Table of Contents

State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 25-0001

This file contains the following documents in the order listed:

1) Approval Letter
2) Form CMS-179
3) Approved SPA Pages

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

March 28, 2025

Jay Ludlam
Deputy Secretary
Division of Medical Assistance
2001 Mail Service Center
1985 Umstead Drive
Raleigh, NC 27699-20014

Re: North Carolina State Plan Amendment (SPA) – 25-0001

Dear Mr. Ludlam:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) 25-0001. This amendment proposes to remove both quantitative treatment limitations, such as visit limits, and non-quantitative treatment limitations, including prior authorization, concurrent review, and reauthorization requirements.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act. This letter informs you that North Carolina Medicaid SPA TN 25-0001 was approved on March 28, 2025, effective January 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the North Carolina State Plan.

If you have any questions, please contact Morlan Lannaman at (470) 890-4232 or via email at Morlan.Lannaman@cms.hhs.gov.

Sincerely,

[redacted]

Ruth A. Hughes, Acting Director
Division of Program Operations

Enclosures

cc: Kathryn Horneffer, NC DHHS
Ashley Blango, NC DHHS

Docusign Envelope ID: 3D6C04DB-48CE-44BA-BCD8-16BA53A4062E
DEPARTMENT OF HEALTH AND HUMAN SERVICES
CENTERS FOR MEDICARE & MEDICAID SERVICES

FORM APPROVED
OMB No. 0938-0193

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL

FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES

1. TRANSMITTAL NUMBER: 25 — 0001

2. STATE: NC

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT: (●) XIX ( ) XXI

TO: CENTER DIRECTOR
CENTERS FOR MEDICAID & CHIP SERVICES
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
January 01, 2025

5. FEDERAL STATUTE/REGULATION CITATION
Title 42 Chapter IV Subchapter C Part 438 Subpart K & 438,900

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)
a. FFY 25 $ 9,879,238
b. FFY 26 $ 12,975,926

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Att. 3.1-A.1, Pgs.15a.7-7-A; Att. 3.1-A.1, Pgs.15a.6-6a; Att. 3.1-A.1, Pg7c.2
Att. 3.1-A.1, Pgs. 7c.6-6a; Att. 3.1-A.1, Pg 7c.5a; Att. 3.1-A.1, Pgs. 7c.7-7a
Att. 3.1-A.1, Pgs. 15a.16-18a; Att.3.1-A.1 Pgs. 7c.13-13c
Att.3.1-A.1, Pg 15a.4; Att. 3.1-A.1, Pg 15a.2b; Att. 3.1-A.1, Pg 15a.8
Att.3.1-A.1, Pgs. 7c.9b-9e; Appx 2 Att. 3.1-A Pg 1; Att. 3.1-A.1, Pg 15a.3a
Att.3.1-A.1, Pg 15a.10; Att. 3.1-A.1, Pg 7c.8 Att. 3.1-A.1, Pg 15a. 11-11A
~~Appx 3 to Att.3.1-A Pg4~~ Appx 3 to Att.3.1-A Pg5

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT *(If Applicable)*

Att. 3.1-A.1, Pgs.15a.7-7-A; Att. 3.1-A.1, Pgs.15a.6-6a; Att. 3.1-A.1, Pg7c.2
Att. 3.1-A.1, Pgs. 7c.6-6a; Att. 3.1-A.1, Pg 7c.5a; Att. 3.1-A.1, Pgs. 7c.7-7a
Att. 3.1-A.1, Pgs. 15a.16-18a; Att.3.1-A.1 Pgs. 7c.13-13c
Att.3.1-A.1, Pg 15a.4; Att. 3.1-A.1, Pg 15a.2b; Att. 3.1-A.1, Pg 15a.8
Att.3.1-A.1, Pgs. 7c.9b-9e; Appx 2 Att. 3.1-A Pg 1; Att 3.1-A.1, Pg 15a.3a
Att.3.1-A.1, Pg 15a.10; Att. 3.1-A.1, Pg 7c.8 Att. 3.1-A.1, Pg 15a. 11-11A
Appx 3 to Att.3.1-A Pg5

9. SUBJECT OF AMENDMENT

1905(a) Mental Health Parity

10. 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

11. SIGNATURE OF STATE AGENCY OFFICIAL [redacted]

12. TYPED NAME
Jay Ludlam

13. TITLE
Deputy Secretary

14. DATE SUBMITTED 12/18/24 | 4:33 PM EST

15. RETURN TO
Office of the Deputy Secretary
Department of Health and Human Services
2001 Mail Service Center
Raleigh, NC 27699-20014

FOR CMS USE ONLY

16. DATE RECEIVED
12/30/24

17. DATE APPROVED
03/28/2025

PLAN APPROVED - ONE COPY ATTACHED

18. EFFECTIVE DATE OF APPROVED MATERIAL
01/01/2025

19. SIGNATURE OF APPROVING OFFICIAL [redacted]

20. TYPED NAME OF APPROVING OFFICIAL
Ruth A. Hughes

21. TITLE OF APPROVING OFFICIAL
Acting Director, Division of Program Operations

22. REMARKS
The State authorized Pen and Ink change on 03/25/2025
1. Strike out Appx 3 to Att. 3.1-A Pg4 and replace it with Appx 3 to Att. 3.1-A Pg5
2 Move the remarks in Box 22 to Box 7 & 8 (Box 7 Cont'd: Appx 3 to Att.3.1-A Pg5. Box 8 contains all policies)
3. Update Box 5, to Title 42 Chapter IV Subchapter C Part 438 Subpart K & 438,900
4. Update Box 7 and 8 to Include the following missing pages.

