



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

**ROY COOPER** • Governor  
**MANDY COHEN, MD, MPH** • Secretary  
**DAVE RICHARD** • Deputy Secretary, NC Medicaid

MEMORANDUM

TO: Mandy Cohen, MD, MPH  
Secretary

FROM: Dave Richard <sup>DS</sup>  
*DR*  
Deputy Secretary for NC Medicaid

SUBJECT: State Plan Amendment  
Title XIX, Social Security Act  
Transmittal #2021-0009

DATE: June 9, 2021

Please find attached an amendment for North Carolina's State Plan under Title XIX of the Social Security Act for the Medical Assistance Program. The affected section is 1932a State Plan Preprint, Attachment 3.1-F.

This State Plan Amendment change outlines that North Carolina Medicaid amends the current PCCM SPA that implements the CCNC program to account for the implementation of the standard plans under Medicaid transformation. In the state's analysis, the block of spending for care management will not change through the SPA. This is an operational change and will have no financial impact (e.g., increase in costs or utilization).

This amendment is effective July 1, 2021.

Your approval of this state plan amendment is requested. If you have any questions or concerns, please contact me or Betty J. Staton at 919-527-7093.

**NC MEDICAID**  
**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS**

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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

State: North Carolina

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Citation	Condition or Requirement
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1932(a)(1)(A)

A. Section 1932(a)(1)(A) of the Social Security Act.

The State of North Carolina enrolls Medicaid beneficiaries on a mandatory basis into managed care entities (managed care organization [MCOs], primary care case managers [PCCMs], and/or PCCM entities) in the absence of section 1115 or section 1915(b) waiver authority. This authority is granted under section 1932(a)(1)(A) of the Social Security Act (the Act). Under this authority, a state can amend its Medicaid state plan to require certain categories of Medicaid beneficiaries to enroll in managed care entities without being out of compliance with provisions of section 1902 of the Act on statewideness (42 CFR 431.50), freedom of choice (42 CFR 431.51) or comparability (42 CFR 440.230).

This authority may *not* be used to mandate enrollment in Prepaid Inpatient Health Plans (PIHPs), Prepaid Ambulatory Health Plans (PAHPs), nor can it be used to mandate the enrollment of Medicaid beneficiaries described in 42 CFR 438.50(d).

Where the state's assurance is requested in this document for compliance with a particular requirement of 42 CFR 438 et seq., the state shall place a check mark to affirm that it will be in compliance no later than the applicable compliance date. All applicable assurances should be checked, even when the compliance date is in the future. **Please see Appendix A of this document for compliance dates for various sections of 42 CFR 438.**

1932(a)(1)(B)(i)  
1932(a)(1)(B)(ii)  
42 CFR 438.2  
42 CFR 438.6  
42 CFR 438.50(b)(1)-(2)

B. Managed Care Delivery System.

The State will contract with the entity(ies) below and reimburse them as noted under each entity type.

1.  MCO
  - a.  Capitation
  - b.  The state assures that all applicable requirements of 42 CFR 438.6, regarding special contract provisions related to payment, will be met.
2.  PCCM (individual practitioners)
  - a.  Case management fee
  - b.  Other (please explain below)
3.  PCCM entity
  - a.  Case management fee
  - b.  Shared savings, incentive payments, and/or financial rewards (see 42 CFR 438.310(c)(2))
  - c.  Other (please explain below)

State: North Carolina

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Citation	Condition or Requirement
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- If PCCM entity is selected, please indicate which of the following function(s) the entity will provide (as in 42 CFR 438.2), in addition to PCCM services:
- Provision of intensive telephonic case management
  - Provision of face-to-face case management
  - Operation of a nurse triage advice line
  - Development of enrollee care plans.
  - Execution of contracts with fee-for-service (FFS) providers in the FFS program
  - Oversight responsibilities for the activities of FFS providers in the FFS program
  - Provision of payments to FFS providers on behalf of the State.
  - Provision of enrollee outreach and education activities.
  - Operation of a customer service call center.
  - Review of provider claims, utilization and/or practice patterns to conduct provider profiling and/or practice improvement.
  - Implementation of quality improvement activities including administering enrollee satisfaction surveys or collecting data necessary for performance measurement of providers.
  - Coordination with behavioral health systems/providers.
  - Coordination with long-term services and supports systems/providers.
  - Other (please describe): \_  
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Case management services for the pregnant woman population was previously fee for service and is now being moved to the managed care model.

CCNC operates the Care Coordination for Children program (CC4C) which provides care/case management for high risk and high cost children aged birth up to age 5, excluding Early Intervention. Eligible children receive population management, care management, and coordination of treatment and prevention. This program is outcome driven and measured. The following are examples of the performance measures and may change over time:

- Increase rate of first visits by NICU graduates within 1 month of discharge;
- Increase rate of comprehensive assessments completed; and
- Increase number of children who have a medical home that have special health care needs and/or are in foster care.

