North Carolina

Data as of April 2004

Mental Health and Substance Abuse Services in Medicaid and SCHIP in North Carolina

As of July 2003, 1,177,033 people were covered under North Carolina's Medicaid/SCHIP programs. 1,076,597 of these were Medicaid beneficiaries and 100,436 were enrolled into the separate SCHIP program. In state fiscal year 2003, North Carolina spent $7.4 billion to provide Medicaid services.

In North Carolina, low-income children may be enrolled into the Medicaid program or a Separate SCHIP program based on the child's age and their family's income.

- The Medicaid program serves pregnant women and infants in families with incomes up to 185% FPL, children from age 1through 5 in families with incomes up to 133% FPL, and children age 6 through 18 in families with incomes up to 100% FPL.
- The Separate SCHIP program serves uninsured children under age 19 from families with incomes of no more than 200% FPL who do not qualify for Medicaid. Families with incomes of at least 150% FPL must pay an enrollment fee of $50 per child up to a maximum amount of $100.

North Carolina requires most beneficiaries to enroll into a managed care program as described below.

- All beneficiaries in Mecklenburg County, except those over 65 or who are also receive Medicare are required to enroll into a comprehensive Managed Care Organization (MCO).
- All non-elderly, non-Medicare beneficiaries in some other urban areas are required to join the Primary Care Case Management (PCCM) program (called Carolina ACCESS) or a comprehensive MCO. All elderly beneficiaries in these counties are required to join Carolina ACCESS.
- All beneficiaries in the remainder of the state are required to join Carolina ACCESS.

None of these managed care programs manage mental health or substance abuse services. These types of services are delivered to all beneficiaries through fee-for-service. Nonetheless, as of July 2003, 753,472 Medicaid beneficiaries were enrolled into the PCCM program and 11,914 were enrolled into an HMO.

All SCHIP participants obtain all services, including mental health and substance abuse services, through a fee-for-service delivery system.

Medicaid

Who is Eligible for Medicaid?

Families and Children

1. Low-income families who qualify for North Carolina's Work First Family Assistance program.
2. Parents/caretakers and children age 19-21 from families with incomes below a limit established by the state that varies by family size, but is about 31% FPL.
3. Pregnant women and infants in families with incomes of 185% FPL or less.
4. Children ages 1 through 5 in families with incomes of 133% FPL or less.
5. Children ages 6 through 18 in families with incomes 100% FPL or less.
6. Recipients of adoption assistance and foster care under Title IV-E of the Social Security Act

Aged, Blind, and Disabled

1. Individuals receiving SSI or North Carolina's supplementary SSI payment.

2. All those who meet the SSI definition of disability or are over age 65, and have (a) income of 100% FPL or less and (b) resources no more than allowed under SSI.
3. Aged, Blind, and Disabled individuals in domiciliary facilities or other group living arrangements as defined under SSI.
4. Certain disabled children age 18 or under who are living at home, who would be eligible for Medicaid if they were in an institution.

Medically Needy

Members of the following groups may qualify for Medicaid coverage as Medically Needy if they have sufficient medical expenses to spend down their income to an amount set by the state. The income limit varies by family size, but is about 45% FPL.

1. Pregnant women
2. Children under age 21
3. Aged, Blind, and Disabled

Waiver Populations

North Carolina does not have an 1115 waiver.

What Mental Health/Substance Abuse Services are Covered by Medicaid?

Medicaid must cover some types of services (mandatory services) and may cover some other types of services (optional services). The information presented here identifies the types of service North Carolina Medicaid covers and the coverage requirements for those services. These services are presented grouped as they are in the Medicaid State plan that North Carolina must maintain under Medicaid law. Only those types of services that include mental health or substance abuse services are discussed.

Mandatory State Plan Services

Inpatient Hospital Services		
Service	Description	Coverage Requirements
Inpatient	• Services delivered in an inpatient hospital setting. • The hospital must be maintained primarily for treatment and care of patients with disorders other than mental disease for ages <21 or >65 • Services may be provided in a psychiatric unit of a general hospital for all ages.	• Services must be provided under the direction of either a physician with privileges or a dentist • All admissions to the psychiatric ward of a general hospital must be pre-approved by the Medicaid agency or its designated agent (currently Firsthealth) • Inpatient substance abuse services available for medical detoxification only

Outpatient Hospital Including Rural Health Center and Federally Qualified Health Center Services		
Service	Description	Coverage Requirements
Outpatient	Substance abuse and mental health services that would be covered if provided in another setting may be provided by an outpatient hospital setting.	• Beneficiaries may not receive more than the following amounts of psychiatric outpatient visits without prior authorization from the Medicaid agency or its designated agent. – 8 visits/year, if beneficiary is over age 21 – 26 visits/year, if beneficiary is age 21 or younger.

