholder Engagement

Our ongoing stakeholder engagement efforts include the quarterly Virtual Office Hours (VOH) and webinars held in collaboration with NC AHEC. The next VOH session is Dec. 5, 2024, at a new time of noon-1 p.m.

Additionally, outreach was developed and completed to impacted providers in response to Hurricane Helene. Providers were also updated about multi-factor authentication requirement changes to the NCTracks portal.