

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard, Mail Stop S2-25-26
Baltimore, Maryland 21244-1850



State Demonstrations Group

OCT 30 2019

Mr. Dave Richard
Deputy Secretary for Medical Assistance
North Carolina Department of Health and Human Services
2001 Mail Service Center
Raleigh, NC 27699-2001

Dear Mr. Richard:

The Centers for Medicare & Medicaid Services (CMS) has completed its review of North Carolina's Substance Use Disorder (SUD) Monitoring Protocol, which is required by Special Terms and Conditions (STC) 19(b) of the state's section 1115 demonstration, "North Carolina Medicaid Reform" (Project No. 11-W-00313/4). CMS has determined that the monitoring protocol, which was submitted on August 28, 2019, meets the requirements set forth in the STCs and State Medicaid Director Letter SMD #17-003, "Strategies to Address the Opioid Epidemic."

The SUD monitoring protocol is approved for the demonstration period starting November 1, 2019 through October 31, 2024, and is hereby incorporated into the demonstration STCs as Attachment E (see attached). Per 42 CFR 431.424(c), the approved SUD monitoring protocol may now be posted to your state's Medicaid website.

If you have any questions, please contact your CMS project officer, Ms. Sandra Phelps. Ms. Phelps is available to answer any questions concerning your section 1115 demonstration and her contact information is as follows:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Mail Stop: S2-25-26
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Baltimore, MD 21244-1850
E-mail: sandra.phelps@cms.hhs.gov
Phone: (410) 786-1968

We look forward to our continued partnership on the North Carolina Medicaid Reform section 1115 demonstration.

Sincerely,



Angela D. Garner
Director
Division of System Reform Demonstrations

Enclosure

cc: Bill Brooks, Director of Field Operations South
Shantrina D Roberts, Deputy Director of Field Operations South

Attachment E: SUD Monitoring Protocol

July 5th, 2018

**Note: This template is being finalized for review and approval by OMB. It is structured for easy and consistent use by states and will facilitate cross-state assessment and the identification of trends, challenges and best practices to support learning collaboration and policy / operations enhancements as may be needed. Until such time, its use is optional, although it conveys the nature and extent of monitoring information that CMS is seeking on SUD demonstrations, and the state's comments on its structure and ease of use are helpful in finalizing it. The SUD STCs require the state's compliance with Federal Systems Updates. As federal systems continue to evolve and incorporate additional 1115 demonstration reporting and analytics functions, the state is required to work with CMS to:*

- a. Revise the reporting templates and submission processes to accommodate timely compliance with the requirements of the new systems;*
- b. Ensure all 1115, T-MSIS, and other data elements that have been agreed to for reporting and analytics are provided by the state; and*
- c. Submit deliverables to the appropriate system as directed by CMS.*

When this template is OMB approved, then the state will be required to use it.

1. Transmittal Title Page for the State’s SUD Demonstration or SUD Components of Broader Demonstration

The state should complete this Transmittal Title Page as part of its SUD Monitoring Protocol. This form should be submitted as the title page of all Monitoring Reports. The content of this transmittal table should stay consistent over time.

State	North Carolina
Demonstration Name	North Carolina Medicaid Reform Demonstration
Approval Date	October 24, 2018
Approval Period	January 1, 2019 through October 31, 2023
SUD (or if broader demonstration, then SUD Related) Demonstration Goals and Objectives	<p>As part of its commitment to expand access to treatment for substance use disorders (SUDs), North Carolina’s Department of Health and Human Services is pursuing a Section 1115 demonstration to strengthen its SUD delivery system by:</p> <ol style="list-style-type: none"> 1. Expanding its SUD benefits to offer the complete American Society of Addition Medicine (ASAM) continuum of SUD services; 2. Obtaining a waiver of the Medicaid institution for mental diseases (IMD) exclusion for SUD services; 3. Ensuring that providers and services meet evidence-based program and licensure standards; 4. Building SUD provider capacity; 5. Strengthening care coordination and care management for individuals with SUDs; and 6. Improving North Carolina’s prescription drug monitoring program (PDMP).