Case management services for high risk children aged birth up to age 5 was previously fee for service and is now being moved to the managed care model.

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The PM/PM for care/case management of the pregnant women and children birth up to age 5 was based on the current fee for service cost of the maternal care coordination targeted case management program and the child service coordination case management program. The total expenditures in the base year were divided by the total beneficiary population to establish the PM/PM rate. These rates were actuarially certified as being developed in accordance with generally accepted actuarial practices and are appropriate for the Medicaid covered populations and services under the managed care contract and PMPM rates

DHB shall set forth all payments to the provider including enhanced services reimbursement and enhanced management fees and that the contracts must be reviewed and approved by CMS.

42 CFR 438.50(b)(4)

C. Public Process.

Describe the public process including tribal consultation, if applicable, utilized for both the design of the managed care program and its initial implementation. In addition, describe what methods the state will use to ensure ongoing public involvement once the state plan managed care program has been implemented. (*Example: public meeting, advisory groups.*)

If the program will include long term services and supports (LTSS), please indicate how the views of stakeholders have been, and will continue to be, solicited and addressed during the design, implementation, and oversight of the program, including plans for a member advisory committee (42 CFR 438.70 and 438.110)

The CCNC PCCM program was founded with input from the medical provider community and other agencies involved in public service delivery. Physician and physician professional organizations have always been instrumental in developing initiatives and direction for the program. As community networks were being developed, social service agencies, physicians, and hospitals became participants in planning at the community level how Medicaid beneficiaries could best be served with quality medical care and care management. Each network has a steering committee whose membership includes representatives from the department of social services, physicians, etc. Networks also have local medical management committees whose membership is composed of representatives from the medical community, i.e., physicians, hospital etc. Each network medical director participates on the statewide Medical Management Committee that advises the PCCM program on a statewide level. A provider satisfaction survey using an external vendor will be conducted every two years to maintain continued input from providers who

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participate in the program but who may not be part of an advisory committee.

NC Medicaid regularly consults with our federally recognized tribal representatives on all changes to the Medicaid program prior to submission to CMS, as required in our tribal consultation process, including changes affecting our PCCM.

Beneficiaries enrolled with the PCCM managed care program have public input through the state's toll free customer service phone center which is staffed from eight to five, Monday through Friday. The toll free number for the state customer service center is 1-800-662-7030.

Beneficiaries are also able to submit concerns about the program through a written complaint process.

Enrollees have public input through a Patient Satisfaction Survey. The survey is used to collect data on satisfaction, access, health status, utilization, and trust. The tool used to collect the data is the CAHPS survey for children and adults. A patient satisfaction survey will be conducted by an external vendor every three (3) years.

The NC Medical Care Advisory Committee reviews all major program changes for the Medicaid program. Beneficiaries have an opportunity to serve on this Committee.

The North Carolina Department of Health and Human Services contracts with a vendor to provide Medicaid Managed Care Ombudsman services for the state's Medicaid beneficiaries. The Medicaid Managed Care Ombudsman will serve as a central resource to educate and inform beneficiaries about the state's move to Medicaid Managed Care through and array of events as well as help to resolve issues/complaints within the Medicaid Managed Care delivery system.

D. State Assurances and Compliance with the Statute and Regulations.

If applicable to the state plan, place a check mark to affirm that compliance with the following statutes and regulations will be met.

1932(a)(1)(A)(i)(I)  
1903(m)

1.  The state assures that all of the applicable requirements of section 1903(m) of the Act, for MCOs and MCO contracts will be met.

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Citation	Condition or Requirement
42 CFR 438.50(c)(1)	
1932(a)(1)(A)(i)(I) 1905(t)	2. <input checked="" type="checkbox"/> The state assures that all the applicable requirements of section 1905(t) of the Act for PCCMs and PCCM contracts (including for PCCM entities) will be met.
42 CFR 438.50(c)(2) 1902(a)(23)(A)	
1932(a)(1)(A) 42 CFR 438.50(c)(3)	3. <input checked="" type="checkbox"/> The state assures that all the applicable requirements of section 1932 (including subpart (a)(1)(A)) of the Act, for the state's option to limit freedom of choice by requiring beneficiaries to receive their benefits through managed care entities will be met.
1932(a)(1)(A) 42 CFR 431.51 1905(a)(4)(C) 42 CFR 438.10(g)(2)(vii)	4. <input checked="" type="checkbox"/> The state assures that all the applicable requirements of 42 CFR 431.51 regarding freedom of choice for family planning services and supplies as defined in section 1905(a)(4)(C) will be met.
1932(a)(1)(A)	5. <input checked="" type="checkbox"/> The state assures that it appropriately identifies individuals in the mandatory exempt groups identified in 1932(a)(1)(A)(i).
1932(a)(1)(A) 42 CFR 438 1903(m)	6. <input checked="" type="checkbox"/> The state assures that all applicable managed care requirements of 42 CFR Part 438 for MCOs, PCCMs, and PCCM entities will be met.
1932(a)(1)(A)  42 CFR 438.4 42 CFR 438.5 42 CFR 438.7 42 CFR 438.8 42 CFR 438.74 42 CFR 438.50(c)(6)	7. <input type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.4, 438.5, 438.7, 438.8, and 438.74 for payments under any risk contracts will be met.
1932(a)(1)(A) 42 CFR 447.362 42 CFR 438.50(c)(6)	8. <input type="checkbox"/> The state assures that all applicable requirements of 42 CFR 447.362 for payments under any non-risk contracts will be met.
45 CFR 75.326	9. <input type="checkbox"/> The state assures that all applicable requirements of 45 CFR 75.326 for procurement of contracts will be met.
42 CFR 438.66	10. Assurances regarding state monitoring requirements:

State: North Carolina

Citation Condition or Requirement

- X The state assures that all applicable requirements of 42 CFR 438.66(a), (b), and (c), regarding a monitoring system and using data to improve the performance of its managed care program, will be met.
- X The state assures that all applicable requirements of 42 CFR 438.66(d), regarding readiness assessment, will be met.
- X The state assures that all applicable requirements of 42 CFR 438.66(e), regarding reporting to CMS about the managed care program, will be met.

1932(a)(1)(A)  
 1932(a)(2)

E. Populations and Geographic Area.

1. **Included Populations.** Please check which eligibility groups are included, if they are enrolled on a **Mandatory (M)** or **Voluntary (V)** basis (as defined in 42 CFR 438.54(b)) or **Excluded (E)**, and the geographic scope of enrollment. Under the **Geographic Area** column, please indicate whether the nature of the population's enrollment is on a statewide basis, or if on less than a statewide basis, please list the applicable counties/regions. Also, if type of enrollment varies by geographic area (for example, mandatory in some areas and voluntary in other areas), please note specifics in the **Geographic Area** column. Under the **Notes** column, please note any additional relevant details about the population or enrollment.

**A. Mandatory Eligibility Groups (Eligibility Groups to which a state must provide Medicaid coverage)**

**1. Family/Adult**

Eligibility Group	Citation (Regulation [42 CFR] or SSA)	M	V	E	Geographic Area (include specifics if M/V/E varies by area)	Notes
1. Parents and Other Caretaker Relatives	§435.110	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
2. Pregnant Women	§435.116	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO

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3. Children Under Age 19 (Inclusive of Deemed Newborns under §435.117)	§435.118	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
4. Former Foster Care Youth (up to age 26)	§435.150		X			Population would be mandatory unless otherwise mandatorily enrolled in MCO
5. Adult Group (Non-pregnant individuals age 19-64 not eligible for Medicare with income no more than 133% FPL )	§435.119					Not applicable
6. Transitional Medical Assistance (Includes adults and children, if not eligible under §435.116, §435.118, or §435.119)	1902(a)(52), 1902(e)(1), 1925, and 1931(c)(2) of SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
7. Extended Medicaid Due to Spousal Support Collections	§435.115	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO

State: North Carolina

Citation Condition or Requirement

**2. Aged/Blind/Disabled Individuals**

Eligibility Group	Citation (Regulation [42 CFR] or SSA)	M	V	E	Geographic Area (include specifics if M/V/E varies by area)	Notes
8. Individuals Receiving SSI age 19 and over only (See E.2. below regarding age <19)	§435.120	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
9. Aged and Disabled Individuals in 209(b) States	§435.121					Not applicable
10. Individuals Who Would be Eligible for SSI/SSP but for OASDI COLA Increase since April, 1977	§435.135	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
11. Disabled Widows and Widowers Ineligible for SSI due to an increase of OASDI	§435.137	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
12. Disabled Widows and Widowers Ineligible for SSI due to Early Receipt of Social Security	§435.138	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO

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13. Working Disabled under 1619(b)	1619(b), 1902(a)(10)(A)(i)(II), and 1905(q) of SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
14. Disabled Adult Children	1634(c) of SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO

**B. Optional Eligibility Groups**  
**1. Family/Adult**

Eligibility Group	Citation (Regulation [42 CFR] or SSA)	M	V	E	Geographic Area (include specifics if M/V/E varies by area)	Notes
1. Optional Parents and Other Caretaker Relatives	§435.220					Not applicable
2. Optional Targeted Low-Income Children	§435.229					Not applicable
3. Independent Foster Care Adolescents Under Age 21	§435.226	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
4. Individuals Under Age 65 with Income Over 133%	§435.218					Not applicable
5. Optional Reasonable Classifications of Children Under Age 21	§435.222					Not applicable
6. Individuals Electing COBRA Continuation Coverage	1902(a)(10)(F) of SSA					Not applicable

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Citation Condition or Requirement