Att. 3.1-A.1, Pgs.15a.7
Att. 3.1-A.1, Pgs.15a.6
Att. 3.1-A.1, Pgs. 7c.6a
Att. 3.1-A.1, Pg 15a.11

Instructions on Back

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

4.b.(8) Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services *(continued)*
Description of Services

(a) Psychotherapy Services:
For the complete description of the service providers, their qualifications, service limitations and service descriptions, see Attachment 3.1-A pages 15a.16 and 15a.7

(b) Diagnostic Assessment (42 CFR 440.130(a))

This is a clinical face to face or telehealth evaluation of a beneficiary's MH/DD/SAS condition that will establish a need for the enhanced benefit package of services. It is a team service and must include evaluations by either, a physician, physician assistant, nurse practitioner or licensed psychologist who can sign an order for services and a licensed or certified practitioner with expertise in MH/DD/SAS as appropriate and consist of the following:

- a chronological general health and behavioral health history (includes both mental health and substance abuse) of the beneficiary's symptoms, treatment, treatment response and attitudes about treatment over time, emphasizing factors that have contributed to or inhibited previous recovery efforts; biological, psychological, familial, social, developmental and environmental dimensions and identified strengths and weaknesses in each area;
- a description of the presenting problems, including source of distress, precipitating events, associated problems or symptoms, recent progressions, and current medications;
- a strengths/problem summary which addresses risk of harm, functional status, co-morbidity, recovery environment, and treatment and recovery history;
- diagnoses on all five (5) axes of DSM-IV;
- evidence of an interdisciplinary team progress note that documents the team's review and discussion of the assessment;
- a recommendation regarding target population eligibility; and
- evidence of beneficiary participation including families, or when applicable, guardians or other caregivers.

Behavioral Health Rehabilitative Services

Mobile Crisis Management

This involves all supports, services, and treatments necessary to provide integrated crisis response, and crisis stabilization interventions. Mobile Crisis Management services are available 24-hours-a-day, 7-daysa-week. Crisis response provides an immediate evaluation, triage and access to acute mental health, intellectual/developmental disabilities, or substance use services, treatment, and supports to effect symptom reduction, harm reduction, or to safely transition persons in acute crises to appropriate crisis stabilization and withdrawal management services. Crisis response services include screening and assessment; stabilization and de-escalation; and coordination with, and referrals to, health, social, and other services and supports as needed. Services are provided to a beneficiary outside of a hospital or crisis facility setting.

MCM services are provided by a multidisciplinary team that includes:

- a licensed clinician capable of conducting an assessment of the beneficiary within their authorized scope of practice; and
- a Qualified Professional (QP), an Associate Professional (AP), or a Paraprofessional (as defined in Attachment 3.1-A.1 Page 7c.10-11) including NC Certified Peer Support Specialist or National Federation of Families Certified Family Peer Specialist. Paraprofessionals must work under the supervision of a QP.
- a psychiatrist must be available for in-person, telehealth, or telephonic consults.

The MCM team must have experience with the appropriate disability group and 20 hours of crisis intervention training within the first 90 days of employment.

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

4.b. Early and periodic screening, diagnostic and treatment services for individuals under 21 years of age, and treatment of conditions found. ***(continued)***

Provider agencies for Partial Hospitalization are licensed by the Division of Health Service Regulation, credentialed by the LMEs as meeting the program specific requirements for provision of Partial Hospitalization and enrolled in Medicaid. The staff providing this service is employees of the enrolled agency. Their qualifications and the discrete service components they perform are listed below.

All services in the Partial Hospitalization are provided by a team, which may have the following configuration: social workers, psychologists, therapists, or paraprofessionals.
The following sets forth the activities included in this service definition. These activities reflect the appropriate scope of practice for the Partial Hospitalization staff identified below
Physician: The partial hospitalization milieu is directed under the supervision of a physician. The physician participates in diagnosis, treatment planning, and admission/discharge decisions.

Qualified Professional: Staff shall include at least one Qualified Professional (qualifications described on Attachment 3.1-A.1, 15a.15). Qualified Professionals practicing within the scope of their licensing and training shall perform group activities and therapy such as individual supportive therapy and recreational therapy. Care coordination functions are perfonned by the Qualified Professional as clinically indicated.

Paraprofessionals: (qualifications described on Attachment 3.1-A.1, 15a.14): Paraprofessionals perfonn community living skills training under the supervision of a Qualified Professional.