2. Proposed Modifications to SUD Narrative Information on Implementation, by Reporting Topic

Summary of proposed modification	Related metric (if any)	Justification for modification
1. Assessment of Need and Qualification for SUD Services		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to the assessment of need and qualification for SUD services.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
2. Access to Critical Levels of Care for OUD and other SUDs (Milestone 1)		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to the implementation.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
3. Use of Evidence-based, SUD-specific Patient Placement Criteria (Milestone 2)		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to the use of evidence-based, SUD-specific patient placement criteria.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		

<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
4. Use of Nationally Recognized SUD-specific Program Standards to Set Provider Qualifications for Residential Treatment Facilities (Milestone 3)		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to the use of nationally recognized SUD-specific program standards to set provider qualifications for Residential Treatment Facilities.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
5. Sufficient Provider Capacity at Critical Levels of Care including for Medication Assisted Treatment for OUD (Milestone 4)		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to provider capacity at critical levels of care including Medication Assisted Treatment for OUD.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
6. Implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD (Milestone 5)		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to the implementation of Comprehensive Treatment and Prevention Strategies to Address Opioid Abuse and OUD.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
7. Improved Care Coordination and Transitions between Levels of Care (Milestone 6)		

NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to improved care coordination and transitions between levels of care.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
8. SUD Health Information Technology (Health IT)		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to SUD Health Information Technology.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
9. Other SUD-Related Metrics		
NA	NA	The state does not propose any modifications to this reporting and will report on changes and/or anticipated changes and relevant trends related to other SUD-related metrics
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
10. Budget Neutrality		
NA	NA	The state does not propose any modifications to this reporting and will report on and provide an analysis of budget neutrality. Because the the SUD component is part of a comprehensive demonstration, the state will provide an analysis of the SUD-related budget neutrality and an analysis of budget neutrality as a whole.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		

<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
11. SUD-Related Demonstration Operations and Policy		
NA	NA	The state does not propose any modifications to this reporting and will highlight significant demonstration operations and policy considerations that could impact beneficiary enrollment, access to services, timely provision of services, budget neutrality, or any other provision that has potential for beneficiary impact. The state will also report on any activity that may accelerate or create delays or impediments in achieving the SUD demonstration’s approved goals and objectives.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
12. SUD Demonstration Evaluation Update		
NA	NA	The state does not propose any modification to this reporting and will provide updates on the evaluation work and timeline, deliverables related to the evaluation and timeline, and will list anticipated evaluation-related deliverables related to the demonstration with their due dates.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		
13. Other Demonstration Reporting		
NA	NA	The state does not propose any modification to this reporting and will describe any planned or anticipated implementation changes that might necessitate a change to approved STCs, implementation plan, or monitoring protocol.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		

14. Notable State Achievements and/or Innovations		
NA	NA	The state does not propose any modification to this reporting and will provide a summary of any relevant achievements and/or innovations related to the SUD component of the demonstration.
<input type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information with the modifications described above.		
<input checked="" type="checkbox"/> The state has reviewed the corresponding prompts for narrative information in the SUD Monitoring Report Template and confirms that it will report the narrative information as requested (no modifications).		

3. Acknowledgement of Budget Neutrality Reporting-

The state has reviewed the Budget Neutrality workbook provided by the project officer and understands the expectations for quarterly and annual monitoring reports. The state will provide the requested budget neutrality information (no modifications).