**2. Aged/Blind/Disabled Individuals**

Eligibility Group	Citation (Regulation [42 CFR] or SSA)	M	V	E	Geographic Area (include specifics if M/V/E varies by area)	Notes
7. Aged, Blind or Disabled Individuals Eligible for but Not Receiving Cash	§435.210 and §435.230	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
8. Individuals eligible for Cash except for Institutionalized Status	§435.211					Not applicable
9. Individuals Receiving Home and Community-Based Waiver Services Under Institutional Rules	§435.217	X				
10. Optional State Supplement Recipients - 1634 and SSI Criteria States – with 1616 Agreements	§435.232	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
11. Optional State Supplemental Recipients- 209(b) States and SSI criteria States without 1616 Agreements	§435.234					Not applicable
12. Institutionalized Individuals Eligible under a Special Income Level	§435.236					Not applicable
13. Individuals Participating in a PACE Program under Institutional Rules	1934 of the SSA			X		
14. Individuals Receiving Hospice Care	1902(a)(10)(A)(ii) (VII) and 1905(o) of the SSA					Not applicable

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15. Poverty Level Aged or Disabled	1902(a)(10)(A)(ii)(X) and 1902(m)(1) of the SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
16. Work Incentive Group	1902(a)(10)(A)(ii)(XIII) of the SSA					Not applicable
17. Ticket to Work Basic Group	1902(a)(10)(A)(ii)(XV) of the SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
18. Ticket to Work Medically Improved Group	1902(a)(10)(A)(ii)(XVI) of the SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
19. Family Opportunity Act Children with Disabilities	1902(a)(10)(A)(ii)(XIX) of the SSA	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO
20. Individuals Eligible for State Plan Home and Community-Based Services	§435.219					Not applicable

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Citation Condition or Requirement

**3. Partial Benefits**

Eligibility Group	Citation (Regulation [42 CFR] or SSA)	M	V	E	Geographic Area (include specifics if M/V/E varies by area)	Notes
21. Family Planning Services	§435.214			X		
22. Individuals with Tuberculosis	§435.215					Not applicable
23. Individuals Needing Treatment for Breast or Cervical Cancer (under age 65)	§435.213	X				Population would be mandatory unless otherwise mandatorily enrolled in MCO

**C. Medically Needy**

Eligibility Group	Citation (Regulation [42 CFR] or SSA)	M	V	E	Geographic Area (include specifics if M/V/E varies by area)	Notes
1. Medically Needy Pregnant Women	§435.301(b)(1)(i) and (iv)			X		
2. Medically Needy Children under Age 18	§435.301(b)(1)(ii)			X		
3. Medically Needy Children Age 18 through 20	§435.308			X		
4. Medically Needy Parents and Other Caretaker Relatives	§435.310			X		
5. Medically Needy Aged	§435.320			X		
6. Medically Needy Blind	§435.322			X		
7. Medically Needy Disabled	§435.324			X		
8. Medically Needy Aged, Blind and Disabled in 209(b) States	§435.330					Not applicable

2. **Voluntary Only or Excluded Populations.** Under this managed care authority, some populations cannot be subject to mandatory enrollment in an MCO, PCCM, or PCCM entity (per 42 CFR 438.50(d)). Some such populations are Eligibility Groups separate from those listed above in E.1., while others (such as American Indians/Alaskan Natives) can be part of multiple Eligibility Groups identified in E.1. above.

Please indicate if any of the following populations are excluded from the program, or have only voluntary enrollment (even if they are part of an eligibility group listed above in E.1. as having mandatory enrollment):

Population	Citation (Regulation [42 CFR] or SSA)	V	E	Geographic Area	Notes
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Medicare Savings Program – Qualified Medicare Beneficiaries, Qualified Disabled Working Individuals, Specified Low Income Medicare Beneficiaries, and/or Qualifying Individuals	1902(a)(10)(E), 1905(p), 1905(s) of the SSA	<input checked="" type="checkbox"/>				
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Citation Condition or Requirement

Population	Citation (Regulation [42 CFR] or SSA)	V	E	Geographic Area	Notes
“Dual Eligibles” not described under Medicare Savings Program - Medicaid beneficiaries enrolled in an eligibility group other than one of the Medicare Savings Program groups who are also eligible for Medicare		X			
American Indian/Alaskan Native— Medicaid beneficiaries who are American Indians or Alaskan Natives and members of federally recognized tribes	§438.14	X			This includes IHS eligible beneficiaries
Children Receiving SSI who are Under Age 19 - Children under 19 years of age who are eligible for SSI under title XVI	§435.120				Not applicable
Qualified Disabled Children Under Age 19 - Certain children under 19 living at home, who are disabled and would be eligible if they were living in a medical institution.	§435.225 1902(e)(3) of the SSA	X			Population would be mandatory unless otherwise mandatorily enrolled in MCO
Title IV-E Children - Children receiving foster care, adoption assistance, or kinship guardianship assistance under title IV-E *	§435.145	X			
Non-Title IV-E Adoption Assistance Under Age 21 *	§435.227	X			
Children with Special Health Care Needs - Receiving services through a family-centered, community-based, coordinated care system that receives grant funds under section 501(a)(1)(D) of Title V, and is defined by the State in terms of either program participation or special health care needs.					Not applicable

\* = Note – Individuals in these two Eligibility Groups who are age 19 and 20 can have mandatory enrollment in managed care, while those under age 19 cannot have mandatory enrollment. Use the Notes column to indicate if you plan to mandatorily enroll 19 and 20 year olds in these Eligibility Groups.