Exclusions and limitations of PH are:

- A beneficiary can receive PH services from only one PH provider at a time.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

(g) Intensive In-Home
A mental health/substance abuse service that can be provided through age 20 in order to:

- diffuse current crisis as a first responder,
- intervene to reduce likelihood of re-occurrence,
- ensure linkage to community services and resources,
- monitor and manage presenting psychiatric and/or addictions,
- provide self-help and living skills for youth; and
- work with caregivers in implementation of home-based supports and other rehabilitative supports to prevent out of home placement for the child.

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

4.b. Early and periodic screening, diagnostic and treatment services for individuals under 21 years of age, and treatment of conditions found, *(continued)*

This is a team service provided by qualified professionals, associate professionals and paraprofessionals. There is a team to family ratio to keep case load manageable and staff must complete intensive in home training with in the first 90 days of employment. Services are provided in the home or community and not billable for children in detention or inpatient settings. It is expected that service frequency shall decrease over time. The service requires a minimum of 12 face-to-face contacts the first month, and at least 6 face-to-face contacts per month in the second and third months of service with a contact being defined as all visits within a 24-hour period. A minimum of 2 hours of service must be provided each day for the service to be billable. Documentation must include: a daily full service note that includes the recipient's name, Medicaid identification number, date of service, purpose of contact, describes the provider's interventions, includes the time spent performing the interventions, effectiveness of the intervention, and the signature of the staff providing the service. After December 31, 2010, this service can only be provided by and billed by a Critical Access Behavioral Health Care Agency (CABHA). The service must be ordered by a physician, licensed psychologists, physician's assistant or nurse practitioner.

Service Limitations:
This service can only be provided by one Intensive In-Home provider at the time and cannot be billed on the same day as Multisystemic Therapy, Day Treatment, Hourly Respite, Individual, group or family therapy, SAIOP, or for individuals living in a Level II-IV program type facility (Attachment 3.1-A.1, Pages 15a.19-20) Psychiatric Residential Treatment Facility, or substance abuse residential facility.
The following are not billable under this service:

- Transportation time (this is factored in the rate)
- Any habilitation activities
- Any social or recreational activities (or the supervision thereof)
- Clinical and administrative supervision of staff, including team meetings (this is factored in the rate)

Service delivery to individuals other than the beneficiary may be covered only when the activity is directed exclusively toward the benefit of that beneficiary.

Note: For Medicaid beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

4.b(8) Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services *(continued)*
Description of Services

(h) Multisystemic Therapy (MST)

This mental health/substance abuse program is an evidenced-based practice designed for youth generally between the ages of 7 and 17 who have antisocial, aggressive/violent behaviors and are at risk for out of home placement due to delinquency; adjudicated youth returning from out of home placement and/or chronic or violent juvenile offenders; and youths with serious emotional disturbances or abusing substances. As required by EPSDT, youth outside of these age ranges would be able to receive the service if medically necessary and if no other more appropriate service is available. This is a team service that has the ability to provide service 24/7/365. The service components include assessment, individual therapeutic interventions with the youth and family, care coordination, and crisis stabilization. Specialized therapeutic interventions are available to address special areas such as substance abuse, sexual abuse, sex offending, and domestic violence. Services are available in-home, at school, and in other community settings. MST involves families and other systems such as the school, probation officers, extended families, and community connections. The service must be ordered by a physician, licensed psychologists, physician's assistant or nurse practitioner.

Recipients residing in detention facilities, halfway houses or wilderness camps under governmental control, an inmate receiving outpatient treatment, or receiving care on premises of prison, jail, detention center, or other penal setting are not eligible for receiving any Medicaid Federal Financial Participation (FFP) through MST.

A minimum of 12 contacts are required within the first month of the service and for the next two months an average of 6 contacts per month will occur. It is the expectation that service frequency will be titrated over the last two months.

MST services are provided by a team of master's level Qualified Professionals (QP) as defined in Attachment 3.1-A. 1Page 7c. 10-11.

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 (i.e. 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.).

Service Exclusions and Service Limitations:

A beneficiary may receive MST services from only one MST provider organization at a time. MST services may not be covered for beneficiaries who are receiving, Intensive In-Home Services, Day Treatment, individual, group or family therapy, SAIOP, Child residential Level I HV, Non-Medical Community Residential Treatment or Medically Monitored Community Residential Treatment.

Note: For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

PAGE INTENTIONALLY LEFT BLANK

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

4.b. Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services *(continued)*
Description of Services

(i) Substance Abuse Intensive Outpatient (SAIOP)

This service provides motivational enhancement and engagement therapies for recovery, random alcohol/drug testing and strategies for relapse prevention to include community and/or other strategies for relapse preventions. These therapies include:

- Individual counseling and support,
- Group counseling and support,
- Family counseling and support,
- Biochemical assays to identify recent drug use (e.g. urine drug screens),
- Strategies for relapse prevention: community and social support systems in treatment,
- Crisis contingency planning, and
- Self-Management of Symptoms and Treatment support activities that have been adapted or specifically designed for persons with physical disabilities or persons with co-occurring disorders of mental illness and/or developmental disabilities and/or substance abuse/dependence.

