



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

**ROY COOPER** • Governor  
**KODY H. KINSLEY** • Secretary  
**JAY LUDLAM** • Deputy Secretary, NC Medicaid

May 04, 2023

Dear County DSS Director:

The Department of Health and Human Services, Division of Health Benefits hereby provides notice of its intent to transition from the use of 1915(b)(3) authority to cover a set of critical home and community-based services (HCBS) provided by LME/MCOs to Medicaid beneficiaries with significant behavioral health needs, I/DDs, and TBI to 1915(i) authority. With the transition to managed care authorized under a Section 1115 waiver authority, North Carolina must also transition authorities to maintain coverage of these HCBS for individuals enrolled in managed care.

This amendment will allow NCDHHS to implement a developed strategy for the continuation of these services through the federal 1915(i) State Plan option upon launch of the Tailored Plans. This strategy aims to: (1) ensure that beneficiaries do not experience disruption in their covered services upon the launch of Tailored Plans, and (2) improve the service array offered based on feedback from beneficiaries, advocates, providers, LME/MCOs and other stakeholders.

Please post this notice in your facility so that interested parties may be made aware of this proposed change and may comment as necessary. The posting can be removed after ninety days from the date of this letter.

Sincerely,

*Cecilia Williams*

Cecilia Williams  
State Plan and Amendments Coordinator

Attachment: (Revised) Public Notice SPA 22-0026 (**Transition of 1915(b)(3) Benefits to 1915(i) Authority**)  
**NC MEDICAID**

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH  
BENEFITS**

**(Revised) PUBLIC NOTICE (SPA #22-0026)**  
Transition of 1915(b)(3) Benefits to 1915(i) Authority

The Department of Health and Human Services, Division of Health Benefits hereby provides notice of its intent to transition from the use of 1915(b)(3) authority to cover a set of critical home and community-based services (HCBS) provided by LME/MCOs to Medicaid beneficiaries with significant behavioral health needs, I/DDs, and TBI to 1915(i) authority. With the transition to managed care authorized under a Section 1115 waiver authority, North Carolina must also transition authorities to maintain coverage of these HCBS for individuals enrolled in managed care.

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This amendment will become effective July 1, 2023.

The annual estimated state fiscal impact of this change is:

- a. SFY 2024    \$4,196,149
- b. SFY 2025    \$4,488,474

A copy of the proposed public notice may be viewed at the County Department of Social Services. Questions, comments, and requests for copies of the proposed State Plan amendment should be directed to the Division of Health Benefits at the address listed below.

Jay Ludlam  
Deputy Secretary for NC Medicaid  
Division of Health Benefits  
2501 Mail Service Center  
Raleigh, NC 27699-2501