3. **(Optional) Other Exceptions.** The following populations (which can be part of various Eligibility Groups) can be subject to mandatory enrollment in managed care, but states may elect to make exceptions for these or other individuals. Please indicate if any of the following populations are excluded from the program, or have only voluntary enrollment (even if they are part of an eligibility group listed above in E.1. as having mandatory enrollment):

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Population	V	E	Notes
Other Insurance--Medicaid beneficiaries who have other health insurance			Not applicable
Reside in Nursing Facility or ICF/IID-- Medicaid beneficiaries who reside in Nursing Facilities (NF) or Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID).	X		Population would be mandatory unless otherwise mandatorily enrolled in MCO
Enrolled in Another Managed Care Program--Medicaid beneficiaries who are enrolled in another Medicaid managed care program			Not applicable
Eligibility Less Than 3 Months--Medicaid beneficiaries who would have less than three months of Medicaid eligibility remaining upon enrollment into the program			Not applicable
Participate in HCBS Waiver--Medicaid beneficiaries who participate in a Home and Community Based Waiver (HCBS, also referred to as a 1915(c) waiver).	X		
Retroactive Eligibility--Medicaid beneficiaries for the period of retroactive eligibility.		X	
Other (Please define):			

1932(a)(4)  
 42 CFR 438.54

F. Enrollment Process.

Based on whether mandatory and/or voluntary enrollment are applicable to your program (see E. Populations and Geographic Area and definitions in 42 CFR 438.54(b)), please complete the below:

1. For **voluntary** enrollment: (see 42 CFR 438.54(c))
  - a. Please describe how the state fulfills its obligations to provide information as specified in 42 CFR 438.10(c)(4), 42 CFR 438.10(e) and 42 CFR 438.54(c)(3).

The Department will develop a model member handbook inclusive of required managed care terminology as defined in 42 CFR 438.10(c)(4). CCNC will use that model handbook to create a PCCM handbook for their enrolled beneficiaries. The Department issues informational notices upon eligibility determination or redetermination defining all managed care programs an individual is available to elect. The notices include required information outlined in 42 CFR 438.10(e) and 42 CFR 438.54(c)(3).

State with voluntary enrollment must have an enrollment choice period or passive enrollment. Please indicate which will apply to the managed care program:

- b.  If applicable, please check here to indicate that the state provides an

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enrollment choice period, as described in 42 CFR 438.54(c)(1)(i) and 42 CFR 438.54(c)(2)(i), during which individuals who are subject to voluntary enrollment may make an active choice to enroll in the managed care program, or will otherwise continue to receive covered services through the fee-for-service delivery system.

- i. Please indicate the length of the enrollment choice period:

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State:

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Citation	Condition or Requirement
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- c. X If applicable, please check here to indicate that the state uses a passive enrollment process, as described in 42 CFR 438.54(c)(1)(ii) and 438.54(c)(2)(ii), for individuals who are subject to voluntary enrollment.
  - i. If so, please describe the algorithm used for passive enrollment and how the algorithm and the state's provision of information meets all of the requirements of 42 CFR 438.54(c)(4),(5),(6),(7), and (8).

Caseworkers at the local department of social services (DSSs) or the DHHS/EBCI Medicaid and FNS Eligibility Office provide information about the program to potential enrollees and enroll them into the program.

The state provides an enrollment form to the county DSSs or the DHHS/EBCI Medicaid and FNS Eligibility Office. It is required to be completed at enrollment or with a change of health home. It is signed by the beneficiary or beneficiary's guardian to verify that they were given freedom of choice and the primary care provider listed on the enrollment form is the provider of choice. If the beneficiary provides the name of their chosen medical home by phone, the caseworker is permitted to complete the form and file it in the beneficiary's record without signature. If an individual does not choose a provider, the individual is auto-assigned a provider through the state's provider enrollment platform.

The State assures that default enrollment will be based first upon maintaining existing provider/patient relationships. Income maintenance caseworkers at the local DSSs or DHHS/EBCI Medicaid and FNS Office are primarily responsible for linking beneficiaries to a health home; however, certain DHB staff and designees also have the ability to link beneficiaries. Some beneficiaries, particularly Supplemental Security Income (SSI) beneficiaries, do not visit the social services office for Medicaid application and/or reapplication. In these cases, written materials describing the managed care options are mailed to them along with a deadline for notification of their PCP selection.