Family counseling and support as well as group counseling and support are provided only for the direct benefit of the recipient of the SAIOP program.

SAIOP must be available for a minimum of 3 hours per day, be operated out of a licensed substance abuse facility and can be provided in a variety of settings. The maximum face to face ratio is an average of not more than 12 recipients to 1 direct services staff based on average daily attendance. This service can only be provided by qualified substance abuse professional staff with the following licenses or certifications: Licensed Psychological Associates, Licensed Clinical Mental Health Counselors, Licensed Clinical Social Workers, Certified Alcohol and Drug Counselors, and Licensed Clinical Addiction Specialists. This service must be ordered by an MD, NP, PA or PhD psychologist.

Exclusions and limitations of SAIOP are:

- SAIOP cannot be billed during the same episode of care as SA Comprehensive Outpatient Treatment, Ambulatory Detoxification, Non-Hospital Medical Detoxification, all detoxification services levels, Non-Medical Community Residential Treatment or Medically Monitored Community Residential Treatment.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the North Carolina State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

4.b.(8) Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services *(continued)*
Description of Services

(k) Professional Treatment Services in Facility-Based Crisis Program – Children and Adolescents (continued)

Each facility shall have staff ratios, trained staff, and protocols and procedures in conformance with State policies and rules. Aftercare planning includes: (aftercare planning is the responsibility of the Qualified Professional)

Discharge planning which begins at admission, including:
• arranging for linkage to new or existing services that will provide further treatment, habilitation and/or rehabilitation upon discharge from the Facility-Based Crisis service.
• arranging for linkage to a higher level of care as medically necessary;
• identifying, linking to, and collaborating with informal and natural supports in the community; and
• developing or revising the crisis plan to assist the recipient and his or her supports in preventing and managing future crisis events.

This service is designed as a time-limited alternative to hospitalization for an individual in crisis. Providers are required to staff programs according to population designation above. Staff eligible to provide this service include: Board-eligible or board certified child psychiatrist or a general psychiatrist with a minimum of two years' experience in the treatment of children and adolescents, Licensed Practicing Psychologists, Licensed Professionals (Licensed Clinical Social Workers, Licensed Clinical Mental Health Counselors, Licensed Clinical Addiction Specialists, Licensed Marriage and Family Therapists, Registered Nurses, Licensed Practical Nurse), Qualified Professionals, Associate Professionals and/or Paraprofessionals (as defined in Attachment 3.1-A.1 Pages 7c. 10-11) with disability-specific knowledge, skills, and abilities required by the population and age to be served. Practitioners providing direct services to beneficiaries must be licensed or certified by the State. The program shall be under the supervision of a psychiatrist, the licensed professional provides clinical supervision to the program, and the program shall have the capacity to provide more intensive supervision in response to the needs of individual clients.

The Facility Based Crisis program must address the age, behavior, and developmental functioning of each recipient to ensure safety, health and appropriate treatment interventions within the program milieu. The facility must ensure the physical separation of children from adolescents by living quarters, common areas, and in treatment, etc. If adults and children are receiving services in the same building, the facility must ensure complete physical separation between adults and children. All facilities serving both children and adults shall have 16 beds or less.

Each facility must be staffed at a minimum of a psychiatrist, a registered nurse (24 hours/day), and an additional licensed professional. A physician is available 24/7 and must conduct a psychiatric assessment within 24 hours of admission. A registered nurse must conduct a nursing assessment within 24 hours on admission and oversee the monitoring of patient's progress and medications. A licensed professional must conduct a comprehensive clinical assessment upon admission. Treatment interventions may be performed by all staff based on their qualifications and/or scope of practice. Aftercare planning may be performed by any Qualified Professional. This service must be ordered by an MD, NP, PA or PhD psychologist

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

(k) Professional Treatment Services in Facility-Based Crisis Program – Children and Adolescents (continued)

Facility Based Crisis is not available for:

a. room and board services;
b. educational, vocational and job training services;
c. habilitation services;
d. services to inmates in public institutions as defined in 42 CFR §435.1010;
e. services to individuals residing in institutions for mental diseases as described in 42 CFR§435.1010;
f. recreational and social activities; and
g. services that must be covered elsewhere in the state Medicaid plan.

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 (i.e. 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.).

PAGE INTENTIONALLY LEFT BLANK

PAGE INTENTIONALLY LEFT BLANK

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

(xiii) Substance Abuse Non-Medical Community Residential Treatment

This is a 24 hour residential recovery program professionally supervised that works intensively with adults. It is a licensed rehabilitation facility with 16 beds or less without medical nursing/ monitoring, with a planned program of professionally directed evaluation, care and treatment for the restoration of functioning for persons with an addictions disorder. Programs include assessment/referral, individual and group therapy, family recovery, recovery skills training, care management, symptoms monitoring, medication monitoring and self-management of symptoms. Care management and coordination includes coordination with other providers to assure continuity of services, discharge planning, and coordination of care among providers. Services in the person-centered plan will be adapted to the client's developmental and cognitive level. Staff requirements are CCS, LCAS and CADC; or a QP, AP or paraprofessional (staff definitions are included at the end of this document). Medicaid will not pay room and board; will pay only the treatment component. This service must be ordered by an MD, NP, PA or PhD psychologist.

