



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


**JOSH STEIN** • Governor

**DEV DUTTA SANGVAI** • Secretary

**JAY LUDLAM** • Deputy Secretary, NC Medicaid

**SIGNATURE REQUEST MEMORANDUM**

**TO:**

Jay Ludlam <sup>DS</sup> 

**FROM:**

Ashley Blango, SPA Manager

**RE:**

State Plan Amendment

Title XIX, Social Security Act  
Transmittal #2025-0018

**Purpose**

Attached for your review and signature is a Medicaid State Plan Amendment (**Substance Abuse Comprehensive Outpatient Treatment (SACOT)**) summarized below, and submitted on December 22, 2025, with a due date of January 2, 2026.

**Clearance**

This amendment has been reviewed for both accuracy and completeness by:

*Ashley Blango, Kathryn Horneffer, Todd Baustert, Tabitha Evans, Chris Gordon, Melanie Bush*

**Background and Summary of Request**

It is recommended that you sign this State Plan Amendment submission per Centers for Medicare and Medicaid Services (CMS) protocol as head of the Single State Agency administering the Medicaid program.

The purpose of the revisions to the State Plan Amendment is to amend the Medicaid State Plan Substance Abuse Comprehensive Outpatient Treatment (SACOT) services. The State Plan pages for the following service are being amended to align with the ASAM Criteria, Third Edition, 2013. The new rate will be established at \$71.89 per hour effective January 1, 2026. This rate increase is intended to sustain provider participation within the Medicaid program, address some of the increased cost of the service, and support access to care statewide.

The proposed effective date for the SPA is January 1, 2026.

Your approval of this State Plan Amendment is requested. If you have any questions or concerns, please contact me at 919-812-6145.

**NC MEDICAID**

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

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: NORTH CAROLINA

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13. d. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued)  
Description of Services

(xii) Substance Abuse Comprehensive Outpatient Treatment (SACOT) ASAM Level 2.5

This service is a clinically intensive program that provides skilled treatment services in a structured outpatient recovery environment, for adults, 18 years of age and older with a primary substance use disorder. SACOT is an American Society of Addiction Medicine (ASAM) Level 2.5 service that provides 20 or more hours of clinically intensive programming per week.

This service includes:

- Individual therapy, counseling and support,
- Group therapy, counseling and support,
- Family counseling and support,
- Biochemical assessments to identify recent drug use (e.g. urine drug screens),
- Coordination and referral for ancillary services,
- Education on relapse prevention and the development of support systems in treatment,
- Education on life skills and crisis contingency planning,
- Education on physical health management,
- Reproductive health education,
- A planned format of therapies, delivered on an individual and group basis and adapted to the beneficiary's developmental stage and comprehension level,
- Service coordination activities

Family counseling and support, and group counseling, therapy and support are provided only for the direct benefit of the beneficiary.

While receiving SACOT services, a beneficiary must have ready access to psychiatric assessment and treatment services when warranted by the presence of symptoms indicating co-occurring substance use and mental health disorders. Medical, psychological, psychiatric, laboratory, and toxicology services must be available through consultation or referral. Psychiatric and other medical consultations must be available by telephone, telehealth or in-person. SACOT must be ordered by a physician, licensed psychologist, physician assistant or nurse practitioner.

SACOT programs shall support beneficiaries who are prescribed or would benefit from medications, including but not limited to, medications for opioid use disorder (MOUD), to address their substance use or mental health diagnoses. Coordination of care with prescribing physicians is required. SACOT providers shall ensure that all programs have access to naloxone or other Federal Food and Drug Administration approved opioid antagonist for drug overdose on site, and that all staff have training and education on the use of opioid antagonists.

This service can only be provided by qualified substance abuse professional staff with the following NC licenses or certifications:

- Certified alcohol and drug counselors (CADC), CADC-Interns [a CADC applicant who has passed the International Certification & Reciprocity Consortium (IC & RC) Alcohol and Drug Counselor Exam and completed 300 hours of supervised work with a Certified Clinical Supervisor (CCS) or Clinical Supervisor Intern (CSI) at a ratio of 1 hour of supervision per 10 hours of work], Registrant (Alcohol and Drug Counselor), paraprofessional, Associate Professional (AP), Qualified Professional (QP);

State Plan Under Title XIX of the Social Security Act  
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13. d.. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services (continued) Description of Services

(xii) Substance Abuse Comprehensive Outpatient Treatment (SACOT) ASAM Level 2.5 (continued)

- Licensed clinical addiction specialists (LCAS), associate level LCAS, Certified Clinical supervisor (CCS); and
- Licensed Clinical Social Worker (LCSW) or Licensed Clinical Social Worker Associate (LCSWA), Licensed Clinical Mental Health Clinician (LCMHC) or Licensed Clinical Mental Health Counselor Associate (LCMHCA), Licensed Marriage and Family Therapist (LMFT) or Licensed Marriage and Family Therapist Associate (LMFTA), Licensed Psychologist.

