Table of Contents

State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 21-0009

This file contains the following documents in the order listed:

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106

CENTERS FOR MEDICARE & MEDICAID SERVICES
CENTER FOR MEDICAID & CHIP SERVICES

Medicaid and CHIP Operations Group

January 25, 2022

Dave Richard, Director
Division of Medical Assistance
NC Department of Health & Human Services
2501 Mail Service Center
Raleigh, North Carolina 27699-2501

Re: North Carolina State Plan Amendment (SPA) NC 21-0009

Dear Mr. Richard:

The Centers for Medicare & Medicaid Services (CMS) completed review of North Carolina's State Plan Amendment (SPA) Transmittal Number NC 21-0009 submitted on June 22, 2021. The purpose of this SPA is to amend its CCNC Primary Care Case Management Program in light of the launch of the statewide MCO program on July 1, 2021.

We conducted our review of this amendment according to statutory requirements of Title XIX of the Social Security Act and implementing Federal regulations. This letter is to inform you that North Carolina Medicaid SPA Transmittal Number NC 21-0009 is approved effective July 1, 2021.

If you have any questions regarding this state plan amendment, please contact Rick Dawson at 206-615-2387 or via email at Rick.Dawson@cms.hhs.gov.

Sincerely,

/s/

Bill Brooks
Director
Division of Managed Care Operations

cc: Betty Staton
Lynn DelVecchio, CMS
Angela Jones, CMS

DEPARTMENT OF HEALTH AND HUMAN SERVICES
HEALTH CARE FINANCING ADMINISTRATION

FORM APPROVED
OMB NO. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL **FOR: HEALTH CARE FINANCING ADMINISTRATION**	1. TRANSMITTAL NUMBER: 21-0009	2. STATE NC
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE July 1, 2021	

5. TYPE OF PLAN MATERIAL *(Check One)*:

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT *(Separate Transmittal for each amendment)*

6. FEDERAL STATUTE/REGULATION CITATION:	7. FEDERAL BUDGET IMPACT: a. FFY 2021 ($8,625,761.00) b. FFY 2022 ($30,664,652.00)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: 1932a State Plan Preprint Attachment 3.1-F	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*: 1932a State Plan Preprint Attachment 3.1-F (Part 1)

10. SUBJECT OF AMENDMENT: CCNC Managed Care

11. GOVERNOR'S REVIEW *(Check One)*:

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL
☒ OTHER, AS SPECIFIED: Secretary

12. SIGNATURE OF STATE AGENCY OFFICIAL: //s//	16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-2001
13. TYPED NAME: Mandy Cohen, MD, MPH	
14. TITLE: Secretary	
15. DATE SUBMITTED: June 21, 2021	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 06/22/21	18. DATE APPROVED: 01/25/2022
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 07/01/2021	20. SIGNATURE OF REGIONAL OFFICIAL: /s/
21. TYPED NAME: Bill Brooks	22. TITLE: Director, Division of Managed Care Operations

23. REMARKS:

1/24/22: State granted permission to: (1) add "42 CFR 438" to box 6, (2) add cost savings numbers to box 7, and add "(Part 1)" to box 9.

State: North Carolina

Citation	Condition or Requirement

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

Citation	Condition or Requirement
	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: X Provision of intensive telephonic case management X Provision of face-to-face case management ☐ Operation of a nurse triage advice line X 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. X Provision of enrollee outreach and education activities. X Operation of a customer service call center. X Review of provider claims, utilization and/or practice patterns to conduct provider profiling and/or practice improvement. X Implementation of quality improvement activities including administering enrollee satisfaction surveys or collecting data necessary for performance measurement of providers. X Coordination with behavioral health systems/providers. X Coordination with long-term services and supports systems/providers. ☐ Other (please describe):
	DHB shall set forth enhanced management fees to providers in the N3CN PCCMe contract that 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. 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. A provider satisfaction survey using an external vendor will be conducted every two years to maintain continued input from providers who 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.

State: North Carolina

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.

State: North Carolina

Citation	Condition or Requirement
42 CFR 438.50(c)(1)	
1932(a)(1)(A)(i)(I) 1905(t) 42 CFR 438.50(c)(2) 1902(a)(23)(A)	2. X 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.
1932(a)(1)(A) 42 CFR 438.50(c)(3)	3. X 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. X 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. X 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. X 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. ☐ 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. ☐ 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. ☐ 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			**Statewide**	Population would be mandatory unless otherwise enrolled in MCO or Tribal Option PCCMe

State: North Carolina

2.	Pregnant Women	§435.116	X			See row 1	See row 1
3.	Children Under Age 19 (Inclusive of Deemed Newborns under §435.117)	§435.118	X			See row 1	See row 1
4.	Former Foster Care Youth (up to age 26)	§435.150	**X**			See row 1	See row 1
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			See row 1	See row 1
7.	Extended Medicaid Due to Spousal Support Collections	§435.115	X			See row 1	See row 1

