# NC Department of Health and Human Services

## Expanding Access to Services and Supports for People with Intellectual and Developmental Disabilities

**Inclusion Connects Quarterly Report**
**Data Collection Period: April 1, 2025, through June 30, 2025**

**Oct 15, 2025**

# Table of Contents


Executive Summary ..... 3

Purpose ..... 3

Background ..... 3

NCDHHS Commitment ..... 3

Data Collection Process ..... 3

Findings ..... 6

Diversion and Transition Services ..... 6

In-Reach Activities and Impact ..... 6

Transition Planning and Discharge ..... 10

Diversion Activities and Engagement ..... 15

Services: 1915(i) and Continuing Unmet Needs ..... 18

Reporting Requirements for 1915(i) Services ..... 18

Data Narrative for 1915(i) Implementation ..... 21

Communication and Stakeholder Engagement ..... 21

Continuing Unmet Needs ..... 21

Direct Service Professionals (DSP) Workforce ..... 25

Conclusion ..... 29

Attachment 1 - Summary of Consent Order Reporting Requirements ..... A-1

Attachment 2 - Summary of Consent Order Reporting Benchmarks ..... A-3

# Executive Summary

## Purpose

In May 2024, the North Carolina Department of Health and Human Services (NCDHHS or the Department) and Disability Rights North Carolina (DRNC) agreed to a consent order in the Samantha R. et al. vs. NCDHHS and the State of North Carolina litigation (the Consent Order), outlining specific activities that NCDHHS will pursue to address gaps in the Intellectual and Developmental Disabilities (I/DD) system. The Consent Order contains detailed reporting requirements to measure progress toward ensuring people with I/DD can access community-based services and move out of institutional settings if they so choose. This report details progress toward improving access to services and support for people with I/DD. The data, analysis, and narrative contained within this report fulfill Consent Order legal requirements and inform an intelligent approach to NCDHHS efforts in the future. As such, this report includes reporting elements required by the consent order and additional illustrative elements demonstrating NCDHHS' multifaceted commitment to supporting the I/DD community.

# Background

## NCDHHS Commitment

NCDHHS is committed to focusing on supporting people with I/DD in their communities. As part of this commitment, current services and systems are being transformed to ensure they are more inclusive and responsive to the needs of people with I/DD. NCDHHS efforts focus on enhancing housing options and connecting people with appropriate services and support. The goal is to create an empowering environment that facilitates access to essential resources, thus enabling people with I/DD to thrive within their communities.

In late March 2025, NCDHHS posted the Inclusion Connects Work Plan, North Carolina's complete strategy to improve services for people with I/DD.

## Data Collection Process

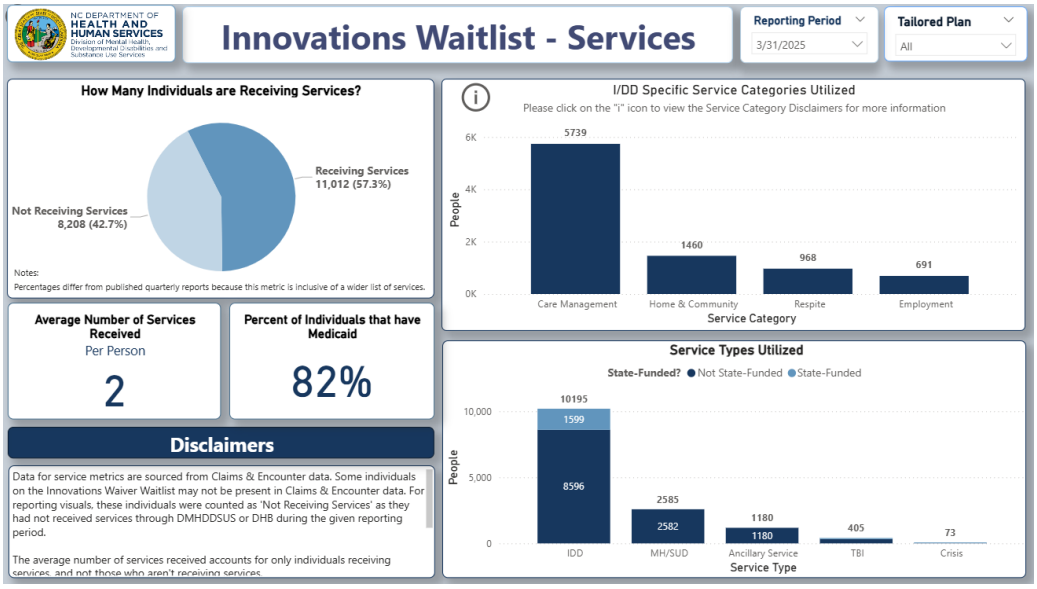
Under the terms of their respective contracts with NCDHHS, the Tailored Plans[1] and LME/MCOs (collectively, the LME/MCOs) are required to submit reports to NCDHHS on a predefined basis (e.g., monthly, quarterly) that include detailed information on the services and supports provided to the I/DD community. NCDHHS supplements LME/MCO reporting with Claims and Encounter data for Medicaid and State Funded Services to populate this report and drive action. The Department is grateful for the

[1] NCDHHS launched the Behavioral Health and I/DD Tailored Plans (Tailored Plans) on July 1, 2024. Tailored Plans are integrated health plans designed specifically to serve individuals with severe mental illnesses, substance use disorders, or long-term care needs including I/DD and traumatic brain injury. Additional information about Tailored Plans is available at https://medicaid.ncdhhs.gov/tailored-plans. The Local Management Entity/Managed Care Organizations (LME/MCOs) are companies that: manage NC Medicaid Tailored Plans, coordinate certain services for NC Medicaid Direct beneficiaries, and coordinate certain services for EBCI Tribal Option members. There is one LME/MCO for each county in NC.

continued dedication and collaboration of the LME/MCOs and other stakeholders to support the I/DD community.

As part of continuous efforts to ensure data quality and provide operational oversight, NCDHHS reviews LME/MCO-submitted reports and works collaboratively with the LME/MCOs to address potential gaps. This ongoing prioritization of data quality improvement helps ensure the most accurate and quality information is collected. NCDHHS regularly engages with LME/MCOs and providers throughout the data collection period, including one-on-one technical assistance and written feedback.

Once reports are collected and reviewed, NCDHHS leverages tools such as Power BI for further analysis. Power BI connects various data sources and provides additional data cleansing and transformation tools that allow for in-depth insights and calculations. By leveraging Power BI's features, visuals and tables are generated, many of which are used in this report. The Innovations Waiver Waitlist Dashboard is refreshed every quarter in alignment with data and reporting periods from the Inclusion Connects Quarterly Report publication. In December 2024, NCDHHS Inclusion Connects[2] launched a Power BI dashboard to analyze the Innovations Waiver Waitlist. In August 2025, the Dashboard was expanded to include information on the services individuals on the Innovations Waiver Waitlist are receiving. The dashboard highlights key services being accessed, including Care Management, Home & Community Services, Respite, and Employment Supports. The Department seeks to better understand what services people are, and are not, receiving while on the Waitlist to identify gaps in care, guide system improvements, and ensure better access to critical community-based supports. These insights will strengthen NCDHHS' ability to plan and deliver services more effectively across North Carolina.




[2] Inclusion Connects unites people with I/DD to more choices and more access to services and supports. This collaboration among NCDHHS divisions, including the Division of Mental Health, Developmental Disabilities, and Substance Use Services and Medicaid, to provide resources for connecting individuals with I/DD to services and supports available to live, work and play in their chosen communities.

For the launch of Tailored Plans, NCDHHS implemented additional policy flexibilities to ensure beneficiaries receive uninterrupted care. From July 1, 2024 through September 30, 2024, LME/MCOs did not deny covered services if the request met medical necessity criteria in the following two scenarios:

a. Provider failed to submit PA prior to the service being provided and submits PA after the date of service.

b. Provider submitted for retroactive PA.

Additionally, LME/MCOs were instructed to:

a. Honor existing and active medical PAs on file with NC Medicaid Direct or another health plan for services covered by the health plan for the first seven months after launch, through January 31, 2025, or until the end of the authorization period, whichever occurs first.

b. Not deny claims for the first seven months after launch, through January 31, 2025, for covered services if the request met medical necessity criteria and authorize services for Medicaid-enrolled out-of-network providers equal to that of in-network providers until end of episode of care or seven months, whichever is less.

c. Honor a PA from their original health plan for the life of the authorization by their new health plan for a beneficiary who transitions between health plans after July 1, 2024.

For a full list of Tailored Plan launch flexibilities potentially affecting our reporting, please see here. NCDHHS expects these impacts to continue through the following cycle.

On September 27, 2024, Hurricane Helene made landfall in North Carolina, significantly impacting communities across the western part of the state. Many areas were heavily affected, and residents are continuing to work to recover and rebuild. NCDHHS recognizes that the road to recovery is long and has been providing support where possible. In response, priorities and tasks have been adjusted to support relief efforts. Consequently, service delivery flexibilities, deadlines for filing claims, reports, technical assistance calls, and data collection meetings were adjusted to allow providers and the LME/MCOs to respond to urgent needs of the members in the community.

Hurricane Helene flexibilities related to service provision can be found here, which were extended through February 28, 2025 for NC Medicaid, and through June 30, 2025 for Community Alternatives Program for Children (CAP-C), Community Alternatives Program for Disabled Adults (CAP-DA), and the Innovations Waiver programs. These flexibilities include, but are not limited to, the provision of additional service hours without prior authorization (PA) due to issues related to Hurricane Helene. This flexibility may be affecting our data regarding hours authorized and may continue to have an impact through our upcoming reporting cycles.

# Findings

This report is structured to align with the reporting requirements listed in section IV of the Consent Order, with minor adjustments to group requirements that are related to a particular area (e.g., transition-related requirements, diversion-related requirements). Each section contains Consent Order requirements, corresponding data, and additional illustrative elements that demonstrate the Department's multifaceted commitment to serving the I/DD community. Specific Consent Order reporting requirements are clearly noted where present and included in a single, combined table in Attachment 1 on page A-1. Consent Order Benchmarks are included where work is ongoing, and all Benchmarks and their associated statuses are included in Attachment 2 on page A-3.

