



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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**LME-MCO Joint Communication Bulletin # J413**

**DATE:** May 4, 2022

**TO:** Local Management Entities-Managed Care Organizations (LME-MCOs) and Behavioral Health & IDD Tailored Plans

**FROM:** Matt Herr, Assistant Director, System Performance, DMH/DD/SAS  
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**SUBJECT:** **State-Funded (Non-Medicaid) Provider Credentialing During LME/MCO to Behavioral Health and Intellectual/Developmental Disability (I/DD) Tailored Plan Transition**

State-funded only providers (non-Medicaid) will begin using the Medicaid credentialing process beginning at Behavioral Health I/DD Tailored Plan implementation. State-funded only providers will need to enroll in Medicaid via NCTRACKS to be credentialed as a State-funded only provider with a Tailored Plan.

Existing State-funded only providers can enroll in Medicaid at the time of their regularly scheduled recredentialing, even if it occurs after Tailored Plan implementation. The LME/MCOs (and subsequent Tailored Plans) will need to maintain State-funded only provider credentialing data during the transition period in order to ensure timely recredentialing is occurring. LME/MCOs may work with State-funded only providers to enroll in Medicaid prior to their regularly scheduled enrollment date.

State-funded only providers will not appear in the Provider Enrollment File (PEF) until they are enrolled in Medicaid via NCTRACKS. LME/MCOs and Tailored Plans will need an alternate way to monitor recredentialing timeframes until all State-funded only providers are enrolled.

NC Medicaid is moving towards centralized credentialing, and this change will also apply to state-funded only provider credentialing, as the DMH/DD/SAS contracts incorporate Medicaid credentialing requirements by reference. Additionally, this change will require an amendment to the LME/MCO and Tailored Plan contracts and will be addressed through the standard contract amendment process.

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