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Outpatient Hospital Including Rural Health Center and Federally Qualified Health Center Services		
Service	Description	Coverage Requirements
Federally Qualified Health Centers (FQHCs) and Rural Health Centers (RHCs)	Community Health Center (CHCs), including FQHCs and RHCs, may provide individual mental health visits	• Services provided by FQHCs and RHCs are subject to the same limits as physician services (described later in this document.) • A beneficiary may receive no more than 24 office visits to one or a combination of physicians, clinics, or hospital outpatient settings per fiscal year. Additional visits must be prior authorized and are allowed – Where the life of the patient would be threatened without additional care. – For beneficiaries under age 21 – For beneficiaries over age 21 who are receiving mental health services

Physician Services		
Service	Description	Coverage Requirements
Physician Services	Physicians may provide Medicaid-covered substance abuse and psychotherapy services that are within their scope of practice	• Service limits for psychiatric outpatient visits and outpatient visits outpatient services apply to physician visits. • Mental health and substance abuse services provided by physicians must meet the same coverage requirements as those specified for services delivered by other providers.

Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services to Children Under 21		
Service	Description	Coverage Requirements
Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Mental Health Services	EPSDT provides for access to services, including mental health and substance abuse services • in amounts greater than that otherwise covered by the Medicaid program • That can be covered under federal Medicaid law, but that North Carolina has otherwise chosen not to cover.	• Beneficiary must be under age 21 • Service must be needed to ameliorate or treat a condition identified in an EPSDT screen • Beneficiaries need prior authorization to obtain services - not otherwise covered by Medicaid or - in amounts greater than that otherwise covered by Medicaid - at designated trigger points for in-plan services
High Risk Intervention services	• A treatment component package, which may be provided in supervised residential settings, but does not include room and board. • There are four levels of care. - Level I: low to moderate structured and supervised environment level of care provided in a family setting. - Level II: moderate to high structured supervised environment level of care provided in a group home or a family setting. - Level III: highly structured and supervised environment level of care in a program setting only - Level IV: care provided in	• To qualify for services the beneficiary must - be under age 21 - have mental health or substance abuse service needs • Service must be needed to ameliorate or treat a condition identified in an EPSDT screen • Services are only available if - ordered by a physician or a Ph.D. psychologist - part of an active written treatment plan.

Early Periodic Screening, Diagnosis, and Treatment (EPSDT) Services to Children Under 21		
Service	Description	Coverage Requirements
	a physically secure, locked environment in a program setting	

Optional State Plan Services

Other Licensed Practitioners		
Service	Description	Coverage Requirements
Psychologists, Clinical social workers, Nurse practitioners certified in child and adolescent psychiatry and Clinical nurse specialists certified in child and adolescent psychiatry	Psychotherapeutic assessment and treatment services	• These services are only available to children under age 21 • These services count toward the 26 outpatient visits/per year that beneficiaries under age 21 may receive without prior authorization from the Medicaid agency or its designated agent. • No service may be provided without a referral from the Carolina ACCESS primary care provider or the area mental health program

Clinic		
Service	Description	Coverage Requirements
Clinic Services	Clinics may provide mental health and substance abuse services that would be covered if provided in another setting.	• Services must be medically necessary and furnished under the direction of a physician. • Services provided in a clinic setting must meet the same coverage requirements as those provided in other settings

Inpatient Psychiatric Services (for persons under the age of 21)		
Service	Description	Coverage Requirements
Inpatient Psychiatric Facility Services for Individuals Under 22	Inpatient psychiatric services provided by a psychiatric facility or an inpatient program in a psychiatric facility.	• To receive services a beneficiary must be under age 21 on the date of admission and no services will be covered after age 22. • All admissions to psychiatric hospitals or to a psychiatric ward of a general hospital must be pre-approved by the Medicaid agency or its designated agent (currently Value Options) • Admissions to all out of state psychiatric hospitals require prior approval for necessity to go out of state. • Beneficiaries admissions will not be approved unless the child's psychiatric condition requires services on an inpatient basis under the direction of a physician

Rehabilitative Services		
Service	Description	Coverage Requirements
Outpatient Mental Health and Substance Abuse Services	• Diagnostic, screening, preventive, and rehabilitative services covered when medically necessary. • Services include: - Case consultation	• To qualify for services a beneficiary must be diagnosed with mentally illness, developmental disability, or substance abuse. • Services must be ordered by a physician or other licensed practitioner of healing arts, within the scope of practice under law.

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Rehabilitative Services		
Service	Description	Coverage Requirements
	- Screening and evaluation - Outpatient treatment (including counseling, therapy, medication monitoring) - Partial hospitalization - Clozapine and - related services including Clozaril Patient Management System • Opioid treatment (Methadone and Bupronorphine) is covered.	• Services are limited to programs for the mentally ill and substance abusers certified as meeting the program standards of the Commission on Mental Health, Developmental Disabilities, and Substance Abuse Services • Beneficiaries may receive services after a determination is made that the services meets the patient's specific medical and/or remedial needs • Services may be delivered in the home or in supervised residential situations • Opioid treatment (Methadone and Bupronorphine) covered in clincs in local mental health centers only
School-based Health Centers	Services involving the identification of and intervention with children and adolescents who may be at risk for developing more serious emotional/behavioral problems as well as those who are already experiencing these problems.	• To receive services a beneficiary must - Be under age 21 - At risk for developing more serious emotional/behavioral problems as well as those who are already experiencing these problems. • A child may receive no more than 6 early intervention visits and a total of 26 unmanaged visits per calendar year without prior authorization from the Medicaid agency.
Services provided by Local Education Agencies (LEAs)	Psychological services can be provided by LEAs, including • testing • group and individual therapy	• To qualify for services beneficiaries must be - Age 3-20 - Enrolled in a public school • Services may only be delivered as part of a written plan of treatment., usually the Individual Education Plan (IEP).