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			See row 1	See row 1
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			See row 1	See row 1
11. Disabled Widows and Widowers Ineligible for SSI due to an increase of OASDI	§435.137	X			See row 1	See row 1
12. Disabled Widows and Widowers Ineligible for SSI due to Early Receipt of Social Security	§435.138	X			See row 1	See row 1

State: North Carolina

13. Working Disabled under 1619(b)	1619(b), 1902(a)(10)(A)(i)(II), and 1905(q) of SSA	X			See row 1	See row 1
14. Disabled Adult Children	1634(c) of SSA	X			See row 1	See row 1

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			Statewide	Population would be mandatory unless otherwise enrolled in MCO or Tribal Option PCCMe
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

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
7. Aged, Blind or Disabled Individuals Eligible for but Not Receiving Cash	§435.210 and §435.230	X			See row 3	See row 3
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			See row 3	See row 3
10. Optional State Supplement Recipients - 1634 and SSI Criteria States – with 1616 Agreements	§435.232	X			See row 3	See row 3
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

State: North Carolina

15. Poverty Level Aged or Disabled	1902(a)(10)(A)(ii)(X) and 1902(m)(1) of the SSA	X			See row 3	See row 3
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			See row 3	See row 3
18. Ticket to Work Medically Improved Group	1902(a)(10)(A)(ii)(XVI) of the SSA	X			See row 3	See row 3
19. Family Opportunity Act Children with Disabilities	1902(a)(10)(A)(ii)(XIX) of the SSA	X			See row 3	See row 3
20. Individuals Eligible for State Plan Home and Community-Based Services	§435.219					Not applicable

State: North Carolina

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			See row 3	See row 3

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			Statewide	Population would be mandatory unless otherwise enrolled in MCO or Tribal Option PCCMe
2. Medically Needy Children under Age 18	§435.301(b)(1)(ii)	X			See row 1	See row 1
3. Medically Needy Children Age 18 through 20	§435.308	X			See row 1	See row 1
4. Medically Needy Parents and Other Caretaker Relatives	§435.310	X			See row 1	See row 1
5. Medically Needy Aged	§435.320	X			See row 1	See row 1
6. Medically Needy Blind	§435.322	X			See row 1	See row 1
7. Medically Needy Disabled	§435.324	X			See row 1	See row 1
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

State: North Carolina

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
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		X		

State: North Carolina

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		Statewide	
American Indian/Alaskan Native—Medicaid beneficiaries who are American Indians or Alaskan Natives and members of federally recognized tribes	§438.14	X		Statewide	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		Statewide	
Title IV-E Children - Children receiving foster care, adoption assistance, or kinship guardianship assistance under title IV-E *	§435.145	X		Statewide	
Non-Title IV-E Adoption Assistance Under Age 21*	§435.227	X		Statewide	
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):

State: North Carolina

Citation | Condition or Requirement

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 enrolled in MCO or Tribal Option PCCMe
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. X If applicable, please check here to indicate that the state provides an

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:

_____

There is an unlimited choice period for AI/AN beneficiaries eligible to enroll in the N3CN PCCMe program.

State: North Carolina

Citation	Condition or Requirement

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).

Except for the AI/AN populations, who may select a different PCCMe (EBCI Tribal Option), there is only one PCCMe contractor in this program and there is no enrollment choice between different PCCMe entities.

There is an unlimited choice period for voluntary beneficiaries who are passively enrolled in the N3CN PCCMe program, including:

1) "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
2) 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.
3) Title IV-E Children - Children receiving foster care, adoption assistance, or kinship guardianship assistance under title IV-E
4) Non-Title IV-E Adoption Assistance Under Age 2
5) 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).
6) Participate in HCBS Waiver--Medicaid beneficiaries who participate in a Home and Community Based Waiver (HCBS, also referred to as a 1915(c) waiver).

The algorithm for passive enrollment is to enroll all voluntarily enrolled groups into the single statewide PCCM entity, North Carolina Community Care Networks, Inc.")

For the following groups:

1) "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

2) 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.
3) Title IV-E Children - Children receiving foster care, adoption assistance, or kinship guardianship assistance under title IV-E
4) Non-Title IV-E Adoption Assistance Under Age 21

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. These populations are not eligible to enroll in any other MCO.

For the following groups:
1) 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).
2) Participate in HCBS Waiver--Medicaid beneficiaries who participate in a Home and Community Based Waiver (HCBS, also referred to as a 1915(c) waiver).

The Enrollment Broker provide information about the program to potential enrollees and enroll them into the program.

ii. Please indicate how long the enrollee will have to disenroll 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(d)(3). The mandatory enrollment process of this section applies to all eligibility groups and populations not otherwise identified as voluntary in the preceding sections.