(xiv) Exclusions and limitations of Substance Abuse Non-Medical Community Residential Treatment are:

- This service cannot be billed the same day as any other MHSA service except CST or ACT.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

(viii) **Assertive Community Treatment (ACT)**

Assertive Community Treatment (ACT) is defined as an individual-centered, recovery-oriented mental health service delivery model for facilitating community living, psychosocial rehabilitation and recovery for persons who have the most severe and persistent mental illnesses, have severe symptoms and impairments, and have not benefited from traditional outpatient programs. ACT is a multi-disciplinary, self-contained clinical team approach with team members providing long-term intensive care in natural community settings. The team provides all mental health services rather than referring individuals to different mental health providers, programs, and other agencies.

The team provides evaluations (an assessment to determine the extent of the problems), outpatient treatment, case management, and community based services (described below) for individuals with mental health and substance abuse diagnoses. Interventions include the following, with a focus on achieving a maximum reduction of physical or mental disability and restoration of a beneficiary to his/her best possible functional level are provided for the direct benefit of the beneficiary.

- Service coordination
- Crisis assessment and intervention
- Symptom assessment and management
- Individual counseling and psychotherapy, including cognitive and behavioral therapy
- Medication monitoring, administration and documentation
- Substance abuse treatment
- Working with beneficiaries to help them regain and restore skills needed to function socially and in the community and at an age-appropriate level.
- Support and consultation to families and other major supports are provided for the direct benefit of the beneficiary

ACT is available 24/7/365, in any location except jails, detention centers, clinic settings and hospital inpatient settings.

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

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

(viii) **Assertive Community Treatment (ACT)** ***(continued)***

The service is intended to provide support and guidance in all functional domains to enhance the beneficiary's ability to remain in the community.

Eligible Providers

The team shall be interdisciplinary to carry out the varied activities needed to meet the complex needs of beneficiaries and shall include:

a. a dedicated Team Leader who is a licensed clinician. An associate level licensed clinician actively seeking licensure may serve as Team Leader conditional upon being fully licensed within 30 calendar days from the effective date of hire.
b. a registered nurse or advanced practice registered nurse (APRN);
c. a psychiatrist; and
d. physician extenders (psychiatric nurse practitioner and physician assistant) under the supervision of the psychiatrist;
e. a licensed clinical addiction specialist (LCAS) or an associate level LCAS, certified alcohol and drug counselor (CADC) or certified clinical supervisor (CSS);
f. a vocational specialist who meets criteria of an associate professional or qualified professional (as defined in Attachment 3.1-A. 1 Page 7c. 10-11); and
g. a NC certified peer support specialist

Exclusions and limitations of ACT are:

- A beneficiary can receive ACT services from only one ACT provider at a time. ACT is a comprehensive team intervention and may not be provided at the same time as any other State Plan service that contain duplicative service components. Opioid Treatment can be provided concurrently with ACT.
- ACT services can be covered for beneficiaries who are transitioning to or from, CST, Partial Hospitalization, SAIOP, SACOT, PSR, or SA residential services for the purpose of facilitating admission and discharge.
- ACT services can be provided for individuals residing in adult MH residential programs that are 16 beds or less.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

(xiv) Substance Abuse Medically Monitored Residential Treatment

This is a 24 hour non-hospital, medically monitored residential recovery program in a facility with 16 beds or less, with 24 hour medical/nursing monitoring where a planned program of professionally directed evaluation, care and treatment for the restoration of functioning for persons with alcohol and other drug problems/addictions occurs. This facility is not a detoxification facility but the focus is on treatment after detoxification has occurred. Substance Abuse Medically Monitored Residential Treatment service is provided in a non-hospital rehabilitation facility and provides assessments, monitoring of patient's progress and medication administration, treatment relating to restoration of functioning (sustained improvement in health and psychosocial functioning, reduction of psychiatric symptoms when present, and reduction in risk of relapse); and staff serve first responder for crisis intervention. Treatments related to restoration of functioning include individual counseling, group counseling, family counseling, biochemical assays, life skills training, strategies for relapse prevention, and self-management of symptoms.

It is staffed by Certified Clinical Supervisor, Licensed Clinical Addiction Specialist and Certified Alcohol and Drug Counselor's, QPs, APs and paraprofessionals with training and expertise with this population. This service must be ordered by an MD, NP, PA or PhD psychologist.