# Diversion and Transition Services

NCDHHS is committed to **increasing awareness, education, and access to the entire continuum of community-based housing options for people with I/DD**. The following section is organized by key activities. It includes findings from LME/MCO reporting on In-Reach, Transition, and Diversion activities for the I/DD population. NCDHHS is actively working to revise the I/DD In-Reach, Diversion, Transition Activity Report template used by the LME/MCOs to address challenges with report completion and improve data collection and analysis. Based on feedback from the LME/MCOs and diversion partners, the Inclusion Connects team uploaded a revised template to improve data collection for In-Reach, transition, and diversion data. The revisions do not remove any reporting required in the Consent Order but serve to improve the accuracy of reporting requirements. The revisions also provide improvements to definitions and instructions to aid the LME/MCOs in completing the report. The revised report template will begin to be used in November 2025 reporting and be reflected in the January 15, 2026, quarterly report.

NCDHHS continues to pursue data collection from Transitions to Community Living (TCL) and was successful in securing data on TCL members with co-occurring I/DD diagnoses that have been incorporated into this report. Outreach to Money Follows the Person (MFP) resulted in the discovery of people that were not included in LME/MCO reporting. The addition of the data from both TCL and MFP has increased numbers for transitions and diversions. Please see the Transition and Diversion Data Tables to view cumulative counts including TCL data.

In addition to the metrics derived from LME/MCOs, narrative summaries of NCDHHS-led initiatives designed to support education and access to community-based housing are included.

## In-Reach Activities and Impact

To ensure people living in institutional settings and their legally responsible persons (LRP) are educated on all available housing options, In-Reach remains a vital component of the Department's approach to transition and housing. The Consent Order defines In-Reach as frequent education efforts to individuals residing in institutional settings through face-to-face interactions. The education efforts are designed to inform people and their LRP about home and community-based service options. In-Reach efforts will identify people desiring to move into a home or community-based setting, and make a referral for transition, if appropriate. Through these activities, people with I/DD and their LRP are provided information about the benefits of community-based services, can visit community-based settings, and

are offered opportunities to interact with peers residing in integrated settings. The Peer Supports workgroup has created an outline of the curriculum with collaborative efforts from people with I/DD and people that work with this population. Currently, the workgroup and the NC Certified Peer Support Specialists (CPSS) Program are working on an RFA to contract the development of the training. The Department will continue to provide updates as information is shared about the progress of the program.

Key findings:

Consent Order Reporting Requirement IV.1.c. Diversion and Transition Services: Number and percentage of individuals with I/DD eligible for In-Reach activities who are engaged in In-Reach activities.

Consent Order Reporting Requirement IV.1.d Diversion and Transition Services: Number and percentage of individuals with I/DD who began transition planning following In-Reach.

**Table 1: Findings for In-Reach Reporting Requirements (IV.1.c and IV.1.d)**

| **IV.1.c Individuals with I/DD Eligible for and Engaged in In-Reach Activities** | | | | |
|---|---|---|---|---|
| **Reporting Period** | **Face-to-Face** | **Not Face-to-Face** | **Total** | **Percentage of Total Eligible Individuals** |
| Jul – Sep 2024 | 592 | 570 | 1,162 | 48.0% |
| Oct – Dec 2024 | 349 | 401 | 750 | 20.6% |
| Jan – Mar 2025 | 220 | 223 | 443 | 12.0% |
| Apr – Jun 2025 | 93 | 279 | 372 | 10.2% |
| **IV.1.d Individuals with I/DD who Began Transition Planning Following In-Reach** | | | | |
| Jul – Sep 2024 | 389 | | | 33.4% |
| Oct – Dec 2024 | 119 | | | 15.9% |
| Jan – Mar 2025 | 132 | | | 29.7% |
| Apr – Jun 2025 | 132 | | | 35.5% |

*Source: LME/MCO Reporting*

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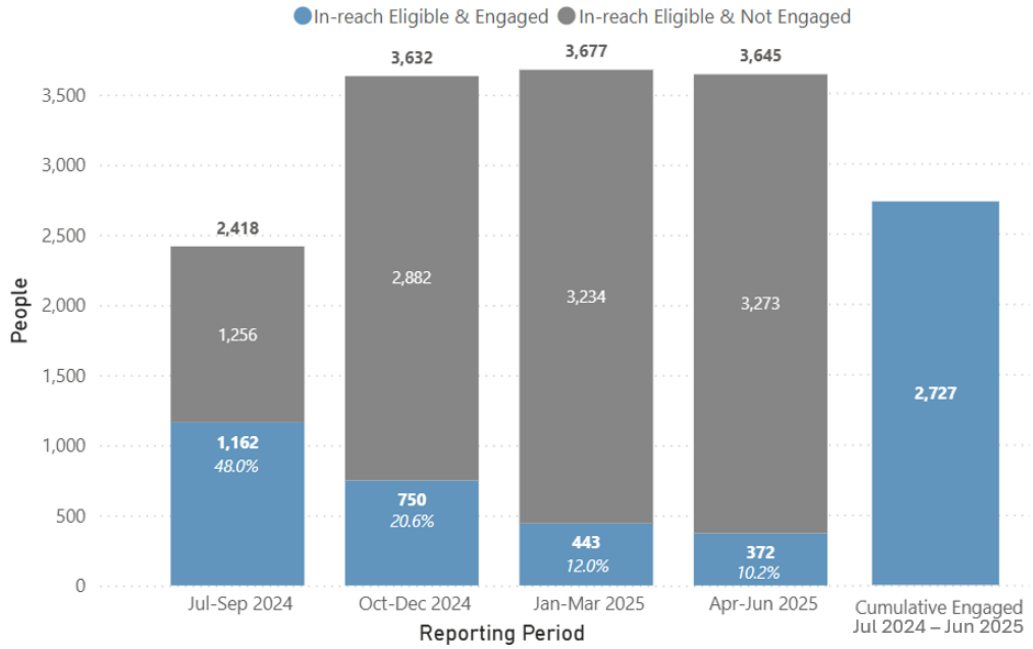
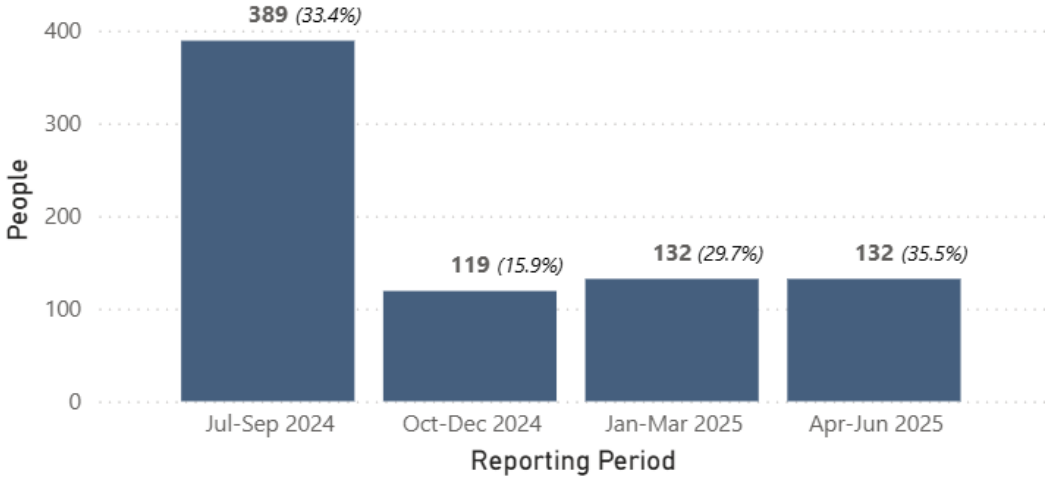
**Chart 1: Individuals with I/DD Eligible for and Engaged in In-Reach Activities (IV.1.c)**



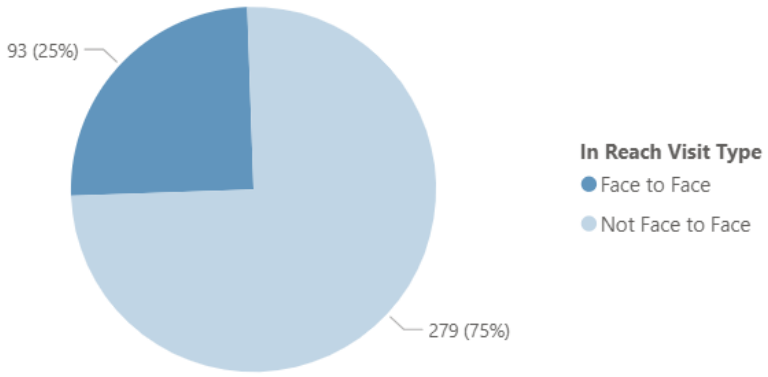

*Source: LME/MCO Reporting*

**Chart 2: Individuals with I/DD who Began Transition Planning Following In-Reach (IV.1.d)**




*Source: LME/MCO Reporting*

**Chart 3: In-Reach Visit Type for April-June 2025**




*Source: LME/MCO Reporting*

In-Reach Reporting Metric Data Narrative:

- This reporting period showed a slight decrease in the number of people with I/DD eligible for In-Reach activities. Data has been consistent with this reporting metric as it has not changed much from the Oct-Dec '24 reporting period throughout this reporting period.
- This reporting period will show a significant decrease in the number of people eligible for and receiving face-to-face In-Reach activities. Based on the Consent Order definition, In-Reach involves face-to-face interactions only. The Department will continue to separate the In-Reach activities to reflect both face-to-face activities and non-face-to-face activities. This will allow the Department to reflect what is required in the Consent Order while also recognizing the importance of all in-reach efforts.
- Chart 3 shows there were only 93 face-to-face (in-person) In-Reach activities performed in this reporting period compared to 279 non-face-to-face (not in-person) In-Reach activities. Non-face-to-face activities include telephone, written, two-way real time audio-visual methods, and more. It is important to understand the possible impact in-person In-Reach may have on the decision a person makes. It is equally important to understand LME/MCO staff are trying to meet the needs of the people they are serving by providing more In-Reach options, thus not limiting them to only face-to-face interactions. Education about community-living options can be provided in more than face-to-face interactions as is being proven by the data provided by the LME/MCOs. The number of people who began transition planning after engaging with In-Reach remains at 132 for this reporting period even though only 93 were face-to-face In-Reach activities. The number of people not engaged with In-Reach is not reflective of the LME/MCOs efforts to educate people with I/DD and/or their LRPs about the benefits of receiving services in the community. Ultimately the choice to receive education about community-living options belongs to the person with I/DD and/or their LRP.
- Regardless of the type of In-Reach activity, the data shows education helps people make informed decisions about where they choose to live and receive services. Continuing to display the various types of In-Reach activities helps ensure the LME/MCOs receive credit for all the hard work they are putting into these In-Reach activities.

