

STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN  
GOVERNOR

KODY H. KINSLEY  
SECRETARY

January 6, 2025

Jacey Cooper, Director  
State Demonstrations Group  
Centers for Medicare & Medicaid Services  
Center for Medicaid and CHIP Services  
7500 Security Boulevard  
Baltimore, MD 21244-1850

Ms. Shelby Higgins  
State Project Officer  
Center for Medicare & Medicaid Services  
Center for Medicaid and CHIP Services  
Mail Stop: S2-25-26  
Baltimore, MD 21244-1850

Dear Ms. Cooper and Ms. Higgins,


On December 10, 2024, the North Carolina Department of Health and Human Services (NC DHHS) received approval from the Centers for Medicare & Medicaid Services (CMS) to extend the State's section 1115(a) demonstration titled, "North Carolina Medicaid Reform Demonstration" (Project Numbers 11-W-00313/4), effective December 10, 2024, through December 9, 2029. The approval reflects the State's overarching goal to improve health and well-being for all North Carolinians through a whole-person, well-coordinated system of care that addresses both medical and non-medical drivers of health and advances health access by reducing disparities for historically marginalized populations.

This letter serves as North Carolina's official acceptance of the Special Terms and Conditions (STCs), waiver authority, and expenditure authority, subject to forthcoming technical corrections, as discussed with CMS. NC DHHS will be submitting the technical corrections under a separate cover for CMS' consideration and approval.

We appreciate the support you have shown for North Carolina's demonstration authority to continue managed care and substance use disorder (SUD) benefits, expand the Healthy Opportunities Pilots (HOP), and implement new initiatives focused on streamlining Medicaid enrollment for children and youth, improving care for justice-involved individuals, investing in behavioral health and intellectual and development disabilities (I/DD) technology, and bolstering the behavioral health and long term services and supports (LTSS) workforce.

We are pleased to accept the final terms for this new demonstration and recognize the important opportunities it presents for North Carolina. We sincerely appreciate the entire CMS team's partnership throughout this process and look forward to continuing to collaborate to improve the health of North Carolinians.

Sincerely,

DocuSigned by:  


Jay Ludlam  
Deputy Secretary for NC Medicaid  
North Carolina Department of Health and Human Services

Cc: Daniel Tsai, CMS  
Sandra Phelps, CMS  
Michael Trieger, CMS  
Julia Lerche, North Carolina Department of Health and Human Services  
Kathryn Horneffer, North Carolina Department of Health and Human Services  
Kristen Dubay, North Carolina Department of Health and Human Services  
Maria Perez, North Carolina Department of Health and Human Services