



How is North Carolina implementing the 1915 (b)/(c) Medicaid Waiver?

The North Carolina Department of Health and Human Services (DHHS) is actively managing the implementation of the 1915 (b)/(c) Medicaid Waiver and transitioning the Local Management Entities (LMEs) to Managed Care Organizations (MCOs).

The current timeline has all LMEs transitioning to the 1915 (b)/(c) Medicaid Waiver by January 2013. State law requires the transition of the entire state to the waiver by July 1, 2013. The additional six months in the schedule allow for flexibility in the timeframe to ensure success.

Prior to Implementation

- LMEs submit to DHHS an implementation plan for the transition period.
- DHHS works closely with each LME through Intradepartmental Monitoring Teams (IMTs) that meet on a regular basis.
- The Division of Medical Assistance (DMA), with support from the Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMH/DD/SAS) oversees an outside independent monitor that conducts an operations and readiness review 120 days prior to the implementation date. The readiness review examines both clinical and administrative operations relevant to providing behavioral health services under managed care.
 - o Clinical Readiness Reviews include topics such as customer services, utilization management, provider networking, and quality management.
 - o Administrative Readiness Reviews include topics such as finances, information technology and ability of the LME to process and pay claims.
 - o If required, a plan of correction is developed by the LME on areas identified during the review that need improvement.
- DMA with the support of DMH/DD/SAS oversees an outside independent monitor that conducts another readiness review 60 days prior to implementation and follows up on any concerns from previous reviews.

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Implementation Timeline

- **April 2005** – The original five counties of PBH (Cabarrus, Davidson, Rowan, Stanly and Union) became an LME-MCO with the beginning of the pilot program.
- **October 2011** – Alamance and Caswell counties joined PBH and began administering services under managed care in their counties.
- **January 2012** – Western Highlands Network became an LME-MCO and began administering services in Buncombe, Henderson, Madison, Mitchell, Polk, Rutherford, Transylvania and Yancey counties.



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- **January 2012** – The five county area of Franklin, Granville, Halifax, Vance, and Warren counties joined PBH and began administering services under a managed care system.
- **April 2012** – Chatham, Orange and Person counties joined PBH and began administering managed behavioral health services in their counties.
- **April 2012** – East Carolina Behavioral Health became an LME-MCO and began administering services in their 19 county area that includes Beaufort, Bertie, Camden, Chowan, Craven, Currituck, Dare, Gates, Hertford, Hyde, Jones, Martin, Northampton, Pamlico, Pasquotank, Perquimans, Pitt, Tyrrell and Washington counties.
- **July 2012** – Smoky Mountain Center plans to become an LME-MCO and administer services to a 15 county area that includes Alexander, Alleghany, Ashe, Avery, Caldwell, Cherokee, Clay, Graham, Haywood, Jackson, Macon, McDowell, Swain, Watauga and Wilkes counties.
- **October 2012** – Sandhills Center plans to become an LME-MCO and administer services in a nine county area that includes Anson, Guilford, Harnett, Hoke, Lee, Montgomery, Moore, Randolph and Richmond counties.
- **January 2013** – Mecklenburg intends to transition to an LME-MCO and administer services within their county.
- **January 2013** – Partners Behavioral Health Management plans to transition to an LME-MCO and begin administering services in an eight county area that includes Burke, Catawba, Cleveland, Gaston, Iredell, Lincoln, Surry and Yadkin counties.
- **January 2013** – CenterPoint Human Services plans to transition to an LME-MCO and administer services in a four county area that includes Davie, Forsyth, Rockingham and Stokes counties
- **January 2013** – Eastpointe plans to transition to an LME-MCO and administer services within a 12 county area that includes Bladen, Columbus, Duplin, Edgecombe, Greene, Lenoir, Nash, Robeson, Sampson, Scotland, Wayne and Wilson counties.
- **January 2013** – Alliance Behavioral Healthcare plans to transition to an LME-MCO and administer services to a four county area that includes Cumberland, Durham, Johnston and Wake counties.
- **January 2013** - CoastalCare plans to transition to an LME-MCO and administer services to a five county area that includes Brunswick, Carteret, New Hanover, Onslow and Pender counties.

Legislation passed in 2011 requires the N. C. Department of Health and Human Services (DHHS) to restructure the management responsibilities for the delivery of services to individuals with mental illness, intellectual and developmental disabilities, and substance abuse disorders through the 1915 (b)/(c) Medicaid Waiver.

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