NCDHHS Initiatives to Support In-Reach: The Department continues to work closely with the LME/MCOs to provide technical assistance and guidance on In-Reach. Definitions and populations served continue to be the key areas that need clarity as we work to ensure standardization across the state and adherence to contract requirements. As reports continue to more accurately capture the number of individuals eligible for In-Reach, the Department has noted increases in the number of people with I/DD and their LRPs expressing disinterest in continued education about community-based living options. NCDHHS supports choice and LME/MCOs being respectful of the person's decision.

- NCDHHS continues to receive data on In-Reach efforts from LME/MCOs quarterly. The Consent Order defines in-reach as face-to-face interactions. However, LME/MCOs provide education about the benefits of community-based services in the manner that is best received by the person with I/DD and their LRP. Previous reports reflect a variety of communication types that have proven to be effective in educating people about their options for community living. This includes telephone, written, two-way real time audio-visual methods, and more. See above data for this reporting period that further substantiates the need for education to be offered in different formats.
- Inclusion Connects will continue to report on the various communication formats that are being used to educate people with I/DD and their families/LRPs about community living options so they may make an informed decision. Inclusion Connects understands data on face-to-face interactions will only be counted per the Consent Order.
- Guardian preference continues to be the number one reason people are choosing not to move into community-based settings. This is of interest because the number of "person not interested" is much lower. Additional notes reveal a number of guardians are satisfied with current placement.

## Transition Planning and Discharge

Transition planning is critical to the success of someone interested in moving into a community-based setting of their choice. The LME/MCOs are trained to work with the person with I/DD and their LRP, if applicable, on developing a transition plan. The plan will ensure the appropriate services are in place prior to transition, using person centered planning throughout the process. The teams will also make sure the person with I/DD is prepared for potential challenges upon discharge and help work toward resolutions. The education provided by the LME/MCOs to people with I/DD and LRPs enables them to participate in the transition planning process and make an informed decision about where they want to live and receive services.

NCDHHS continues to add information to the Inclusion Connects webpage to help people interested in and/or participating in the transition process. These tools are designed to help people with I/DD and their LRPs choose the living situation to meet their preferences and needs. If a person decides to move from an institution into a community-based setting, it is captured on the LME/MCO report. All discharges from institutional settings are captured on the report for each reporting period, but people are tracked for one year after the discharge date before being considered a "successful" transition for Inclusion Connects. NCDHHS continues to provide technical assistance to the LME/MCOs regarding current submissions. NCDHHS and the LME/MCOs are also working together to revise the report

template to ensure data reported and collected is accurate. This data will help identify potential service gaps and, in conjunctions with stakeholder input, support future policy changes.

Key findings:

Consent Order Reporting Requirement IV.1.b. Diversion and Transition Services: Number of people transitioned from institutional settings during the preceding fiscal quarter, each preceding fiscal year (if applicable), and cumulatively.

- NCDHHS made a concerted effort to collect the data regarding the number of people with I/DD moving from institutional settings to ensure it comes from a variety of sources. The Department continues to collaborate across divisions to track data on transitions for Money Follows the Person (MFP), which includes Community Alternatives Program for Disabled Adults (CAP-DA), Pre-Admission Screening and Resident Review (PASRR), and Transitions to Community Living (TCL). These are NCDHHS programs that are not I/DD population specific, but do support people, including those with I/DD, to move into the community. NCDHHS will continue to work with other programs to collect data to provide a more accurate reflection of all people with I/DD who move from institutional settings to community-based settings.
- The Department modified the LME/MCO report template to include the funding source / program each person uses to move from institutional settings. This information will help inform NCDHHS of the type of funding and programs needed to assist people with I/DD transition into the community. This information will also help identify gaps in services. The updated report template will be utilized in the next reporting cycle (July – September 2025 data).

Consent Order Reporting Requirement IV.1.g. Diversion and Transition Services: Number and percentage of individuals with I/DD age 18 and above identified for transition who are discharged through the transition planning process.

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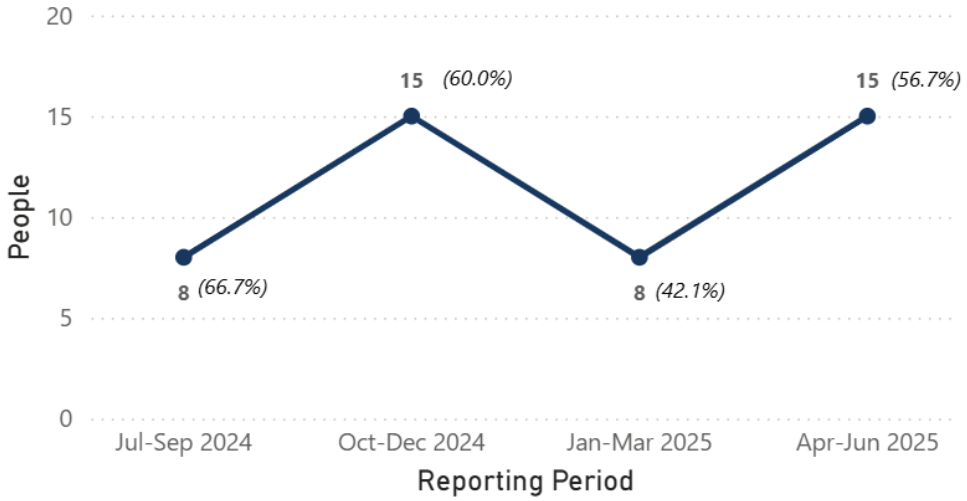
**Table 2: Findings for Transition Reporting Requirements (IV.1.b and IV.1.g)**

| IV.1.b Number of Individuals with I/DD Transitioned from Institutional Settings | | |
|---|---|---|
| **Reporting Period** | **Number** | |
| Jul – Sep 2024 | 12 | |
| Oct – Dec 2024 | 25 | |
| Jan – Mar 2025 | 19 | |
| Apr – Jun 2025 | 26 | |
| Cumulative (Jul 2024 – Jun 2025) | 82 | |
| Cumulative (Jul 2024 – Jun 2025) with TCL Data Included | 129 | |
| **IV.1.g Individuals with I/DD Age 18 and above Discharged through Transition Process** | | |
| **Reporting Period** | **Number** | **Percentage[3]** |
| Jul – Sep 2024 | 8 | 66.7% |
| Oct – Dec 2024 | 15 | 60.0% |
| Jan – Mar 2025 | 8 | 42.1% |
| Apr – Jun 2025 | 15 | 56.7% |
| Cumulative (Jul 2024 – Jun 2025) | 46 | 56.1% |

*Source: LME/MCO Reporting*

**Chart 4: Individuals with I/DD Age 18 and Above Discharged Through Transition Process (IV.1.g)**




*Source: LME/MCO Reporting*

[3] The methodology for calculating percentage has been updated to better reflect the inclusion of additional data sources and more accurately capture the proportion of the transition population age 18 and over.

Transition Reporting Metric Data Narrative:

- To be more transparent for all audiences, the Department differentiated those who moved using TCL services and those who did not. Those individuals who qualify for TCL benefit from the program and move into permanent supportive housing. It is important to recognize the value of the various programs available to those with I/DD who also have mental health and physical health needs.
- The Department has met the benchmark of 78 transitions for fiscal year ending June 30, 2025, excluding TCL data.
- MFP continues to be a leading source of transitional support for people with I/DD into community-based settings. Community-based settings include group homes of $\leq$ 4 residents, private homes, and alternative family living (AFL) arrangements.
- There is a slight increase of 26 people transitioning to community-based settings this reporting period.

Consent Order Reporting Requirement IV.1.h. Diversion and Transition Services: Information related to both successful and unsuccessful transitions.

- There is a total of four people who transitioned into community-based settings a year ago and remain living successfully in the community. These members have not reverted into an institutional setting within one year of transitioning into the community therefore this is considered a successful transition per the Department's definition. The types of residential settings included in these transitions are licensed group homes (non-ICF), family/natural support's home and licensed alternative family living.
- There is a total of 12 people with a transition status of "Did Not Transition" which means the person did not move into a community-based setting and they are no longer participating in transition planning. Reasons for not transitioning include physical health declined, mental health declined, guardian objections, lack of mental health services, MFP application withdrawn by the person/LRP, and Medicaid deductible.
- Two people show a post transition status of reversion. Based on the report, one person was discharged from a state developmental center (SDC) into an unlicensed AFL and returned to the SDC in less than two months. The second person was discharged from a state psychiatric hospital into a licensed group home (non-ICF) and hospitalized shortly after the transition.
- The type of housing desired/needed for people that are currently In Progress shows the top settings as Intermediate Care Facilities (ICFs) and group homes. There is still a lack of interest for permanent supportive housing in this reporting period. The NC Strategic Housing Plan defines permanent supportive housing as an evidence-based intervention designed to serve people with disabilities in integrated, community-based settings. The plan's key components of permanent supportive housing are lease and housing assistance and supportive services. Supported Living continues to be listed as a type of housing desired/needed, as part of the service package for the Innovations Waiver.
- People still encounter challenges after they make the decision to begin transition planning. While engaged in transition planning, the top reason people listed as barriers to being able to move continues to be "Other" with high behavior and medical needs listed in some of the notes. Guardian objections and people with I/DD experiencing mental health decline continue to be common reasons listed for transitional barriers as well.

Consent Order Reporting Benchmark III.1.A. Transitions: For the fiscal year ending June 30, 2025, Defendants will transition at least 78 individuals with I/DD from institutional to community-based settings.

- **The cumulative number of transitions from July 1, 2024-June 30, 2025, is 82 therefore the benchmark for transitions has successfully been met during this reporting period**. This has been updated to differentiate those who moved using supports other than TCL. The number of transitions including TCL data is 129, which is considerably higher than the benchmark of 78. The Department will continue to report data for TCL transitions separately to show the number of people with I/DD that benefit from the TCL program because of a dual diagnosis.

NCDHHS Initiatives to Support Transitions: The Department supports increased access to community-based services by transitioning eligible individuals who make an informed choice to transition to a community-based setting (Benchmark 1.A).