Exclusions and limitations of Substance Abuse Medically Monitored Residential Treatment are:

- This service cannot be billed the same day as any other MHSA service except CST or ACT.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

Diagnostic, Screening, Treatment, Preventive and Rehabilitative Services *(continued)*
Description of Services

Peer Support Services (PSS) (continued)

Service limitations:

a. A beneficiary can receive PSS from only one provider organization when receiving services. The beneficiary may choose a new provider at any time.
b. Family members or legally responsible person(s) of the beneficiary are not eligible to provide this service to the beneficiary.
c. A beneficiary with a sole diagnosis of Intellectual/Developmental Disabilities is not eligible for PSS funded by Medicaid.
d. Peer Support must not be provided to a beneficiary receiving ACTT, as a peer support specialist is a requirement of that team.
e. Peer Support must not be provided to a beneficiary receiving-CST, as a peer support specialist may be a component of the service and a beneficiary who is in need of CST and peer support will be offered CST providers who have peers on the team.
f. PSS must not be provided during the same time of day when a beneficiary is receiving Substance Abuse Intensive Outpatient Program (SAIOP) or Substance Abuse Comprehensive Outpatient Treatment (SACOT), Partial Hospitalization, Psychosocial Rehabilitation, Respite, or Individual Support services.
g. PSS must not be duplicative of other Medicaid services the beneficiary is receiving.
h. Transportation of a beneficiary is not covered as a component for this policy. Any provision of services provided to a beneficiary during travel must be indicated in the PCP prior to the travel and must have corresponding documentation supporting intervention provided. This limitation does not impact a beneficiary's ability to access non-emergency medical transportation (NEMT).

Place of service:

PSS is a direct periodic service provided in a range of community settings. It may be provided in the beneficiary's place of residence, community, in an emergency department, or in an office setting. It may not be provided in the residence of PSS staff.

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

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

(vii) **Community Support Team (CST) - (adults)**

Services provided by this team consist of mental health and substance abuse services and supports necessary to assist adults in achieving rehabilitation and recovery goals. It assists individuals to gain access to necessary services; reduce psychiatric and addiction symptoms; and develop optimal community living skills. The services include assistance and support to individuals in crisis situation; service coordination; psycho education and support for individuals and their families; independent living skills; development of symptom monitoring and management skills, monitoring medications and self-medication.

This is an intensive community-based rehabilitation team service that provides direct treatment and restorative interventions.

CST is designed to:

- Assist individuals to gain access to necessary services to reduce psychiatric and addiction symptoms,
- Assistance and support for individuals in crisis situations,
- Service coordination,
- Psycho-education,
- Individual restorative interventions for development of interpersonal, community coping and independent living skills; and
- Monitoring medications and self-medication.

The CST provider assumes the role of advocate, broker, coordinator and monitor of the service delivery system on the behalf of the recipient. The service must be ordered by a physician, physician assistant, nurse practitioner or licensed psychologist. A team must be comprised of four full-time staff positions as follows:

a. One full-time equivalent (FTE) dedicated Team Leader who is a licensed clinician. An associate level licensed clinician actively seeking licensure may serve as the Team Leader conditional upon being fully licensed within 30 calendar months from the effective date of hire.
b. One FTE dedicated team member who is a licensed substance abuse professional. Team member can be a Certified Clinical Supervisor (CCS), Licensed Clinical Addiction Specialist (LCAS), Licensed Clinical Addiction Specialist-Associate (LCAS-A), or a Certified Substance Abuse Counselor (CSAC).
c. Two FTE team members that are Qualified Professionals, Associate Professionals, or Paraprofessionals or NC Certified Peer Support Specialist (NCCPSS).

All staff providing this service must have a minimum of one-year documented experience with the adult population. Clinical criteria are imbedded in the definition as well as service limitations to prevent duplication of services.

A beneficiary will be offered a choice of CST providers that include Certified Peer Support Specialist (CPSS) on the team if it is medically necessary that beneficiary have a CPSS.

Exclusions and limitations of CST are:

- A beneficiary may receive CST services from only one CST provider organization during an episode of care.
- CST may not be provided at the same time as any other State Plan service that contains duplicative service components.

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

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

Description of Services

- The following are not covered under this service:
  - Transportation time (this is factored in the rate)
  - Any habilitation activities
  - Any social or recreational activities (or the supervision thereof)
  - Clinical and administrative supervision of staff (this is factored in the rate)
- Service delivery to individuals other than the beneficiary may be covered only when the activity is directed exclusively toward the benefit of that beneficiary.
- CST services may not be provided to beneficiaries residing in Institutions for Mental Disease (IMD) regardless of the facility type.
- CST services can be covered for beneficiaries who are transitioning to or from, Assertive Community Treatment (ACT), Substance Abuse Intensive Outpatient Program (SAIOP), Substance Abuse Comprehensive Outpatient Treatment (SACOT), Professional Treatment Services in Facility-Based Crisis Programs, Partial Hospitalization, Substance Abuse Medially Monitored Community Residential Treatment, Substance Abuse Non-Medically Monitored Community Residential Treatment, and all detoxification services for the purpose of facilitating admission and discharge for up to eight units of service within the 30 day transition periods. The eight units may be exceeded (with authorization) and based on medical need.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

NOTE: This service is used as an intervention to avoid need for a higher level of care or as a step down from a higher level of care. It is an ACTT "lite" service.

13. D. Behavioral Health Rehabilitative Services *(continued)*

Services under this section are provided by licensed practitioners or programs/agencies for the mentally ill, developmentally disabled and substance abusers, certified/licensed as clinical addiction specialists (LCAS) and clinical supervisors (CCS) who are directly enrolled with Medicaid. These services are available to categorically needy and medically needy beneficiaries.