Targeted Case Management		
Service	Description	Coverage Requirements
Targeted Case Management (TCM) for Mentally Ill Adults	Services to help qualified beneficiaries access needed care, including • Assessment and periodic reassessment, • development and implementation of an individualized case management services plan with the client and • plan monitoring and follow-up.	To qualify for services, beneficiaries must • be age 18 or over and - be diagnosed with a major mental disorder; or - at least one hospitalization for treatment of the mental disorder; or • have a documented need for assistance with two or more of the following: educational, vocational, social, financial, physical health; residential, recreational, or basic life skill
Targeted Case Management (TCM) for substance abusers	Services to help qualified beneficiaries access needed care, including • Assessment and periodic reassessment, • development and implementation of an individualized case management services plan with the client and • plan monitoring and follow-up	To qualify for services, beneficiaries must • have a documented need for assistance with two or more of the following: educational, vocational, social, financial, physical health; residential, recreational, or basic life skill; and - If age 21 or over, ▪ diagnosis of alcohol or other drug addiction included in ICD-9-CM classification, or ▪ Diagnosis of alcohol or other drug abuse included in ICD-9-CM classification and at least one inpatient

Targeted Case Management		
Service	Description	Coverage Requirements
		or residential placement of detoxification or treatment of the abuse disorder - If under age 21 ▪ diagnosis of alcohol or other drug abuse or addiction included in ICD-9-CH classification and at least one of the following: • Serious behavior problems with a duration of more than one year or projected to continue for more than one year; or • Needs more than two services from mental health or substance abuse agencies; or • Has been served in a hospital or residential treatment setting or needs such services.
Targeted Case Management for Emotionally Disturbed Children and Youth	Services to help qualified beneficiaries access needed care, including • Assessment and periodic reassessment, • development and implementation of an individualized case management services plan with the client and • plan monitoring and follow-up	• Child must have a diagnosis of serious emotional disturbance or neurological impairment and at least one of the following: - Needing services of more than two agencies - Needing more than two services from mental health agencies - Has been served in a psychiatric hospital - or intensive residential program or needs such services • Community case management transitional care activities can be performed for an institutionalized emotionally disturbed child/youth no more than 30 days prior to the estimated date of discharge.

SCHIP Medicaid Expansion Program

North Carolina does not operate a Medicaid Expansion Program.

Separate SCHIP Program

Who is Eligible for the Separate SCHIP Program?

The Separate SCHIP program serves

- Uninsured infants from families with incomes between 185% and 200% FPL.
- Uninsured children aged 1 through 5 in families with incomes between 133% and 200% FPL
- Uninsured children aged 6 through 18 in families with incomes between 100% and 200% FPL.

Families with incomes of 150% FPL or more must pay an enrollment fee of $50 per child up to a maximum amount of $100.

What Mental Health/Substance Abuse Services are Covered by the Separate SCHIP Program?

Benefits in Separate SCHIP programs must be actuarially equivalent to a benchmark selected by the State, among federally established options. In North Carolina the benefit package must be at least actuarially equivalent to that provided by the State Employees program. In addition children with chronic mental illness are considered special needs children and, after certification, can access the full Medicaid mental health benefit. (The Medicaid benefit was described previously in this document.) Coverage specifics for mental health and substance abuse services that would meet that benchmark are identified here.

Mental Health and Substance Abuse		
Service	Description	Coverage Requirements
Inpatient	Mental health and substance abuse services delivered in an inpatient hospital setting.	All inpatient mental health and substance abuse admissions require pre-certification.
Special Needs Services	Mental Heath and Substance Abuse Services include all those available under Medicaid plus the richer state employee benefit such as those for in-home services.	• Requires pre-certification after 26 outpatient visits per year • Mental health and substance abuse services may not be billed in a single day.

Outpatient Mental Health		
Service	Description	Coverage Requirements
Outpatient Mental Health, including office visits	Mental health services provided in any setting other than an inpatient or residential setting including services provided in the school or home, including: • Rehabilitative day treatment • Outpatient visits • Medication management	• Covered when the services are medically necessary for the diagnosis and treatment of the participant's condition. • Participants may receive no more than 60 days of rehabilitative day treatment per 12-month period. • Participants may receive no more than 60 outpatient visits per 12-month period for crisis stabilization, evaluation and treatment, except - All 60 rehabilitative day treatment days can be converted to outpatient visits on the basis of financial equivalence. • Medication management visits do not count against the outpatient visit limit. • The enrollee's health plan may require that beneficiaries obtain approval from the plan before receiving services. • Specific opioid treatments, such as methadone and/or LAAM are not covered.