- NCDHHS continues to support the collaboration between Alliance Health and the NC Department of Administration, Commission of Indian Affairs (CIA) in the establishment of 25 Housing Choice Vouchers (HCVs) for people with disabilities served and referred by Alliance Health.
    - In June 2025, NCDHHS staff were instrumental in successfully getting CIA to start processing the nine referrals submitted by Alliance. The referrals had been stagnant for months and DMH/DD/SUS was asked to help with CIA as communication problems existed. NCDHHS staff have an established working relationship with CIA and therefore were able to reach out and stress the urgency of the matter and advocate for action on behalf of Alliance for the applicants. CIA responded favorably with movement in the referral process. The Department will continue to monitor this situation and help as needed to ensure the I/DD household applications are processed.
    - The Department is aware challenges exist with the administration changes that have impacted numerous federal agencies, including HUD. The Department will continue to be available to assist with CIA if needed to ensure the vouchers are processed for I/DD households in need of accessible and affordable community-based housing opportunities.
- HUD responded to the remedial preference request in June 2025 by providing an existing Public and Indian Housing (PIH) Notice issued June 29, 2012. The notice describes actions public housing agencies (PHAs) can take to establish a local preference for people with disabilities under Olmstead implementation efforts. PHAs may establish local preferences for people with disabilities transitioning from institutional settings and people at risk of institutionalization. The preference gives PHAs the authority to limit a set number of vouchers or a percentage of vouchers for disabled populations as they become available. HUD has suggested this may be an expeditious way to still meet the needs of the I/DD population while the remedial preference request is still under review. The department continues to work with Technical Assistance Collaborative (TAC) and the Olmstead Housing team about how to engage PHAs to implement the local preference for the I/DD population. Updates will continue to be placed in future reports.

## Diversion Activities and Engagement

Diversion, identifying people living in the community at risk of requiring care in an institutional setting and providing more intensive support, remains an essential component of the Department's approach to ensuring people can live successfully in their chosen settings. People with I/DD engaged in diversion activities live in various community-based settings (e.g., developmental disabilities group homes, their own home, natural support homes, etc.). The diversion process includes providing people with services and support that allow them to live successfully in the community. These services can include Medicaid home and community-based services including the 1915(c) Waivers, Medicaid In Lieu of Services (ILOS), Medicaid State Plan Services, or state-funded services.

Key findings:

Consent Order Reporting Requirement IV.1.a Diversion and Transition Services: Number of individuals diverted from institutional settings during the preceding fiscal quarter, each preceding fiscal year (if applicable), and cumulatively.

Consent Order Reporting Requirement IV.1.e. Diversion and Transition Services: Number and percentage[4] of individuals with I/DD are eligible for diversion activities.

Consent Order Reporting Requirement IV.1.f. Diversion and Transition Services: Number and percentage of individuals with I/DD who remain in the community after engaging in diversion activities.[5]

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[4] The Department is currently working with the LME/MCOs to build a more comprehensive methodology to calculate the percentage for reporting requirement IV.1.e. NCDHHS is continuing to refine the approach and improve the required data to more accurately capture the population of individuals with I/DD eligible for diversion. Additionally, data on diversion eligibility through the TCL program will be added to future reporting periods, as this data becomes available.

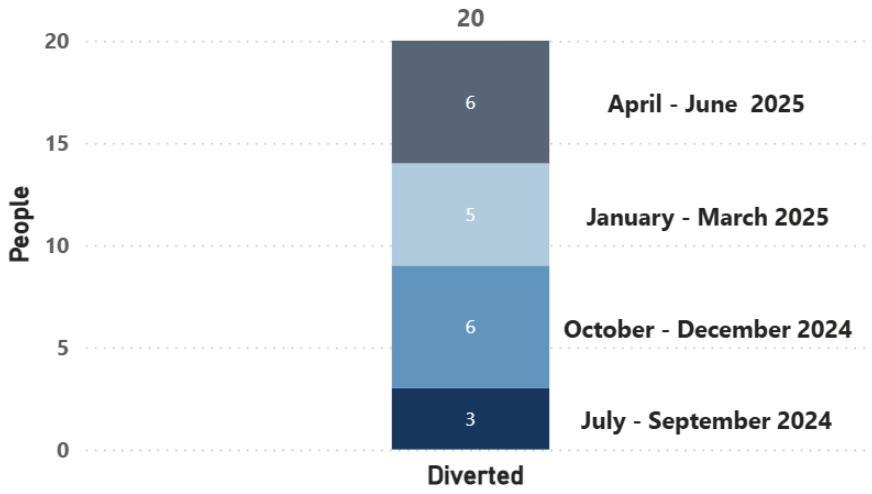
[5] The LME/MCO report used to calculate Diversion and Transition Service metrics does not explicitly track individuals past their diversion into a community-based setting, as these individuals will not be residing in an institutional setting. NCDHHS reports a diversion to a community-based setting as a successful diversion. For the October 2025 report, NCDHHS confirmed that two out of the five individuals who were reported as "diversions" in the July 2025 report remained in the community by ensuring these members did not appear on this quarter's Member report.

**Table 3: Findings for Diversion Reporting Requirements (IV.1.a, IV.1.e, and IV.1.f)**

| IV.1.a Individuals with I/DD Diverted from Institutional Settings | | |
|---|---|---|
| **Reporting Period** | **Number** | |
| Jul – Sep 2024 | 3 | |
| Oct – Dec 2024 | 6 | |
| Jan – Mar 2025 | 5 | |
| Apr – Jun 2025 | 6 | |
| Cumulative (Jul 2024 – Jun 2025) | 20 | |
| Cumulative (Jul 2024 – Jun 2025) with TCL Data Included | 101 | |
| **IV.1.e Individuals with I/DD Eligible for Diversion Activities[5]** | | |
| **Reporting Period** | **Number** | **Percentage** |
| Jul – Sep 2024 | 7 | Not Available |
| Oct – Dec 2024 | 7 | Not Available |
| Jan – Mar 2025 | 10 | Not Available |
| Apr – Jun 2025 | 6 | Not Available |
| **IV.1.f Individuals with I/DD who Remain in the Community Following Diversion Activities[6]** | | |
| Jul – Sep 2024 | N/A | N/A |
| Oct – Dec 2024 | 3 | 100% |
| Jan – Mar 2025 | 1 | 16.7% |
| Apr – Jun 2025 | 2 | 40.0% |

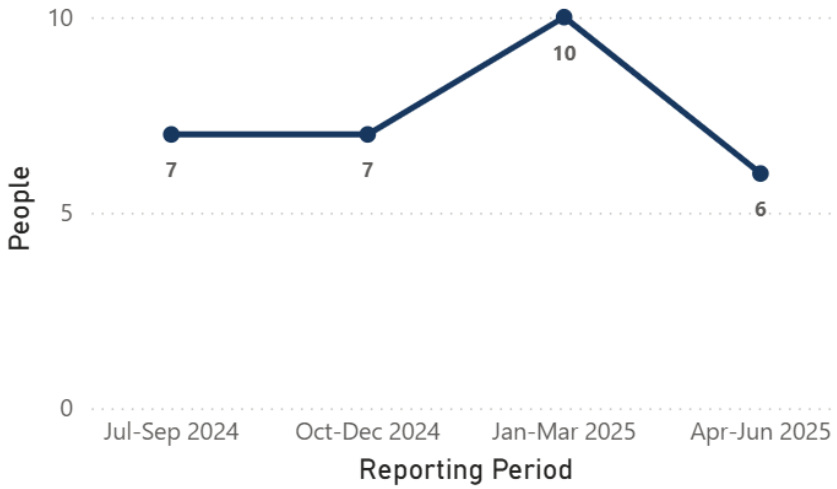
*Source: LME/MCO Reporting*

**Chart 5: Individuals with I/DD Diverted from Institutional Settings (IV.1.a)**




*Source: LME/MCO Reporting*

**Chart 6: Individuals with I/DD Eligible for Diversion Activities (IV.1.e)**




*Source: LME/MCO Reporting*

Diversion Reporting Metrics Data Narrative:

- The diversion numbers have decreased significantly because TCL data has been separated out of culminative counts, per DRNC request. The data is still included in the report, as the TCL program does support I/DD diversions, but will be reported separately. There are only six people eligible for diversion and six people diverted from institutional settings for this reporting period when excluding TCL data. Cumulative numbers for July 1,2024-June 30,2025 are also low. There are 30 people eligible for diversion with 20 being diverted from institutional settings.
- The Department continues to work with the LME/MCOs, various stakeholder workgroups and internal staff to obtain feedback on the draft definition of diversion eligibility. All feedback will be reviewed and incorporated into a finalized definition where appropriate.
- Revisions to the draft definition will be shared with the LME/MCOs for final review and feedback. Once finalized, the definition will provide clarity and guidance to the LME/MCOs to capture people with I/DD that are eligible for diversion activities. The Department anticipates providing a standardized definition of this population will improve the data collected across the plans thus causing an increase in the number of people eligible for and receiving diversion assistance.

NCDHHS Initiatives to Support Diversions: The Department monitors and standardizes LME/MCO diversion efforts to help people with I/DD at risk of institutionalization receive services and support to prevent further decline and help people remain in the community.

- NCDHHS continues to work with LME/MCOs to make sure all people who are eligible for diversion receive assistance and those diverted from institutional settings are being counted on the quarterly reports. The current reporting period showed a significant increase in the number of people eligible for diversion. This confirms the technical assistance calls the Inclusion Connects team is conducting with the LME/MCOs are working as LME/MCO staff continue to identify more people eligible for diversion and those being diverted from institutional settings.

- The Inclusion Connects team has drafted a definition of diversion eligibility to ensure all people at risk of institutionalization will receive diversion assistance and be captured on the quarterly reports. The draft definition has been shared with LME/MCOs, various stakeholder workgroups and department staff for review and feedback. As feedback continues to come in, the Inclusion Connects team will review and incorporate as needed thus creating a more inclusive definition that will capture all people with I/DD in need of diversion assistance. Inclusion Connects does not offer funding for diversion assistance, but it is important for people at risk of institutionalization to connect with LME/MCO staff knowledgeable in home and community-based services to help avoid institutionalization.
- The All Ages, All Stages NC plan[6] has immediate recommendations of the adoption of universal design principles in housing development and renovation that will be critical to the success of people with I/DD to live in community-based settings. Universal design will ensure homes are accessible and functional for people of all ages and abilities. The Olmstead Housing Director has joined this committee thus ensuring collaborative efforts from the NC Strategic Housing Plan.
- All Ages, All Stages also includes an immediate recommendation to ensure evolving housing and supports needs of younger people with developmental disabilities, traumatic brain injury, mental health needs, or other significant health and mobility challenges are met so they can age in place. Having the appropriate supports will allow these populations to continue to have access to adequate housing and support services even when aging caregivers are no longer able or available to provide the supports. This recommendation aligns with concerns from LRPs and advocates desiring to make sure young adults living with I/DD have opportunities to continue to live independently in communities of their choosing and avoid institutionalization.
- NCDHHS will continue to work with stakeholders to identify funding opportunities to support rental assistance programs for people with I/DD that are interested in living more independently in community-based settings.