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. X 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).

Except for the AI/AN populations, who may select a different PCCMe (EBCI Tribal Option), there is only one PCCMe contractor in this program and there is no enrollment choice between different PCCMe entities. For populations eligible to enroll in an MCO, The Enrollment Broker provide information about the program to potential enrollees and enroll them into the program.

For populations not eligible to enroll in an MCO, 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 algorithm for mandatory enrollment is to enroll all mandatorily enrolled groups into the single statewide PCCM entity, North Carolina Community Care Networks, Inc.

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

State: North Carolina

Citation	Condition or Requirement

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);
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;
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.

42 CFR 438.52

b. ☐ 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:

X This provision is not applicable to this 1932 State Plan Amendment.

42 CFR 438.56(g)

c. X 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.

☐ This provision is not applicable to this 1932 State Plan Amendment.

42 CFR 438.71

d. X 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.

1932(a)(4)
42 CFR 438.56

G. Disenrollment.

1. The state will X/ will not limit disenrollment for managed care.

The state will not limit disenrollment for voluntarily enrolled groups and populations, but that the state will limit enrollment for all mandatorily enrolled groups and populations

2. The disenrollment limitation will apply for_____(up to 12 months).

3. X The state assures that beneficiary requests for disenrollment (with and without cause) will be permitted in accordance with 42 CFR 438.56.

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. *(Examples: state generated correspondence, enrollment packets, etc.)*

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.

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

State: North Carolina

Citation	Condition or Requirement

H. Information Requirements for Beneficiaries.

1932(a)(5)(c)
42 CFR 438.50
42 CFR 438.10

X The state assures that its state plan program is in compliance with 42 CFR 438.10 for information requirements specific to MCOs, PCCMs, and PCCM entity programs operated under section 1932(a)(1)(A)(i) state plan amendments.

1932(a)(5)(D)(b)
1903(m)
1905(t)(3)

I. List all benefits for which the MCO is responsible.

Complete the chart below to indicate every State Plan-Approved services that will be delivered by the MCO, and where each of those services is described in the state's Medicaid State Plan. For "other practitioner services", list each provider type separately. For rehabilitative services, habilitative services, EPSDT services and 1915(i), (j) and (k) services list each program separately by its own list of services. Add additional rows as necessary.

In the first column of the chart below, enter the name of each State Plan-Approved service delivered by the MCO. In the second – fourth column of the chart, enter a State Plan citation providing the Attachment number, Page number, and Item number, respectively.

State Plan-Approved Service Delivered by the MCO	Medicaid State Plan Citation		
	Attachment #	Page #	Item #
Ex. Physical Therapy	*3.1-A*	*4*	*11.a*

1932(a)(5)(D)(b)(4)

J. ☐ The state assures that each MCO has established an internal grievance and

State: North Carolina

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	K. Services, including capacity, network adequacy, coordination, and continuity. X The state assures that all applicable requirements of 42 CFR 438.62, regarding continued service to enrollees, will be met. ☐ The state assures that all applicable requirements of 42 CFR 438.68, regarding network adequacy standards, will be met. ☐ The state assures that all applicable requirements of 42 CFR 438.206, regarding availability of services, will be met. ☐ The state assures that all applicable requirements of 42 CFR 438.207, regarding assurances of adequate capacity and services, will be met. ☐ The state assures that all applicable requirements of 42 CFR 438.208, regarding coordination and continuity of care, will be met.
1932(c)(1)(A) 42 CFR 438.330 42 CFR 438.340	L. X 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.
1932(c)(2)(A) 42 CFR 438.350 42 CFR 438.354 42 CFR 438.364	M. X 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.
1932 (a)(1)(A)(ii)	N. Selective Contracting Under a 1932 State Plan Option. To respond to items #1 and #2, place a check mark. The third item requires a brief narrative. 1. The state will X/will not ☐ intentionally limit the number of entities it contracts under a 1932 state plan option.

State: North Carolina

Citation	Condition or Requirement

2. X The state assures that if it limits the number of contracting entities, this limitation will not substantially impair beneficiary access to services.

3. Describe the criteria the state uses to limit the number of entities it contracts under a 1932 state plan option. *(Example: a limited number of providers and/or enrollees.)*

   The single PCCMe consists of the entire NC Medicaid FFS network of primary care providers. As such, the requirement to participate in this program does not affect the enrollee's access to primary care providers in any way

   The population served by the PCCMe will decrease in size over the next five years. Therefore, the State has contracted with a single statewide PCCMe to support this work during the transition of populations into MCOs.

4. ☐ The selective contracting provision in not applicable to this state plan.

State: North Carolina

Citation | Condition or Requirement

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: North Carolina

Citation Condition or Requirement

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)