4. SUD Demonstration Monitoring Reporting Schedule

Dates of reporting quarter	NC's SUD DY	Report due (per STCs schedule)	SUD metrics included in report
January 1, 2019 – July 31, 2019	DY1 Q3	9/29/2019	<ul style="list-style-type: none"> Narrative information for SUD DY1 Q1, DY1 Q2, and DY1 Q3 Metrics based on non-claims administrative data for SUD DY1 Q3 (July 2019 only)
August 1, 2019 – October 31, 2019	DY1 Q4	1/29/2020	<ul style="list-style-type: none"> Narrative information for SUD DY1 Q4 Metrics based on non-claims administrative data for SUD DY1 Q4 Monthly and quarterly metrics for SUD DY1 Q3 Annual metrics that are established quality measures (calculated for CY 2018)
November 1, 2019 – January 31, 2020	DY2 Q1	3/31/2020	<ul style="list-style-type: none"> Narrative information for SUD DY2 Q1 Metrics based on non-claims administrative data for SUD DY2 Q1 Monthly and quarterly metrics for SUD DY1 Q4 Annual CMS-constructed and state-identified metrics (calculated for SUD DY 1)
February 1, 2020 – April 30, 2020	DY2 Q2	6/29/2020	<ul style="list-style-type: none"> Narrative information for SUD DY2 Q2 Metrics based on non-claims administrative data for SUD DY2 Q2 Monthly and quarterly metrics for SUD DY2 Q1
May 1, 2020 – July 31, 2020	DY2 Q3	9/29/2020	<ul style="list-style-type: none"> Narrative information for SUD DY2 Q3 Metrics based on non-claims administrative data for SUD DY2 Q3 Monthly and quarterly metrics for SUD DY2 Q2
August 1 2020 – October 31, 2020	DY2 Q4	1/29/2021	<ul style="list-style-type: none"> Narrative information for SUD DY2 Q4 Metrics based on non-claims administrative data for SUD DY2 Q4 Monthly and quarterly metrics for SUD DY2 Q3 Annual metrics that are established quality measures (calculated for CY 2019)
November 1, 2020 – January 31, 2021	DY3 Q1	4/1/2021	<ul style="list-style-type: none"> Narrative information for SUD DY3 Q1 Metrics based on non-claims administrative data for SUD DY3 Q1 Monthly and quarterly metrics for SUD DY2 Q4 Annual CMS-constructed and state-identified metrics (calculated for SUD DY 2)
February 1, 2021 – April 30, 2021	DY3 Q2	6/29/2021	<ul style="list-style-type: none"> Narrative information for SUD DY3 Q2 Metrics based on non-claims administrative data for SUD DY3 Q2 Monthly and quarterly metrics for SUD DY3 Q1
May 1, 2021 – July 31, 2021	DY3 Q3	9/29/2021	<ul style="list-style-type: none"> Narrative information for SUD DY3 Q3 Metrics based on non-claims administrative data for SUD DY3 Q3 Monthly and quarterly metrics for SUD DY3 Q2
August 1, 2021 – October 31, 2021	DY3 Q4	1/29/2022	<ul style="list-style-type: none"> Narrative information for SUD DY3 Q4 Metrics based on non-claims administrative data for SUD DY3 Q4 Monthly and quarterly metrics for SUD DY3 Q3 Annual metrics that are established quality measures (calculated for CY 2020)

Medicaid Section 1115 SUD Demonstration Monitoring Protocol – Part B
 North Carolina Medicaid Reform Demonstration Substance Use Disorder
 Submitted on March 22, 2019

November 1, 2021 – January 31, 2022	DY4 Q1	4/1/2022	<ul style="list-style-type: none"> • Narrative information for SUD DY4 Q1 • Metrics based on non-claims administrative data for SUD DY4 Q1 • Monthly and quarterly metrics for SUD DY3 Q4 • Annual CMS-constructed and state-identified metrics (calculated for SUD DY 3)
February 1, 2022 – April 30, 2022	DY4 Q2	6/29/2022	<ul style="list-style-type: none"> • Narrative information for SUD DY4 Q2 • Metrics based on non-claims administrative data for SUD DY4 Q2 • Monthly and quarterly metrics for SUD DY4 Q1
May 1, 2022 – July 31, 2022	DY4 Q3	9/29/2022	<ul style="list-style-type: none"> • Narrative information for SUD DY4 Q3 • Metrics based on non-claims administrative data for SUD DY4 Q3 • Monthly and quarterly metrics for SUD DY4 Q2
August 1, 2022 – October 31, 2022	DY4 Q4	1/29/2023	<ul style="list-style-type: none"> • Narrative information for SUD DY4 Q4 • Metrics based on non-claims administrative data for SUD DY4 Q4 • Monthly and quarterly metrics for SUD DY4 Q3 • Annual metrics that are established quality measures (calculated for CY 2021)
November 1, 2022 – January 31, 2023	DY5 Q1	4/1/2023	<ul style="list-style-type: none"> • Narrative information for SUD DY5 Q1 • Metrics based on non-claims administrative data for SUD DY5 Q1 • Monthly and quarterly metrics for SUD DY4 Q4 • Annual CMS-constructed and state-identified metrics (calculated for SUD DY 4)
February 1, 2023 – April 30, 2023	DY5 Q2	6/29/2023	<ul style="list-style-type: none"> • Narrative information for SUD DY5 Q2 • Metrics based on non-claims administrative data for SUD DY5 Q2 • Monthly and quarterly metrics for SUD DY5 Q1
May 1, 2023 – July 31, 2023	DY5 Q3	9/29/2023	<ul style="list-style-type: none"> • Narrative information for SUD DY5 Q3 • Metrics based on non-claims administrative data for SUD DY5 Q3 • Monthly and quarterly metrics for SUD DY5 Q2
August 1 2023 – October 31, 2023	DY5 Q4	1/29/2024	<ul style="list-style-type: none"> • Narrative information for SUD DY5 Q4 • Metrics based on non-claims administrative data for SUD DY5 Q4 • Monthly and quarterly metrics for SUD DY5 Q3