## Services: 1915(i) and Continuing Unmet Needs

NCDHHS is committed to ensuring that people with I/DD access the appropriate services and supports to live fulfilling lives in their communities. Through targeted outreach, strategic partnerships, and program expansions, the Department aims to improve service accessibility and address the unique needs of people with I/DD across the state. In line with this commitment, NCDHHS launched the 1915(i) Home and Community Based Services (HCBS) Medicaid State Plan in July 2023. This program is critical in addressing service gaps and reducing extended wait periods.

### Reporting Requirements for 1915(i) Services

The 1915(i) reporting requirements focus on tracking benchmarks for people with I/DD receiving services. These include the number of people who have completed the assessment and approval process and those actively receiving 1915(i) services. The report provides data on the number and percentage of people on the Innovations Waiver Waitlist receiving I/DD-related services during the quarterly reporting period, encompassing services provided through 1915(i), other HCBS, State-Funded Services, and In-Lieu of Services.

Key Findings:

[6] All Ages, All Stages NC Plan available here.

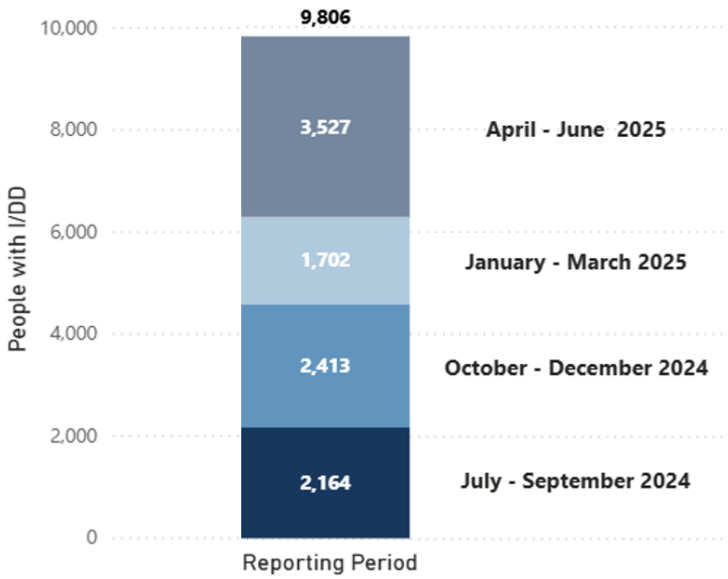
Consent Order Reporting Requirement IV.1.i: Number of individuals with I/DD for whom the 1915(i) assessment and approval process has been completed.

**Table 4: 1915(i) Implementation (IV.1.i)**

| Individuals with I/DD for whom 1915(i) Assessment and Approval Process has been Completed | |
|---|---|
| **Reporting Period** | **Number** |
| Jul – Sep 2024 | 2,164 |
| Oct – Dec 2024 | 2,413 |
| Jan – Mar 2025 | 1,702 |
| Apr – Jun 2025 | 3,527 |
| Cumulative (Jul 2024 – Jun 2025) | 9,806 |

*Source: 1915(i) Assessment Data*

**Chart 7: Individuals with I/DD for whom 1915(i) Assessment and Approval Process has been Completed (IV.1.i)**




*Source: 1915(i) Assessment Data*

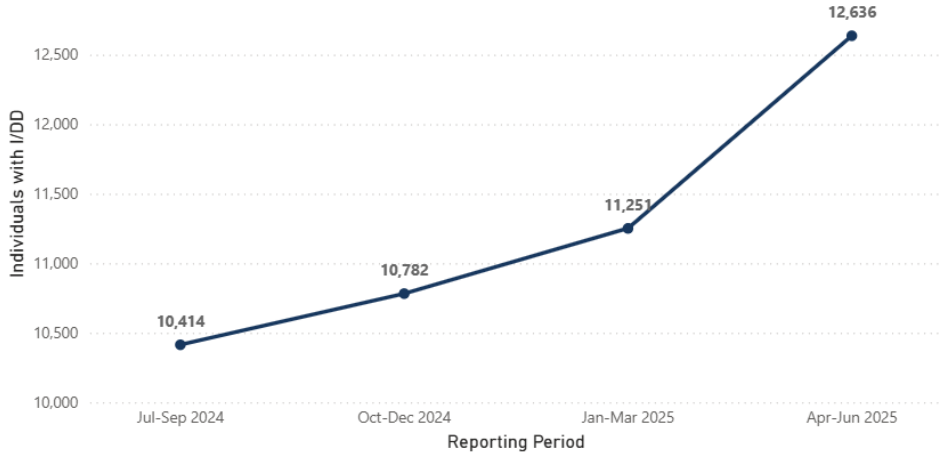
Consent Order Reporting Requirement IV.1.j: Number of individuals with I/DD receiving 1915(i) services.[7]

**Table 5: 1915(i) Implementation (IV.1.j.)**

| Individuals with I/DD Receiving 1915(i) Services[7] | |
|---|---|
| **Reporting Period** | **Number** |
| Jul – Sep 2024 | 10,414 |
| Oct – Dec 2024 | 10,782 |
| Jan – Mar 2025 | 11,251 |
| Apr – Jun 2025 | 12,636 |

*Source: Claims and Encounters Data*

**Chart 8: Individuals with I/DD Receiving 1915(i) Services (IV.1.j)**




*Source: Claims and Encounters Data*

Consent Order Reporting Requirement IV.1.k.: Number of individuals who received an assessment for 1915(i) services within 90 days of requesting an evaluation.

Consent Order Reporting Requirement IV.1.l.: Number of individuals who waited, or have waited, more than 90 days for an assessment, including the number of additional days waiting.

[7] Tailored Care Management (TCM) is not a 1915(i) service and is therefore not included in the counts for Reporting Requirement IV.1.j. The quarterly number reported for this metric is a snapshot of the total count for the reporting period. Therefore, overlap of individuals receiving services should exist from quarter to quarter.

**Table 6: 1915(i) Implementation (IV.1.k., IV.1.l)**

| Number of individuals who received an assessment for 1915(i) services within 90 days of requesting an evaluation | |
|---|---|
| **Reporting Period** | **Number** |
| Jul – Sep 2024 | Not Available |
| Oct – Dec 2024 | Not Available |
| Jan – Mar 2025 | Not Available |
| Apr – Jun 2025 | Not Available |
| **Number of individuals who waited, or have waited, more than 90 days for an assessment** | |
| Jul – Sep 2024 | Not Available |
| Oct – Dec 2024 | Not Available |
| Jan – Mar 2025 | Not Available |
| Apr – Jun 2025 | Not Available |

*Source: N/A*

Data Narrative for 1915(i) Implementation

- This quarter notes a doubling of 1915(i) assessments completed in comparison to the previous quarter and the highest number of 1915(i) assessments completed during any quarter. 1915(i) service utilization has also continued to increase quarter over quarter, with the current reporting quarter being the highest of any quarter.
- NCDHHS also attends and hosts community events, including those with Exceptional Children's Assistance Center and Grupo Poder y Esperanza, to provide education. There continues to be a focus on the NCDHHS Plain-Language Campaign, with the Innovations Waiver toolkit released on April 24, 2025 (which can be found here).
- The report aims to provide timeliness measures, including the number of people assessed within 90 days of requesting an assessment and those who waited beyond 90 days, including extended waiting periods. Assessment forms for 1915(i) services have been updated to require this information and were required to be utilized starting October 1, 2025; this data is anticipated to be reported in the April 15, 2026 report.
- Tailored Care Manager manuals have been updated to include specific timelines for the 1915(i)-onboarding process, which will also be included in future contract language with LME-MCOs.

## Communication and Stakeholder Engagement

In line with the requirements for quarterly or as-needed discussions (Benchmark III.1.B.), NCDHHS has employed and implemented various communication mechanisms for stakeholder engagement regarding the implementation and outcomes of 1915(i) services. These include monthly I/DD director's meetings to discuss service outcomes, challenges, and adjustments. Additionally, the Department launched the Inclusion Connects Advisory Committee which is held each quarter and related subcommittees (including a workgroup specifically focused on Access to Services that meets monthly) to gather feedback and input from a variety of stakeholders.

## Continuing Unmet Needs

This section addresses the Department's ongoing responsibility to track and report the needs of people with I/DD who remain on service waitlists or require additional services beyond their current provisions. This section outlines the key metrics NCDHHS must report to ensure transparency and accountability in addressing service gaps for the I/DD population.

The Innovations Waiver Waitlist, formerly the Registry of Unmet Needs, includes individuals waiting for services under the Innovations Waiver program. This waiver program provides home and community-based services to people with I/DD to help them live more independently. Due to the limited number of Innovation Waiver slots approved by the General Assembly, the waitlist tracks potentially eligible people who have not yet been assigned a Waiver slot. To improve access, the state monitors and evaluates the waitlist through quarterly reporting and continuous data tracking.

Key Findings:

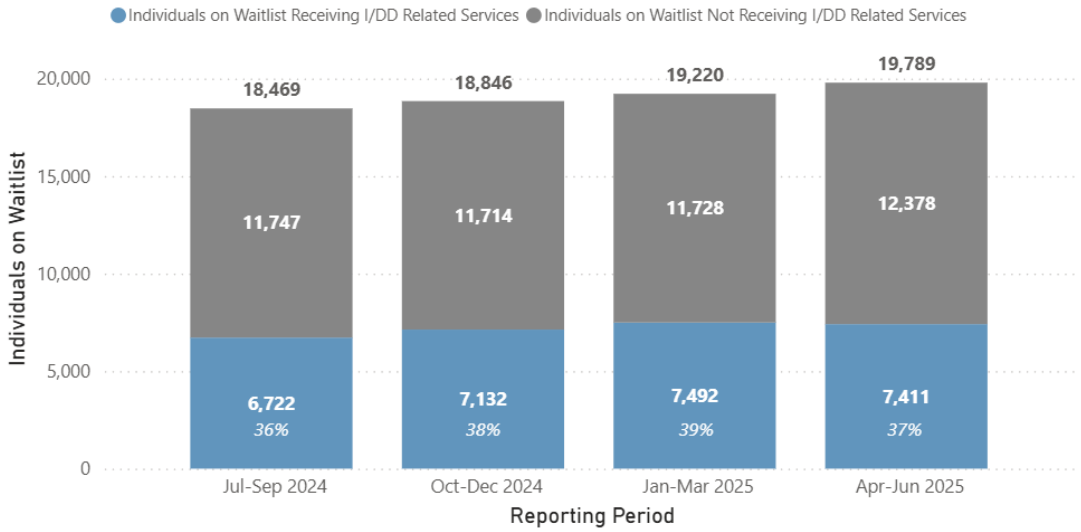
Consent Order Reporting Requirement IV.1.m Continuing Unmet Needs: Number and percentage of people on the waitlist receiving I/DD-related services for the reporting quarterly period, including 1915(i), HCBS, State-Funded Services, or In-Lieu of Services.