In accordance with 25 U.S.C. 1621t, licensed health professionals employed by a tribal health program are exempt, if licensed in any state, from the licensing requirements of the State (North Carolina) in which the tribal health program performs the services described in the contract or compact of the tribal health program under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

This service must be provided in a facility licensed by the State or by an Indian Health Service (IHS) or 638 contract or compact operated by a Federally Recognized Tribe as allowed in USC CH. 18: INDIAN HEALTH CARE §1621t Licensing and §1647a Nondiscrimination under federal health care programs in qualifications for reimbursement services. Services delivered via telehealth must be provided for the benefit of the beneficiary.

Staff Qualifications for Each Specific Service (Continued)

| Service   | Agency Qualifications                  |              | Staff Qualifications   |   |  |                   |  |  |
|---|--|--------------|--|---|--|-------------------|--|--|
|   |  |              | Authorization  | See Definitions for QP, AP, PP in Attachment 3.1-A.1 Pages 15a.14-15: |  |                   | Medical Coverage                                     |  |
|   | Licensed                               | Credentialed | Service Ordered by:<br>MD, Nurse Practitioner, Physicians Assistant or PhD Psychologist licensed in NC | Qualified Professional (QP), includes SA Professionals                | Under Supervision of a Qualified Professional: |                   | Medical Oversight/ Participation by:                 |  |
|   | All facilities must be 16 beds or less |              |  |   | Associate Professional                         | Para-Professional | Psychiatrist/ MD                                     | Registered Nurse* RNs are considered QPs as well |
| SA Comprehensive Outpatient Treatment                               | X                                      | X            | X  | X   | X  | X                 | Recipients must have access to MD assessment and tx. |  |
| SA Non-Medical Community Residential Tx                             | X                                      | X            | X  | X   | X  | X                 |  |  |
| SA Medically Monitored Residential Tx                               | X                                      | X            | X  | X   | X  | X                 | X  | X  |
| Ambulatory Withdrawal Management Without Extended Onsite Monitoring | X                                      | X            | X  | X   | X  | X                 | X<br>(provides assessment w/n 24 hrs.)               | X<br>(provides admission assessment /monitors tx |
| Ambulatory Withdrawal Management With Extended Onsite Monitoring    | X                                      | X            | X  | X   | X  | X                 | X  | X  |
| Clinically Managed Residential Withdrawal Services                  | X                                      | X            | X  | X   | X  | X                 | X  | X  |
| Medically Monitored Inpatient Withdrawal Service                    | X                                      | X            | X  | X   | X  | X                 | X<br>(provides assessment w/n 24 hrs.)               | X<br>(provides admission assessment /monitors tx |

TN No: 25-0018  
Supersedes  
TN No: 25-0002

Approval Date:

Effective Date: 01/01/2026

## MEDICAL ASSISTANCE

State: North CarolinaPAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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## 6) Substance Abuse Comprehensive Outpatient Treatment Program (H2035) (SACOT)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Substance Abuse Comprehensive Outpatient Treatment Program (SACOT). The agency's fee schedule rate of \$45.35 per hour was set as of July 1, 2012. Effective March 1, 2022, the rate increased to \$46.07 per hour for services provided on or after that date. The fee schedule is published on the Division of Health Benefits at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules)

Effective August 1, 2024, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules)

Effective January 1, 2026, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules)

This service will be provided by direct enrolled Medicaid providers who may be either private or governmental. This service is not cost settled for any provider. This service is provided in accordance with Attachment 3.1-A.1 Pages 15a.10 -15a.10a, Paragraph 13.d., subparagraph (xii), and Attachments 3.1-A.1 Page 15a.2-B through 3.1-A.1 Page 15a.2-D.

The facilities providing this service are not IMD facilities and NC Medicaid is not reimbursing room and board for this service.

In the event this service is operated by a 638 Compact or Indian Health Service Provider, the rate of reimbursement shall be the All-Inclusive Rate (AIR) established on an annual basis as published in the Federal Register.

In the event this service is operated by a 638 Compact or Indian Health Service Provider and is not covered under the criteria to receive the All-Inclusive Rate (AIR), the provider is subject to the NC Medicaid Fee Schedule or other agreed upon rate(s) by the payor.