



JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MEDICAID

NC Department of Health and Human Services

Children and Families Specialty Plan (CFSP) Implementation Update

Michael Leighs

Deputy Secretary, Opportunity and Wellbeing, NCDHHS

Melanie Bush

Interim Deputy Secretary, NC Medicaid, NCDHHS

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Supporting Child Welfare

Strengthen North Carolina's child welfare and social services systems to improve child outcomes in safety, permanency and well-being.

STRATEGIES



- Launch the NC Medicaid **Children and Families Specialty Plan** ★
- Implement the first successful statewide **child welfare information system (PATH NC)**
- Provide financial **supports to unlicensed kinship providers** to increase the number of foster-care involved youth who are placed in kinship care
- Expand **professional foster parenting** and **Success Coach** to support reunification and long-term permanency
- Implement a **Regional Support model** for social service agencies to deploy continuous quality improvement and technical assistance more effectively and efficiently across the state
- Implement system reforms, policy, and process changes included in the **Fostering Care Act**

Children and Families Specialty Plan (CFSP) Overview

- A **person-centered and family-focused** approach to care to strengthen and preserve families, prevent entry and re-entry into foster care, and support reunification and other permanency plan options
- Single statewide contract, **offering children continuous access** to health care during transitions
- Benefits include all NC Medicaid State Plan benefits covered by Standard Plans, and most Tailored Plan benefits
- Care Management model **connects county DSS offices with CFSP**, including co-location
- **Supports permanency**, especially for children with complex needs
- **Improves access** to step-up/step-down behavioral health support services and trauma-informed care
- **Better coordination and smoother transition** into and out of residential treatment
- Phase 2 will include family members of children in foster care to focus on whole family treatment

Driving to Successful Managed Care Launch

Ongoing County Engagement: Monthly NCACDSS Executive Board Updates, CFSP County DSS Workgroup Meetings, Regional DSS Meetings, and other events

Readiness Reviews: Department, Health Plan, County DSS

Implementation (~15 months)

Aug 2024

CFSP Contract Award

May 2025

End-To-End Testing Begins

July 2025

Provider Network Monitoring Begins

Oct 2025

Crossover Care Management Activities Begin

Dec 1, 2025

CFSP Launch

March 1, 2026

Crossover Care Management Activities Complete

Ongoing Care Management activities begin

Focus on Stakeholder Engagement

- **User Feedback** – NCDHHS and Healthy Blue Care Together (HBCT) hosted webinars and information sessions pre-launch to educate and solicit feedback from County DSS leadership and staff
- **Day 1 Readiness** – NCDHHS and HBCT completed readiness activities (i.e., training series, in-person and virtual county readiness sessions) with County DSS leadership and staff to prepare for the CFSP transition
- **Beneficiary Support** – Families and child welfare social workers received information regarding CFSP benefits, what to expect of the new program, and how to find timely help and support when needed
- **System Integration** – County DSS staff continue to work to ensure seamless integration of CFSP into county practice and systems to meet children’s needs
- **Post-Launch Engagement** – NCDHHS and HBCT meet regularly with stakeholders, including county DSS agencies and providers, to solicit feedback, respond to concerns, and strengthen relationships across the system

Areas of Continued Focus

- **Strengthening Relationships with Key Stakeholders**
 - Prioritize sustained engagement with County DSS agencies, EBCI Family Safety Program, Community Collaboratives, and providers
 - Strengthen cross-system coordination through a system of care approach that promotes transparency, responsiveness, and trust
- **Care Management Delivery and Performance**
 - Care management services are in active implementation, with assessments and individualized care planning progressing as designed; HBCT continues to evaluate and scale resources to align with enrollment growth and placement demand
 - HBCT's Placement Transition Team is actively supporting discharge planning, placement coordination, and transitions, with early indicators demonstrating positive impact
 - The care management model strengthens cross-system coordination and is designed to improve service quality while reducing administrative burden for counties over time

Areas of Continued Focus

- **Care Management Transition and Progress**

- Pre-launch warm handoff sessions between HBCT and existing care management entities (e.g., LME/MCOs), early care planning meetings, completed assessments, and HBCT care managers embedded within county DSS offices

- **Expedited Provider Payment Resolution**

- Rapid identification and resolution of payment issues, including 1:1 provider support navigating CFSP claims
- Use of hardship payments and proactive outreach to maintain provider stability (As of Feb 27, 2026, 41 payments totaling \$1,699,044 reported by HBCT and no requests were received during the month of February)

- **Network Adequacy**

- HBCT is meeting network adequacy requirements across all provider categories
- Continued contracting and network expansion are ongoing, consistent with managed care implementation best practices