**Table 7: Continuing Unmet Needs (IV.1.m)**

| Number of Individuals on the Innovations Waiver Waitlist That Are Receiving I/DD-Related Services | | |
|---|---|---|
| **Reporting Period** | **Number** | **Percentage** |
| Jul - Sep 2024 | 6,722 | 36.4% |
| Oct – Dec 2024 | 7,132 | 37.8% |
| Jan – Mar 2025 | 7,492 | 38.9% |
| Apr – Jun 2025 | 7,411 | 37.4% |

*Source: Claims and Encounters Data*

**Chart 9: Number of Individuals on the Innovations Waiver Waitlist That Are Receiving I/DD-Related Services (IV.1.m)**




*Source: LME/MCO Reporting, Claims and Encounters Data*

Consent Order Reporting Requirement IV.1.n Continuing Unmet Needs: Number and percentage of individuals receiving 1915(i) services who need additional services in addition to their approved 1915(i) services.

**Table 8: Continuing Unmet Needs (IV.1.n)[8]**

| Number and percentage of individuals receiving 1915(i) services who need additional services in addition to their approved 1915(i) services. | | | | |
|---|---|---|---|---|
| **Measure** | **Jul-Sep 2024** | **Oct-Dec 2024** | **Jan-Mar 2025** | **Apr-Jun 2025** |
| Care Plans/ISPs that were revised, as applicable, by the Care Manager to address members' changing needs | 177 (1.5%) | 433 (3.6%) | 464 (3.7%) | Expected November 2025 |
| Care Plan/ISPs that address identified health and safety risk factors | 1,149 | | Expected November 2025 | |
| Care Plans/ISPs in which the services and supports reflect beneficiary assessed needs and life goals | Expected November 2025 | | | |
| Beneficiaries reporting that their Care Plan/ISP has the services that they need | Expected November 2025 | | | |

*Source: LME/MCO Reporting*

Consent Order Reporting Requirement IV.1.o Continuing Unmet Needs: Number of people remaining on the Waitlist and the number removed from the Waitlist during the data reporting fiscal quarter, each preceding fiscal year (if applicable), and cumulatively**.**

**Table 9: Continuing Unmet Needs (IV.1.o)**

| Number of People Remaining on the Waitlist | | |
|---|---|---|
| **Reporting Period** | **Number Remaining on Waitlist** | **Number Removed from Waitlist** |
| Jul - Sep 2024 | 18,457[9] | 409 |
| Oct – Dec 2024 | 18,846[10] | 291 |
| Jan – Mar 2025 | 19,220 [10] | 245 |
| Apr – Jun 2025 | 19,789 | 215 |

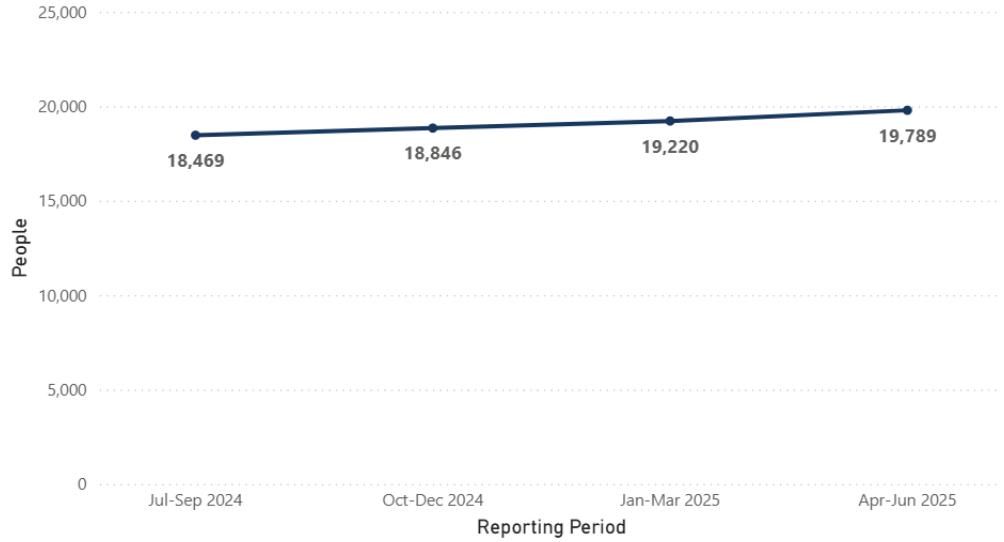
*Source: LME/MCO Reporting*

[8] The data source for Table 8 operates on a five-month delay, meaning data will be available five months after the last day of the reporting period. Due to this, Quarterly values of Jan - Mar 2025 will be reported in August 2025 submission and Annual values will reported in November 2025 submission.

[9] The data source for this metric has changed and a new report from LME/MCOs is now used to generate Waitlist related values. This results in a slight variation between the table value from Jul – Sep 2024 and the number displayed in the visual for the same reporting period.

[10] Values for this reporting period have been updated to reflect more complete internal data identified during routine data validation.

**Chart 10: Number of People Remaining on the Waitlist (IV.1.o)**




*Source: LME/MCO Reporting*

Consent Order Reporting Requirement IV.1.p Continuing Unmet Needs: Waiver slots and reserve capacity use status.

**Table 10: Continuing Unmet Needs (IV.1.p)[11]**

| Status of the use of Waiver Slots and Remaining Reserve Capacity | | |
|---|---|---|
| **Reporting Period** | **Number Active** | **Remaining Reserve Capacity** |
| Jul - Sep 2024 | 13,938 | 132 |
| Oct – Dec 2024 | 14,308 | 89[12] |
| Jan – Mar 2025 | 14,420 | 25 |
| Apr – Jun 2025 | 14,089 | 14 |

*Source: LME/MCO Reporting*

Data Narrative for Continuing Unmet Needs

- While the number of people on the Innovations Waiver waitlist has grown, the percentage of those receiving services has continued to remain consistent, showing that those accessing services are increasing at approximately the same rate as the waitlist.
- Current 1915(i) assessments have been updated to require the date the assessment was requested in addition to the date it was completed. This update has occurred, and the updated assessment is required to be utilized starting October 1, 2025, with reportable data anticipated for the January 2026 report.
- Table 8 represents performance standards for 1915(i) services across all service recipients and the anticipated date of data submission, as applicable. Additional measures will be reported

[11] For fiscal year 2024-2025 there are 14,736 approved active slots for the Innovations Waiver, with 161 slots retained for reserve capacity. Values reported are from the end of each fiscal quarter, 9/30/2024, 12/31/2024, 3/31/2025, and 6/30/2025 and are expected to continue to change as year progresses.
[12] This value is an estimate as not all LME/MCOs have submitted the requested information.

when they become available. The possibility of moving all measures to a quarterly reporting cadence is currently in progress.

- LME-MCO reporting tools have also been updated to assist with gathering this information while a formal assessment process is still being designed; the first submission of the updated report was in September 2025.
- NCDHHS has contracted a consultant to support program and process design of how to assess the needs for people currently on the Innovations Waiver waitlist. This work started 7/1/2025 and will include expert and stakeholder input.

## Direct Service Professionals (DSP) Workforce

According to State of the Workforce Survey Report for 2023[13], by National Core Indicators Intellectual and Developmental Disabilities, North Carolina had the second lowest turnover rate, and the highest percentage of DSPs employed over 36 months, compared to other states participating in the survey. This does not mean however there is no work to be done, as available and accessible DSPs are critical to ensuring that people with I/DD can receive appropriate services in a setting of their choice. North Carolina is currently facing a critical shortage of DSPs, which is significantly affecting the availability and quality of home and community-based services for people with I/DD.

A Tailored Plan Contract Amendment was executed to raise the minimum utilization rate of authorized Community Living and Supports (CLS) services **to qualified individuals on the Innovations Waiver** to at least 82%, as required by the Consent Order. The Amendment language is as follows:

*To increase Member access to 1915(i), 1915(c), and 1915(b)(3) services for Community Living and Supports (CLS), Community Networking, Supported Employment, and Supported Living, BH I/DD Tailored Plans shall achieve the following utilization rates as demonstrated through the BH I/DD Tailored Plan's submission of the 1915 Services Authorization Report:*

*By the fiscal year ending June 30, 2025, individuals authorized to receive CLS services through Innovations Waiver, or 1915(i), will utilize at least eighty-five percent (85%) of authorized CLS Services.*

The remainder of this page is intentionally left blank.

[13] 2023-NCI-IDD-SoTW_241126_FINAL.pdf

Key Findings:

Consent Order Reporting Requirement IV.1.q. DSP Availability: Overall percentage of authorized Community Living and Supports (CLS) billed hours.

**Table 11: Findings for Overall DSP Availability (IV.1.q)**

| Authorized Hours of CLS Billed | | |
|---|---|---|
| **Reporting Period** | **Total Number Hours Authorized** | **Percentage** |
| Jul - Sep 2024 | 8,921,654 | Total: 48.3%<br>LME/MCO#1: 83.5%<br>LME/MCO#2: 36.9%<br>LME/MCO#3: 40.0%<br>LME/MCO#4: 81.6% |
| Oct – Dec 2024 | 3,541,357 | Total: 80.5%[14]<br>LME/MCO#1:76.8%<br>LME/MCO#2: 85.3%<br>LME/MCO#3: 199.0%[14]<br>LME/MCO#4: 77.5% |
| Jan – Mar 2025 | 3,517,028 | Total: 85.2%<br>LME/MCO#1: 83.3%<br>LME/MCO#2: 86.8%<br>LME/MCO#3: 89.6%<br>LME/MCO#4: 82.6% |
| Apr – Jun 2025 | 3,003,503 | Total: 73.3%<br>LME/MCO#1: 77.1%<br>LME/MCO#2: 83.6%<br>LME/MCO#3: 40.1%<br>LME/MCO#4: 83.7% |

*Source: LME/MCO Reporting*

Consent Order Reporting Requirement IV.1.r. DSP Availability: Number of units of CLS authorized by LME/MCO.

Consent Order Reporting Requirement IV.1.s. DSP Availability: Number of units of CLS billed by LME/MCO.

Consent Order Reporting Requirement IV.1.t. DSP Availability: Number of units of CLS not utilized because of lack of provider or staff availability by LME/MCO.