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 (i.e. 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.).

Services may be provided by:

Licensed or certified psychologists, licensed clinical social workers, licensed clinical social worker associates, certified clinical nurse specialists in psychiatric mental health, advanced practice, nurse practitioners certified in psychiatric mental health advanced practice, licensed psychological associates, licensed clinical mental health counselors, licensed clinical mental health counselor associates, licensed marriage and family therapists, licensed marriage and family therapist associates, certified/licensed clinical addictions specialists, licensed clinical addictions specialist associates, and certified/licensed clinical supervisors.

Services include the following:

1. Outpatient Psychotherapy services are individual psychotherapy, family psychotherapy, and group psychotherapy. Psychotherapy is the treatment for mental illness as well as substance use disorders in which the clinician through therapeutic communication attempts to alleviate the emotional disturbances and reverse or change maladaptive patterns of behavior.

   All psychotherapy services are only for the benefit of a Medicaid beneficiary. These services can be furnished by all the North Carolina licensed and certified clinicians listed below. These North Carolina licensed and certified clinicians are: licensed-psychologists, licensed clinical social workers, certified clinical nurse specialists in psychiatric mental health advanced practice, nurse practitioners certified in psychiatric mental health advanced practice, licensed psychological associates, licensed clinical mental health counselors, licensed marriage and family therapists, licensed clinical addictions specialists, and certified clinical supervisors. Each of the above listed clinicians is licensed by their respective occupational licensing board and is credentialed to practice independently and it is within their scope of practice to provide individual psychotherapy, family psychotherapy, and group psychotherapy.

13. D. Behavioral Health Rehabilitative Services *(continued)*

2. Psychological testing includes written, visual, or verbal evaluations administered to assess the cognitive and emotional functioning of a beneficiary. Developmental testing includes assessment of motor, language, social, adaptive and/or cognitive functioning by standardized developmental instruments. Neuro-behavioral testing includes standard tests designed to evaluate different aspects of the functioning of the central nervous system, including attention, motor performance, perceptual coding, learning, memory and affect.

   These services are provided by licensed Psychologists that meet relevant experience and training required by the North Carolina Psychology Board.

   Psychological testing, developmental testing, and neuro-behavioral testing should result in recommendations regarding the need for rehabilitative treatment which may include outpatient services and should result in recommendations for type, duration, frequency, or amount of rehabilitative services.

3. All disciplines are licensed or credentialed by the State as mental health clinicians and can practice independently with oversight by their individual boards. Nurse Practitioners must have oversight by the Medical Board, while Licensed Psychological Associates must have supervision by a PhD to furnish certain services (assessment of personality functioning; neuropsychological evaluation; psychotherapy, counseling, and other interventions with clinical populations for the purpose of preventing or eliminating symptomatic, maladaptive, or undesired behavior). This type of requirement does not exist for the other disciplines.

4. Behavioral health assessments and counseling may be furnished by all clinicians.

PAGE INTENTIONALLY LEFT BLANK

PAGE INTENTIONALLY LEFT BLANK

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

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

(v) Partial Hospitalization (PH):
This is a short-term service for acutely mentally ill children and adults which provides a broad range of intensive therapeutic approaches including:

- Individual/group therapies,
- Community living skills/training, and
- Coping skills.

Partial Hospitalization is provided in a licensed facility under the direction of a physician. This service must be offered at a minimum of 4 hours per day, 5 days/week. The service must be ordered by a physician, licensed psychologists, physician's assistant or nurse practitioner.

Service Operations Requirements:

Staff shall include at least one qualified mental health professional.

(a) Each facility serving minors shall have:
(1) A program director who has a minimum of two years' experience in child or adolescent services and who has educational preparation in administration, education, social work, nursing, psychology or a related field; and
(2) one staff member present if only one beneficiary is in the program and two staff members present when two or more beneficiaries are in the program.

(b) each facility shall have a minimum ratio of one staff member present for every six beneficiaries at all times.

(c) a physician shall participate in diagnosis, treatment planning, and admission and discharge decisions. This physician shall be a psychiatrist unless a psychiatrist is unavailable or for other good cause cannot be obtained.

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

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

Qualified Professional (QP): In addition to the following components, the QP may provide any activity listed under Associate Professional or Paraprofessional: developing, implementing, and monitoring the Person Centered Plan; behavioral interventions/management; social and other skill restoration, adaptive skill training; enhancement of communication and problem solving skills, anger management, family support, medication monitoring, monitoring of changes in psychiatric symptoms/or functioning.

Associate Professional (AP): In addition to the following components, the AP may provide the activities listed under Paraprofessionals: behavioral interventions/management; social and other skill restoration, adaptive skill training; restoration of communication and problem solving skills, anger management, family support, medication monitoring, monitoring of changes in psychiatric symptoms/or functioning.

Paraprofessional: The Paraprofessional may provide restoration of skills needed for community living, use of leisure time, workplace skills, and the skills needed to pursue needed education services.

