

Fact Sheet

Medicaid Services for Justice-Involved Youth Per Section 5121 of the 2023 Consolidated Appropriations Act

Background

This fact sheet provides information about new requirements under the federal [Consolidated Appropriations Act \(CAA, 2023\)](#) (P.L. 117-328), which went into effect on Jan. 1, 2025.

Under Section 5121 of the CAA, states are required to ensure the following services are provided to eligible justice-involved youth who are enrolled in Medicaid or CHIP and incarcerated post-adjudication, meaning an official judgment was made (e.g., youth who are incarcerated after conviction):

- Screening and diagnostic services in the 30 days prior to release (or no later than one-week post-release); and
- Targeted case management in the 30 days prior to release and for at least 30 days post-release (referred to as Reentry Care Management in North Carolina).

NC Medicaid is committed to meeting the federal requirements to help justice-involved youth successfully transition back into the community upon reentry with the health supports and services they need. NC Medicaid, in coordination with the Department of Public Safety (DPS), Division of Juvenile Justice and Delinquency Prevention (DJJDP), plans to phase in the implementation of CAA-required services beginning with the five state-operated Youth Development Centers (YDCs) in early 2025.

ELIGIBLE FACILITIES AND POPULATIONS

All correctional facilities that house the populations covered under CAA 5121 are subject to these requirements. Populations include individuals that are:

- Enrolled in NC Medicaid;
- Under 21 years of age or between the ages of 18 and 26 under the mandatory former foster care eligibility group; and,
- Being held in a correctional facility post-adjudication (e.g., youth who are incarcerated after conviction).

North Carolina will institute a phased roll-out of CAA Section 5121 requirements, beginning with screening and diagnostic services in the five state-operated YDCs, which house approximately half of post-adjudication youth. Reentry care management will begin later this year. The state will phase in over time other facilities that house post-adjudication youth (e.g., state prisons, county jails and tribal jails).

SCREENING AND DIAGNOSTIC SERVICES: DEFINITIONS AND ELIGIBLE PROVIDERS

In the 30 days prior to release (or no later than one week, or as soon as practicable after release from the facility), NC Medicaid will cover the following screening and diagnostic services, consistent with Health Check requirements.

Table 1: Screening and Diagnostic Service Definitions

Covered Service	Medicaid Eligible Youth Under the Age of 21	Eligible Youth Ages 21 and Over
Screening	<p>Services must include:</p> <ul style="list-style-type: none"> • Comprehensive health, developmental history, and unclothed physical examination; • Appropriate vision, hearing and lab testing; • Dental screening services; • Behavioral health screenings; and • Assessment if the individual is up to date with immunizations in accordance with the Advisory Committee on Immunization Practices (and if not, provide the appropriate immunizations). 	<p>Services must include:</p> <ul style="list-style-type: none"> • Those screenings that are medically necessary to determine existence of a physical or behavioral health illness or condition • Age appropriate screenings per the American Academy of Pediatrics / Bright Futures Periodicity Schedule • Blood pressure • Weight
Diagnosis	<p>Diagnostic services must be rendered when a screening service indicates the need for further evaluation and when such diagnostic services are otherwise medically necessary.</p>	

Providers will bill NCTracks for Medicaid covered services. Correctional facilities should assess which services they are able to provide and coordinate with community-based providers to deliver any services that the correctional facility is unable to provide. Facilities will need to continue to provide and pay for Health Check treatment services; CAA does not allow for Medicaid coverage of treatment services while someone is incarcerated.

REENTRY CARE MANAGEMENT DEFINITION

CAA Section 5121 requires the provision of reentry care management services to post-adjudication youth in the 30 days prior to release and 30 days post release. NC Medicaid will build on federal requirements and provide one-year of post-release care management. Local Management Entities/Managed Care Organizations (LME/MCOs) and Cherokee Indian Hospital Authority (CIHA) will play the primary role in delivering reentry care management.



Required components of reentry care management are as follows:

- Care Managers must conduct a Reentry Care Management Comprehensive Assessment to determine an individual’s need for any medical, educational, social, or other services.
- Development of a Reentry Care Plan — including social, educational and other underlying needs. The Reentry Care Plan should specify the goals and actions to address the medical, social, educational and other services needed by the individual, as identified in the Reentry Care Management Comprehensive Assessment.
- Referrals and related activities (e.g., appointment scheduling) to link individuals to needed services in the community including activities that help link the individual with medical, social, educational providers, or other programs and services that address identified needs and goals specified in the Reentry Care Plan.
- Monitoring and follow-up activities (e.g., follow up with service providers, implement a warm handoff process when pre-and post-release care managers are different) to ensure the Reentry Care Plan is implemented.