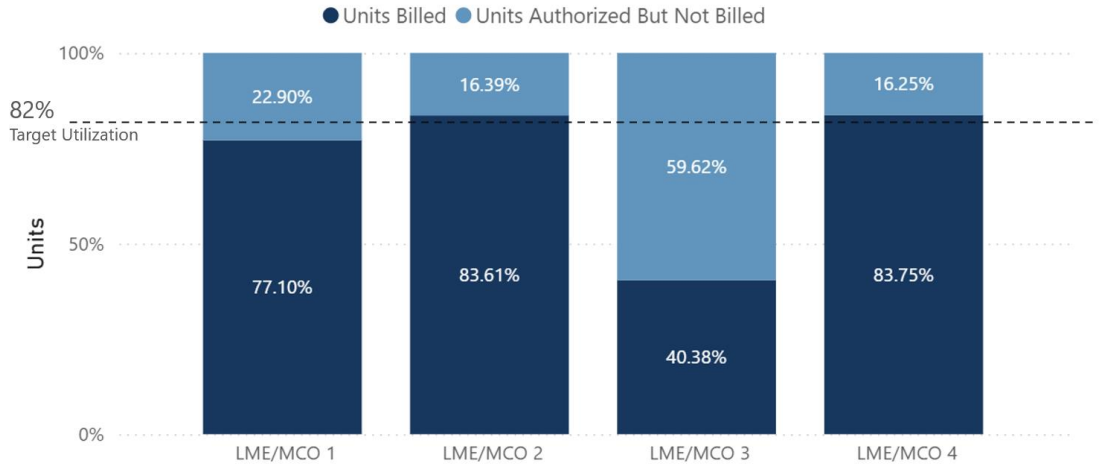
[14] We do not expect hours billed to exceed hours authorized. For the Oct – Dec 2024 Reporting Period, LME/MCO#3 reported hours billed exceeding hours authorized due to prior authorization waivers, resulting in a percentage greater than 100%. We have excluded LME/MCO#3 from our total percentage as we investigate their methodology used.

**Table 12: Findings for DSP Availability by Number of Units (IV.1.r, IV.1.s and IV.1.t)**

| Number of Units of CLS Authorized | | | | |
|---|---|---|---|---|
| | Number by LME/MCO | | | |
| **Reporting Period** | LME/MCO#1 | LME/MCO#2 | LME/MCO#3 | LME/MCO#4 |
| Jul - Sep 2024 | 4,462,758 | 10,244,700 | 17,782,750 | 3,196,408 |
| Oct – Dec 2024 | 3,142,980 | 4,792,859 | 2,944,769 | 3,284,822 |
| Jan – Mar 2025 | 4,899,722 | 3,842,835 | 2,362,768 | 2,962,788 |
| Apr – Jun 2025 | 1,994,941 | 4,316,340 | 2,562,080 | 3,140,652 |
| **Number of Units of CLS Billed** | | | | |
| Jul - Sep 2024 | 3,724,916 | 3,776,753 | 7,123,906 | 2,609,513 |
| Oct – Dec 2024 | 2,412,263 | 4,086,047 | 5,861,142 | 2,544,260 |
| Jan – Mar 2025 | 4,080,952 | 3,336,897 | 2,116,485 | 2,448,448 |
| Apr – Jun 2025 | 1,538,157 | 3,608,806 | 1,034,595 | 2,630,289 |
| **Number of Units of CLS not Utilized due to Lack of Provider or Staff Availability** | | | | |
| Jan – Mar 2025 | 241,333 | 177,033 | Not Reported | 56,201 |
| Apr – Jun 2025 | 91,269 | 214,737 | 13,457 | 92,499 |

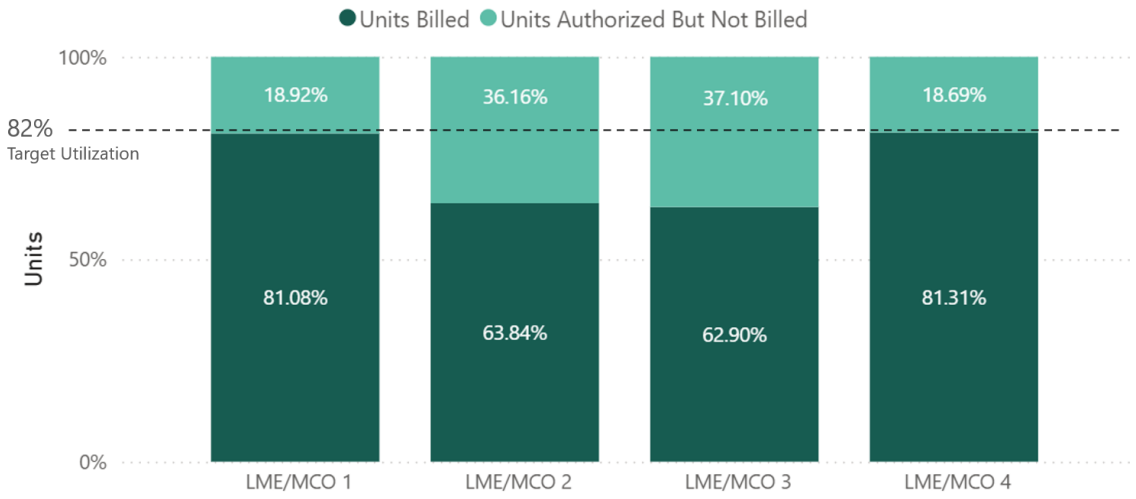
*Source: LME/MCO Reporting*

**Chart 11: Percentage of Authorized Units Billed (IV.1.r and IV.1.s)**




*Source: LME/MCO Reporting*

**Chart 12: Percentage of Authorized Units Billed Jul 2024 – Jun 2025**




*Source: LME/MCO Reporting*

DSP Workforce Metrics Data Narrative

- The data contained in Tables 11 and 12 is part of the LME/MCO report to capture CLS utilization. The fourth submittal from LME/MCOs was received in September 2025. NCDHHS continues to partner with LME/MCOs, to provide technical assistance calls with each LME/MCO, on improving the data reported and understanding the context around the individual plans' reported rates.
- For this reporting period, April – June 2025, LME/MCO #1 reported fewer units of CLS authorized as compared to previous quarters. Upon further investigation, this decrease can be attributed to fewer people being reported by LME/MCO #1 during this reporting period.
- NCDHHS continues to engage with LME/MCO #3 to understand discrepancies in reporting for overall percentage of authorized CLS billed hours (reported in Table 11) and number of units of CLS not billed due to staff availability (reported in Table 12). The Department and LME/MCOs will continue to engage in technical assistance to ensure accurate reporting.
- The annual data presented in Table 12 (covering July 2024 through June 2025) is affected by data quality concerns and inconsistent methodologies employed across the LME/MCOs, particularly during the first two reporting quarters (July–September 2024 and October–December 2024). As a result, the Department recognizes that the reported CLS utilization rates for the year may be skewed.
- In response to standardized guidance provided by the Department during technical assistance calls, both data quality and reporting methodologies improved over the course of the fiscal year. These enhancements have led to more accurate CLS utilization rates, as reflected in Table 11. The Department anticipates that these improvements will continue into the upcoming fiscal year.

NCDHHS DSP Workforce Initiatives

- In August 2025, the Department released an updated Direct Support Professional Workforce Plan,[15] which outlines the Department's multi-year, comprehensive strategy to enhance training, recruitment, and retention methods to address the state's critical shortage of DSPs.
- To support the recruitment and retention of Direct Support Professionals (DSPs), funding opportunities have been created by NCDHHS for provider agencies and Employers of Record (EORs). In the first round, $3 million was awarded to assist with the funding of hiring and retention bonuses, on-the-job training, and supports designed to make DSP roles more appealing. A second round of incentives focused on recruitment and retention was launched in spring 2025. Awards from round two are projected to be announced in October 2025 and distribution of funds anticipated later in fall 2025 – early winter 2025.
- The DSP Advanced Training Certificate Program, offered through the North Carolina Community College System, is designed to provide specialized education for Direct Support Professionals to enhance their skills and career opportunities. Beginning in fall 2025, the program will be made available at three community colleges: Asheville-Buncombe Technical Community College, Stanly Community College, and Forsyth Community College, with potential expansion to other institutions in future semesters. Two courses will be offered, focusing on advanced knowledge for supporting individuals with intellectual and developmental disabilities. This program is being implemented as part of NCDHHS's broader effort to ensure a stronger and better trained DSP workforce, thereby improving the quality of care.

## Conclusion

NCDHHS is committed to connecting people with I/DD to more choices and more access to services and supports. Inclusion Connects is a collaboration among NCDHHS divisions, including the Division of Mental Health, Developmental Disabilities, and Substance Use Services and Medicaid, to provide resources that connect people with I/DD to services and support available to live, work, and thrive in their chosen communities. NCDHHS will continue to gather performance metrics from the initiatives above and adjust the workplan as necessary to meet and exceed the needs of the I/DD population in North Carolina.

[15] Read the updated DSP Workforce Plan here.

# Attachment 1 - Summary of Consent Order Reporting Requirements

| Consent Order Section | Consent Order Subject Area | Reporting Requirement | Current Quarter (Apr - Jun 2025) |
|---|---|---|---|
| IV.1.a | Diversion and Transition Services | Number of individuals diverted from institutional settings during the preceding fiscal quarter, each preceding fiscal year (if applicable), and cumulatively. | Previous Quarters: (Jul – Sep 2024): 3<br>(Oct – Dec 2024): 6<br>(Jan – Mar 2025): 5<br>Current Quarter (Apr – Jun 2025): 6<br>Cumulative (Jul 2024 – Jun 2025): 20<br>Cumulative (Jul 2024 – Jun 2025) with TCL Data Included: 101 |
| IV.1.b | Diversion and Transition Services | Number of people transitioned from institutional settings during the preceding fiscal quarter, each preceding fiscal year (if applicable), and cumulatively | Previous Quarters: (Jul – Sep 2024): 12<br>(Oct – Dec 2024): 25<br>(Jan – Mar 2025): 19<br>Current Quarter (Apr – Jun 2025): 26<br>Cumulative (Jul 2024 – Jun 2025): 82<br>Cumulative (Jul 2024 – Jun 2025) with TCL Data Included: 129 |
| IV.1.c | Diversion and Transition Services | Number and percentage of individuals with I/DD eligible for In-Reach activities who are engaged in In-Reach activities. | 372, 10.2% |
| IV.1.d | Diversion and Transition Services | Number and percentage of individuals with I/DD who began transition planning following In-Reach. | 132; 35.5% |
| IV.1.e | Diversion and Transition Services | Number and percentage of individuals with I/DD eligible for diversion activities. | 6 |
| IV.1.f | Diversion and Transition Services | Number and percentage of individuals with I/DD who remain in the community after engaging in diversion activities. | 2; 40.0% |
| IV.1.g | Diversion and Transition Services | Number and percentage of individuals with I/DD age 18 and above identified for transition who are discharged through the transition planning process. | 15; 56.7% |
| IV.1.h | Diversion and Transition Services | Information related to both successful and unsuccessful transitions. | See page 13-14 |