Attempts are made to contact beneficiaries by telephone or letter if they do not respond within the time frame; inquiries are made about existing relationships with providers when contact is made. If the beneficiary cannot be contacted, they are auto-assigned and notified of their enrollment and rights. Assignments are based on an historical

State:

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relationship with a health home. If no relationship can be determined, the beneficiary is assigned to a medical home within a 30 mile radius of the beneficiary's residence. If the medical home is an IHS provider, assignment is limited to IHS eligible beneficiaries.

North Carolina has an opt-out process for enrolling dual eligible beneficiaries. Dual beneficiaries receive a letter informing them of the name, address, and phone number of the medical home to which they have been assigned unless they contact the local DSS or the DHHS/EBCI Medicaid and FNS Eligibility Office. Assignment is based on an historical relationship with a provider, and if no relationship can be determined the beneficiary is assigned to a medical home within a 30 mile radius of the beneficiary's home. The letter also informs them of their right to disenroll, change their medical home, and enroll on a month to month basis.

American Indians/Alaska Natives and IHS eligible are not part of the opt-out process. When making application for medical assistance, they are informed that they may enroll, disenroll, or change their medical home on a month to month basis if they opt to enroll.

With the exception of children receiving foster care services or adoption assistance, North Carolina has an-opt out process for enrolling children with special health care needs. Parents/guardians of these children receive a letter informing them of the name, address, and phone number of the health home to which assignment has been made unless they contact the local department of social services. Auto-assignment is made to a health home with which there is an historical relationship if that can be determined. If there is no relationship with a health home, the beneficiary is assigned to a health home within 30 miles of the beneficiary's residence. If the medical home is an IHS provider, assignment is limited to HIS eligible beneficiaries. The letter also informs them of their right to disenroll, change their health home, and enroll at any time.

As a result of law P.L. 110-351/H.R.6893, Fostering Connections to Success and Increasing Adoption Act of 2008, the division works closely with the North Carolina Pediatric Society, practicing pediatricians and the North Carolina Division of Social Services to enroll foster children into health homes created by the PCCM program to plan for continued medical care of children with special health care needs. The State assures that these beneficiaries will be permitted to change health homes or disenroll from the PCCM program on a month to month basis.

- ii. Please indicate how long the enrollee will have to disenroll

State:

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from the plan and return to the fee-for-service delivery system:

Enrollees can disenroll from the PCCM program on a month to month basis.

2. For mandatory enrollment: (see 42 CFR 438.54(d))
- a. Please describe how the state fulfills its obligations to provide information as specified in 42 CFR 438.10(c)(4), 42 CFR 438.10(e) and 42 CFR 438.54(d)(3).

The Department will develop a model member handbook inclusive of required managed care terminology as defined in 42 CFR 438.10(c)(4). CCNC will use that model handbook to create a PCCM handbook for their enrolled beneficiaries. The Department issues informational notices upon eligibility determination or redetermination defining all managed care programs individual is available to elect. The notices include required information outlined in 42 CFR 438.10(e) and 42 CFR 438.54(c)(3).

- b.  If applicable, please check here to indicate that the state provides an enrollment choice period, as described in 42 CFR 438.54(d)(2)(i), during which individuals who are subject to mandatory enrollment may make an active choice to select a managed care plan, or will otherwise be enrolled in a plan selected by the State's default enrollment process.
  - i. Please indicate the length of the enrollment choice period:  
\_\_\_\_\_
- c.  If applicable, please check here to indicate that the state uses a default enrollment process, as described in 42 CFR 438.54(d)(5), for individuals who are subject to mandatory enrollment.
  - i. If so, please describe the algorithm used for default enrollment and how it meets all of the requirements of 42 CFR 438.54(d)(4), (5), (7), and (8).

Caseworkers at the local DSS Office or the DHHS/EBCI Medicaid and FNS Eligibility Office. provide information about the program to potential enrollees and enroll them into the program.

The state provides an enrollment form to the county departments of social services (DSSs). It is required to be completed at enrollment or change of health home. It is signed by the beneficiary or beneficiary's guardian to verify that they were given freedom of choice and the primary care provider listed on the enrollment form is the provider of choice. If the beneficiary provides the name of their chosen medical home by phone, the caseworker is permitted to complete the form and file it in the beneficiary's record without signature. If an individual does not choose a provider, the individual is auto-assigned a provider through the state's provider enrollment platform.