NC Medicaid will develop a monitoring protocol and release additional guidance to ensure that care managers meet pre- and post-release care management requirements.

MEDICAID PROVIDER ENROLLMENT REQUIREMENTS

Providers delivering CAA services, including correctional facilities delivering and billing for services, must be actively enrolled Medicaid providers.

Non-enrolled community-based providers delivering CAA services may submit an enrollment application using guidance in the [NCTracks Provider webpage](#).

MEDICAID REIMBURSEMENT

Pre-release covered services will be billed and paid for through NC Medicaid Direct (NC Medicaid’s fee-for-service delivery system). Claims may be submitted through normal processes via NCTracks for screening and diagnostic services and reentry care management. Incarcerated beneficiaries whose Medicaid benefit is suspended will have a Managed Care Status (MC Status) of “MCS023” in NCTracks. When checking eligibility for a specific enrollment span, providers will see “RESTRICTIVE COVERAGE, INPATIENT SERVICES AT A HOSPITAL ONLY” in the response; however, providers will be able to bill for CAA 5121 covered services as long as they are rendered within 30 days of the youth’s scheduled release date. If there is no Medicaid eligibility result in NCTracks, providers should inform the youth’s representative that Medicaid cannot be billed.

Effective on Jan. 1, 2025, providers should use NCTracks when billing for screening and diagnostic services outlined in this guidance. Billing codes for screening and diagnostic services can be found in the [NC Medicaid Health Check Program Guide](#).

LME/MCOs and CIHA will function as providers, not as health plans, for the provision of reentry care management services. Billing guidance for this service is forthcoming.



MEDICAID ENROLLMENT AND SUSPENSION PROCESSES

Section 5121 CAA services may not be paid for by NC Medicaid unless a youth is enrolled in Medicaid. To ensure individuals are enrolled in Medicaid, the correctional facility must follow the process below.

1. Check Status of Medicaid Enrollment

A correctional facility may check the status of a youth's Medicaid enrollment by looking up the individual in NCTracks. NC Medicaid will assist correctional facilities with obtaining access to NCTracks.

2. Assist Youth, Family, or Authorized Representative in Submitting Medicaid Application

Upon checking the status of a youth's Medicaid enrollment, if the correctional facility learns that the youth is not yet enrolled in Medicaid, the correctional facility should assist the family or authorized representative in submitting a Medicaid application. Details on how to apply may be found in the [How to Apply for NC Medicaid webpage](#).

Representatives from correctional facilities can apply on behalf of youth in their facilities if needed. Details on applying for Medicaid on behalf of someone else can be found in the [Applying on behalf of someone else?](#) page on the ePASS website. A youth must be enrolled in Medicaid for pre-release screening and diagnostic and care management services to be covered by Medicaid.

3. Communicate Incarceration and Release Dates

To ensure NC Medicaid is able to reimburse correctional facilities and community-based providers for the provision of CAA services, incarceration and release dates must be communicated to NC Medicaid so appropriate updates can be made to the individual's Medicaid case to reflect the incarceration status.

NC Medicaid receives a nightly file from State prisons with incarceration and release dates. Until a similar process can be implemented with county jails and juvenile justice facilities, this information must be manually reported to the local DSS (e.g., by a family member or the correctional facility). Once the date of incarceration is added to the beneficiary's Medicaid case, NCTracks will reflect a MC Status of "MCS023" for Excluded – Incarcerated. Upon the beneficiary's release, the release date is reported and added to the case, and the NCTracks Recipient Eligibility Verification will no longer reflect the MC Status of "MCS023" as of the date of release. However, in this case, the provider does not need to delay billing and may bill for services regardless of the status displayed in the eligibility verification.

NEXT STEPS

NC Medicaid will continue to work with DPS, DJJDP to implement CAA-required screening and diagnostic services with the State's five YDCs in early 2025. Delivery of reentry care management services, as well as the onboarding of additional facilities, will be phased in during 2025 and beyond.

In 2026, contingent on funding from the General Assembly, the State will implement a broader set of pre-release services to youth and adults, as authorized under the Section 1115 demonstration (approved by CMS on Dec. 10, 2024). NC Medicaid will meet with stakeholders, partners and



legislators to consider how to implement available opportunities in concert with the CAA requirements.

If you have questions about the information in this fact sheet, please email Medicaid.NCEngagement@dhhs.nc.gov.