Operating Requirements:

Each facility shall have a designated program director. A minimum of one staff member on-site to each eight or fewer beneficiaries in average daily attendance shall be maintained.

PSR is available for a period of 5 or more hours per day. There should be a supportive, therapeutic relationship between providers and the beneficiary. It is provided in a licensed facility with staff to beneficiary ratio of 1:8. This service must be ordered by an MD, NP, PA or PhD psychologist.

Exclusions and limitations of PSR are:

- PSR cannot be provided during the same episode of care with the following services: Partial hospitalization and ACT.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

(xii) Substance Abuse Comprehensive Outpatient Treatment (SACOT)

This periodic service is a time-limited, multifaceted service approach for adults who require structure and support to achieve and sustain recovery. It emphasizes reduction in use and abuse of substances and/or continued abstinence, the negative consequences of substance abuse, development of a support network necessary to support necessary life style changes, and the continued commitment to recovery. The individual components of the services include:

- Individual counseling and support,
- Group counseling and support,
- Family counseling and support,
- Biochemical assays to identify recent drug use (e.g. urine drug screens),
- Strategies for relapse prevention to include community and social support systems in treatment,
- Crisis contingency planning,
- Self-management of symptoms, and
- Treatment support activities that have been adapted or specifically designed for persons with physical disabilities, persons with co-occurring disorders of mental illness and substance abuse/dependence or mental retardation/developmental disabilities and substance abuse/dependence.

This service must operate at least 20 hours per week and offer a minimum of 4 hours of scheduled services per day with availability of at least 5 days per week with no more than a 2 day lapse between services. Staff must meet the requirements for CCS, LCAS and CADC or a QP, AP or paraprofessional. Recipients must have ready access to psychiatric assessment and treatment services when warranted by the presence of symptoms indicating a co-occuring disorder. This service must be ordered by an MD, NP, PA or PhD psychologist.

Exclusions and limitations of SACOT are:

- SACOT cannot be billed during the same episode of care as SA Intensive Outpatient Program, all detoxification services levels (with the exception of Ambulatory Detoxification) or Non-Medical Community Residential Treatment or Medically Monitored Community Residential Treatment.
- For beneficiaries under the age of 21, additional products, services, or procedures may be requested even if they do not appear in the N.C. State Plan or when coverage is limited to those over 21 years of age. Service limitations on scope, amount, or frequency described in the coverage policy may not apply if the product, service, or procedure is medically necessary.

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

(ix) Professional Treatment Services in Facility-Based Crisis Programs (FBC)
This existing service serves as an alternative to hospitalization for recipients who have mental illness/ substance abuse disorder. It is a 24-hour residential facility that provides support and crisis services in a community setting. The services are provided under the supervision of a physician with interventions implemented under the physician direction. The purpose is to implement intensive treatment, behavioral management, interventions or detoxification protocols, to stabilize the immediate problems and to ensure the safety of the individual.

- Evaluation (assesses condition),
- Intensive treatment,
- Stabilization (behavioral management),
- Monitoring response to interventions; and
- Provide linkage for other services.

It is offered 7 days/week and must be provided in a licensed facility. At no time will the staff to recipient ratio be less the 1:6 for adult mental health recipients, 1:9 for substance abuse recipients. This service must be provided in a facility with 16 beds or less. Medicaid reimburses only treatment costs.

In accordance with 25U.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 (i.e. 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.).

Inpatient psychiatric facility services for individuals under 21 years of age.

DEFINITION:

Inpatient psychiatric services for recipients under age 21 must be provided by a psychiatric facility or an inpatient program in a psychiatric facility that meets the requirements set forth in 42 CFR Section 441.151 and 42 CFR Section 483, Subpart G.

These services are provided before the recipient reaches age 21 or, if the recipient was receiving the services immediately before he or she reached age 21, before the earlier of the following:

(a) The date he or she no longer requires the services; or
(b) The date he or she reaches age 22.

Prior approval is required via the utilization management contractor. The initial prior approval process will ensure that the level of the service is appropriate, and concurrent reviews will determine the ongoing medical necessity for the service.

Geropsychiatric Care Units in Nursing Facilities Continued

VII. Discharge Criteria

Discharge from a Geropsychiatric unit must be in accordance with 42 CFR 483 Subpart B, Subpart C and Subpart E.

A. Discharge from a geropsychiatric unit to a regular nursing unit is contingent upon:

1. the consistent absence of unsafe behaviors (as outlined in paragraph III.E. Eligibility Criteria for recipients) in a consistently structured geropsychiatric specialty nursing unit; and
2. the anticipation that the individual will not exhibit unsafe behaviors if transitioned from the geropsychiatric unit, as evidenced by stays on exploratory visits to a regular nursing unit, during which unsafe behaviors are not observed.

These criteria must be closely observed and monitored during a continuous period of at least three months.

B. Additional determining criteria for discharge to a regular nursing unit or a setting outside of a certified nursing facility include the following:

1. Monitoring of medication stability/consistency;
2. Treatment compliance;
3. Appropriate living arrangements upon discharge; or
4. Arrangement of aftercare for continued services in the community, with family/guardian support and involvement.