State:

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The State assures that default enrollment will be based first upon maintaining existing provider/patient relationships. Income maintenance caseworkers at the local DSS Office or the DHHS/EBCI Medicaid and FNS Eligibility Office are primarily responsible for linking beneficiaries to a health home; however, certain DHB staff and designees also have the ability to link beneficiaries. Some beneficiaries, particularly Supplemental Security Income (SSI) beneficiaries, do not visit the social services office for Medicaid application and/or reapplication. In these cases, written materials describing the managed care options are mailed to them along with a deadline for notification of their PCP selection.

Attempts are made to contact beneficiaries by telephone or letter if they do not respond within the time frame; inquiries are made about existing relationships with providers when contact is made. If the beneficiary cannot be contacted, they are auto-assigned and notified of their enrollment and rights. Assignments are based on an historical relationship with a health home. If no relationship can be determined, the beneficiary is assigned to a medical home within a 30 mile radius of the beneficiary's residence. If the medical home is an IHS provider, assignment is limited to IHS eligible beneficiaries.

- d.  If applicable, please check here to indicate that the state uses a passive enrollment process, as described in 42 CFR 438.54(d)(2), for individuals who are subject to mandatory enrollment.
  - i. If so, please describe the algorithm used for passive enrollment and how it meets all of the requirements of 42 CFR 438.54(d)(4), (6), (7), and (8).

1932(a)(4)  
42 CFR 438.54

- 3. State assurances on the enrollment process.

Place a check mark to affirm the state has met all of the applicable requirements of choice, enrollment, and re-enrollment.

42 CFR 438.52

- a.  The state assures that, per the choice requirements in 42 CFR 438.52:

State:

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Citation	Condition or Requirement
42 CFR 438.52	<ul style="list-style-type: none"> <li>i. Medicaid beneficiaries with mandatory enrollment in an MCO will have a choice of at least two MCOs unless the area is considered rural as defined in 42 CFR 438.52(b)(3);</li> <li>ii. Medicaid beneficiaries with mandatory enrollment in a primary care case management system will have a choice of at least two primary care case managers employed by or contracted with the State;</li> <li>iii. Medicaid beneficiaries with mandatory enrollment in a PCCM entity may be limited to a single PCCM entity and will have a choice of at least two PCCMs employed by or contracted with the PCCM entity.</li> </ul> <p>b. <input type="checkbox"/> The state plan program applies the rural exception to choice requirements of 42 CFR 438.52(a) for MCOs in accordance with 42 CFR 438.52(b). Please list the impacted rural counties:</p> <p style="padding-left: 40px;">X This provision is not applicable to this 1932 State Plan Amendment.</p>
42 CFR 438.56(g)	<p>c. <input checked="" type="checkbox"/> The state applies the automatic reenrollment provision in accordance with 42 CFR 438.56(g) if the recipient is disenrolled solely because he or she loses Medicaid eligibility for a period of 2 months or less.</p> <p><input type="checkbox"/> This provision is not applicable to this 1932 State Plan Amendment.</p>
42 CFR 438.71	<p>d. <input checked="" type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.71 regarding developing and implementing a beneficiary support system that provides support to beneficiaries both prior to and after MCO, PCCM, or PCCM entity enrollment will be met.</p>
1932(a)(4) 42 CFR 438.56	<p>G. <u>Disenrollment.</u></p> <ol style="list-style-type: none"> <li>1. The state will <input type="checkbox"/> / will not <input checked="" type="checkbox"/> limit disenrollment for managed care.</li> <li>2. The disenrollment limitation will apply for _____ (up to 12 months).</li> <li>3. <input checked="" type="checkbox"/> The state assures that beneficiary requests for disenrollment (with and without cause) will be permitted in accordance with 42 CFR 438.56.</li> <li>4. Describe the state's process for notifying the Medicaid beneficiaries of their right to disenroll without cause during the 90 days following the date of their initial enrollment into the MCO, PCCM, or PCCM entity. (<i>Examples: state generated correspondence, enrollment packets, etc.</i>)</li> </ol> <p>When making application for medical assistance, beneficiaries are informed that they may enroll, disenroll, or change their medical home on a month to month basis if they opt to enroll.</p>

State:

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5. Describe any additional circumstances of “cause” for disenrollment (if any).

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TN No. 21-0009  
Supersedes  
TN No. 19-0007

Approval Date:

Effective Date: 07/01/2021



State:

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Citation	Condition or Requirement
42 CFR 438.228	appeal system for enrollees.
1932(a)(5)(D)(b)(5) 42 CFR 438.62 42 CFR 438.68 42 CFR 438.206 42 CFR 438.207 42 CFR 438.208	<p>K. <u>Services, including capacity, network adequacy, coordination, and continuity.</u></p> <p><input checked="" type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.62, regarding continued service to enrollees, will be met.</p> <p><input type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.68, regarding network adequacy standards, will be met.</p> <p><input type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.206, regarding availability of services, will be met.</p> <p><input type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.207, regarding assurances of adequate capacity and services, will be met.</p> <p><input type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.208, regarding coordination and continuity of care, will be met.</p>
1932(c)(1)(A)  42 CFR 438.330 42 CFR 438.340	<p>L. <input checked="" type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.330 and 438.340, regarding a quality assessment and performance improvement program and State quality strategy, will be met.</p>
1932(c)(2)(A)  42 CFR 438.350 42 CFR 438.354 42 CFR 438.364 1932 (a)(1)(A)(ii)	<p>M. <input checked="" type="checkbox"/> The state assures that all applicable requirements of 42 CFR 438.350, 438.354, and 438.364 regarding an annual external independent review conducted by a qualified independent entity, will be met.</p> <p>N. <u>Selective Contracting Under a 1932 State Plan Option.</u></p> <p>To respond to items #1 and #2, place a check mark. The third item requires a brief narrative.</p> <p>1. The state will <input checked="" type="checkbox"/>/will not <input type="checkbox"/> intentionally limit the number of entities it contracts under a 1932 state plan option.</p>

State:

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Citation	Condition or Requirement
	<ol style="list-style-type: none"><li>2. <input checked="" type="checkbox"/> The state assures that if it limits the number of contracting entities, this limitation will not substantially impair beneficiary access to services.</li><li>3. Describe the criteria the state uses to limit the number of entities it contracts under a 1932 state plan option. (<i>Example: a limited number of providers and/or enrollees.</i>)</li><li>4. <input type="checkbox"/> The selective contracting provision in not applicable to this state plan.</li></ol>

State:

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Citation Condition or Requirement

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**Appendix A: Compliance Dates (from Supplementary Information in 81 FR 27497, published 5/6/2016)**

**States must comply with all provisions in effect as of the issuance of this preprint. Additionally, the following compliance dates apply:**

Compliance Dates	Sections
For rating periods for Medicaid managed care contracts beginning before July 1, 2017, States will not be held out of compliance with the changes adopted in the following sections so long as they comply with the corresponding standard(s) codified in 42 CFR part 438 contained in 42 CFR parts 430 to 481, edition revised as of October 1, 2015. States must comply with these requirements no later than the rating period for Medicaid managed care contracts starting on or after July 1, 2017.	§§ 438.3(h), 438.3(m), 438.3(q) through (u), 438.4(b)(7), 438.4(b)(8), 438.5(b) through (f), 438.6(b)(3), 438.6(c) and (d), 438.7(b), 438.7(c)(1) and (2), 438.8, 438.9, 438.10, 438.14, 438.56(d)(2)(iv), 438.66(a) through (d), 438.70, 438.74, 438.110, 438.208, 438.210, 438.230, 438.242, 438.330, 438.332, 438.400, 438.402, 438.404, 438.406, 438.408, 438.410, 438.414, 438.416, 438.420, 438.424, 438.602(a), 438.602(c) through (h), 438.604, 438.606, 438.608(a), and 438.608(c) and (d)
For rating periods for Medicaid managed care contracts beginning before July 1, 2018, states will not be held out of compliance with the changes adopted in the following sections so long as they comply with the corresponding standard(s) codified in 42 CFR part 438 contained in the 42 CFR parts 430 to 481, edition revised as of October 1, 2015. States must comply with these requirements no later than the rating period for Medicaid managed care contracts starting on or after July 1, 2018.	§§ 438.4(b)(3), 438.4(b)(4), 438.7(c)(3), 438.62, 438.68, 438.71, 438.206, 438.207, 438.602(b), 438.608(b), and 438.818
States must be in compliance with the requirements at § 438.4(b)(9) no later than the rating period for Medicaid managed care contracts starting on or after July 1, 2019.	§ 438.4(b)(9)
States must be in compliance with the requirements at § 438.66(e) no later than the rating period for Medicaid managed care contracts starting on or after the date of the publication of CMS guidance.	§ 438.66(e)
States must be in compliance with § 438.334 no later than 3 years from the date of a final notice published in the Federal Register.	§ 438.334
Until July 1, 2018, states will not be held out of compliance with the changes adopted in the following sections so long as they comply with the corresponding standard(s) codified in 42	§§ 438.340, 438.350, 438.354, 438.356, 438.358, 438.360, 438.362, and 438.364

State:

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Citation Condition or Requirement

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Compliance Dates	Sections
CFR part 438 contained in the 42 CFR parts 430 to 481, edition revised as of October 1, 2015.	
States must begin conducting the EQR-related activity described in § 438.358(b)(1)(iv) (relating to the mandatory EQR-related activity of validation of network adequacy) no later than one year from the issuance of the associated EQR protocol.	§ 438.358(b)(1)(iv)
States may begin conducting the EQR-related activity described in § 438.358(c)(6) (relating to the optional EQR-related activity of plan rating) no earlier than the issuance of the associated EQR protocol.	§ 438.358(c)(6)

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0933. The time required to complete this information collection is estimated to average 10 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850

CMS-10120 (exp. **TBD – currently 4/30/17**)