| Consent Order Section | Consent Order Subject Area | Reporting Requirement | Current Quarter (Apr - Jun 2025) |
|---|---|---|---|
| IV.1.i | 1915(i) Implementation | Number of individuals with I/DD for whom the 1915(i) assessment and approval process has been completed. | 3,527 |
| IV.1.j | 1915(i) Implementation | Number of individuals with I/DD receiving 1915(i) services. | 12,636 |
| IV.1.k | 1915(i) Implementation | Number of individuals who received an assessment for 1915(i) services within 90 days of requesting an evaluation. | Not Available |
| IV.1.l | 1915(i) Implementation | Number of individuals who waited, or have waited, more than 90 days for an assessment, including the number of additional days waiting. | Not Available |
| IV.1.m | Continuing Unmet Need | Number and percentage of people on the Registry receiving I/DD-related services for the reporting quarterly period, including 1915(i), HCBS, State-Funded Services, or In-Lieu of Services. | 7,411; 37.4% |
| IV.1.n | Continuing Unmet Need | Number and percentage of individuals receiving 1915(i) services who need additional services in addition to their approved 1915(i) services. | 464; 3.7% |
| IV.1.o | Continuing Unmet Need | Number of people remaining on the Registry and the number removed from the Registry during the data reporting fiscal quarter, each preceding fiscal year (if applicable), and cumulatively. | Remaining: 19,789<br>Removed: 215 |
| IV.1.p | Continuing Unmet Need | Status of the use of waiver slots and reserve capacity. | Active Slots: 14,089<br>Reserve Slots: 14 |
| IV.1.q | DSP Availability | Overall percentage of authorized hours of Community Living and Supports (CLS) were billed.<br><br>Consent Order Target Utilization by June 30, 2024: 82%<br>Consent Order Target Utilization by June 30, 2025: 85% | Total Number Hours Authorized: 3,003,503<br>Percentage Total (Apr-Jun 2025): 73.3%<br>LME/MCO#1: 77.1%<br>LME/MCO#2: 83.6%<br>LME/MCO#3: 40.3%<br>LME/MCO#4: 83.7%<br>FY25 Annual Rate = 69.7% |
| IV.1.r | DSP Availability | Number of units of CLS authorized by LME/MCO. | LME/MCO#1: 1,994,941<br>LME/MCO#2: 4,316,340<br>LME/MCO#3: 2,562,080<br>LME/MCO#4: 3,140,652 |

| Consent Order Section | Consent Order Subject Area | Reporting Requirement | Current Quarter (Apr - Jun 2025) |
|---|---|---|---|
| IV.1.s | DSP Availability | Number of units of CLS billed by LME/MCO. | LME/MCO#1: 1,538,157<br>LME/MCO#2: 3,608,806<br>LME/MCO#3: 1,034,595<br>LME/MCO#4: 2,630,289 |
| IV.1.t | DSP Availability | Number of units of CLS not utilized because of lack of provider or staff availability by LME/MCO. | LME/MCO#1: 91,269<br>LME/MCO#2: 214,737<br>LME/MCO#3: 13,457<br>LME/MCO#4: 92,499 |

## Attachment 2 - Summary of Consent Order Reporting Benchmarks

| Consent Order Section | Benchmark | Current Quarter (Apr – Jun 2025) |
|---|---|---|
| III.A. Transitions | Defendants will support increased access to community-based services by transitioning eligible individuals who make an informed choice to transition to a community-based setting, and for whom a community-based setting is appropriate, as provided in the schedule below. These transitions may be facilitated and funded through Money Follows the Person and/or other appropriate funding sources.<br><br>• For the fiscal year ending June 30, 2025, Defendants will transition at least 78 individuals with I/DD from institutional settings to community-based settings.<br>• For the fiscal year ending June 30, 2026, Defendants will transition at least 83 individuals with I/DD from institutional settings to community-based settings.<br>• For the fiscal year ending June 30, 2027, Defendants will transition at least 88 individuals with I/DD from institutional settings to community-based settings. | **Complete for fiscal year ending June 30, 2025 –** 82 transitions reported from July 1, 2024 – June 30, 2025. |
| III.A. Transitions | Defendants will require LME/MCOs to engage in and track In-Reach efforts, as defined above, about individuals with I/DD living in the following settings: (1) Intermediate Care Facilities for Individuals with Intellectual Disabilities not operated by the State, (2) State Developmental Centers, (3) State psychiatric hospitals, (4) Psychiatric | **Ongoing -** NCDHHS continues to receive data on In-Reach efforts from LME/MCOs quarterly. |

| Consent Order Section | Benchmark | Current Quarter (Apr – Jun 2025) |
|---|---|---|
| | Residential Treatment Facilities, and (5) Adult Care Homes (at present, for member with Serious Mental Illness only). | |
| III.A. Transitions | With respect to In-Reach within Adult Care Homes, NCDHHS will update its contract language with LME/MCOs to remove the limitation that In-Reach obligations pertain to members with Serious Mental Illness only. | **Complete** |
| III.1.B. Diversion and Addressing Unmet Needs Through the Medicaid 1915(i) Service Option and Collecting Data Relating to Its Implementation. | By June 30, 2024, Defendants will have completed the assessment and approval process for 3,000 individuals with I/DD for eligibility for 1915(i) services. Completing the approval process may include approving for services, denying services, or approving in part and denying in part requested services. NCDHHS will document evidence of the number of individuals with I/DD who are not interested in being assessed for 1915(i) services, in the quarterly report. | **Complete** |
| III.1.B. Diversion and Addressing Unmet Needs Through the Medicaid 1915(i) Service Option and Collecting Data Relating to Its Implementation. | By June 30, 2024, all 1915(i) eligible individuals with I/DD with open authorizations for 1915(b)(3) services will be transitioned to appropriate 1915(i) services. | **Complete** |
| III.1.B. Diversion and Addressing Unmet Needs Through the Medicaid 1915(i) Service Option and Collecting Data Relating to Its Implementation. | To advance implementation of 1915(i) services, NCDHHS will do the following:<br>• Initiate and participate in quarterly and as-needed discussions with LME/MCOs, providers, community stakeholders and the public about the implementation of 1915(i) services. | **Ongoing** - NCDHHS regularly engages with the LME/MCOs (ensuring member transitions, clarity on process flow, policy clarification/questions), provider training, and creation of educational materials (FAQ, fact sheets). NCDHHS also regularly attends the NC Council on Developmental Disabilities, NC Provider Council meeting where updates on 1915(i) are provided. Other stakeholder engagement activities include regular TCM |

| Consent Order Section | Benchmark | Current Quarter (Apr – Jun 2025) |
|---|---|---|
| | | engagement, monthly Office Hours with health plans, and a bi-monthly benefits call with the health plans. |
| III.1.B. Diversion and Addressing Unmet Needs Through the Medicaid 1915(i) Service Option and Collecting Data Relating to Its Implementation. | To advance implementation of 1915(i) services, NCDHHS will do the following:<br>• Create a plain-language messaging campaign for potential beneficiaries of the 1915(i) service. NCDHHS will issue at least one communication using plain language to explain the 1915(i) service, and the implementation of same, to potential beneficiaries by June 30, 2024. | **Complete** |
| III.1.B. Diversion and Addressing Unmet Needs Through the Medicaid 1915(i) Service Option and Collecting Data Relating to Its Implementation. | To advance the implementation of 1915(i) services, NCDHHS will do the following:<br>• Ensure that trainings are in place for LME/MCOs, Tailored Care Management entities, and Tailored Care Management providers. | **Complete** |
| III.2.A. Establish minimum utilization rates for Community Living and Supports. | To increase access to CLS, NCDHHS will provide for the following minimum utilization percentages for CLS, revising or amending its contracts with the LME/MCOs as needed:<br>• By June 30, 2024, the minimum utilization rate of authorized CLS services provided to qualified individuals on the Innovations Waiver will be 82 percent.<br>• By June 30, 2025, the minimum utilization rate of authorized CLS services provided to qualified individuals on the Innovations waiver will be 85 percent. | **Ongoing –** NCDHHS continues to monitor quarterly for compliance to the minimum utilization rate.<br>• The FY25 annual data is affected by data quality concerns during the first two quarters of reporting (July – Sept and Oct- Dec 2024). See page 30.<br>• Significant improvements in data quality have been seen, and the Department is confident improved reporting will continue into Fiscal Year 2026. See page 30. |

| Consent Order Section | Benchmark | Current Quarter (Apr – Jun 2025) |
|---|---|---|
| | | |
| III.2.B. Issues Relating to Training and Credentialing for DSPs. | NCDHHS will evaluate recommendations from the AHEC Report and Best Practices to determine actionable activities to address the DSP Training and Credentialing Needs. | **Complete** |
| III.2.B. Issues Relating to Training and Credentialing for DSPs. | NCDHHS will present a draft DSP Workforce Plan to address DSP workforce deficits to an advisory committee consisting of stakeholders including individuals with I/DD, family members, DSPs, providers, and other stakeholders to garner feedback. | **Complete** |
| III.2.B. Issues Relating to Training and Credentialing for DSPs. | NCDHHS will provide a draft DSP Workforce Plan to Plaintiffs' Counsel by May 1, 2024. Plaintiffs' Counsel will provide any input or proposed changes to the draft to Defendants within 21 days of receipt. Defendants will receive and evaluate Plaintiffs' proposed changes, if any. The parties agree to meet and confer on or before June 5, 2024, on any issues that cannot reasonably be resolved. | **Complete** |
| III.2.B. Issues Relating to Training and Credentialing for DSPs. | NCDHHS will develop a final DSP Workforce Plan with specific actions and identified implementation dates no later than June 14, 2024. Plaintiffs retain the right, after evaluation of the final DSP Workforce Plan, to file a motion to challenge one or more terms of the Plan | **Complete** |
| III.2.B. Issues Relating to Training and Credentialing for DSPs. | NCDHHS will launch implementation of DSP Workforce Plan no later than July 1, 2024. Nothing in this Consent Order shall be construed to preclude future orders by the Court regarding training or credentialing for DSPs or other matters related to availability of DSPs. | **Complete** |