



# HOUSE BILL 144: Medicaid Children and Families Specialty Plan.

2021-2022 General Assembly

---

<b>Committee:</b>	Senate Rules and Operations of the Senate	<b>Date:</b>	June 2, 2022
<b>Introduced by:</b>	Rep. Lambeth	<b>Prepared by:</b>	Jennifer Hillman
<b>Analysis of:</b>	PCS to Third Edition H144-CSTR-11		Staff Attorney

---

**OVERVIEW:** *HB 144 would require the Department of Health and Human Services (DHHS) to issue a request for proposals (RFP) for a Medicaid managed care statewide children and families specialty plan (CAF specialty plan) contract to begin operating December 1, 2023, and would make other changes to the Medicaid managed care statutes.*

**CURRENT LAW:** G.S. 108D-40(a)(13)c. provides that Medicaid beneficiaries who are either enrolled in the foster care system, receiving Title IV-E adoption assistance, or under the age of 26 and formerly were in the foster care system are excluded from managed care coverage by prepaid health plans (PHPs), including standard benefit plans and behavioral health and intellectual/developmental disabilities (BH IDD) tailored plans for five years after the beginning of PHP contracts on July 1, 2021. After five years, G.S. 108D-40(a) requires these individuals to be covered by managed care contracts with PHPs.

## BILL ANALYSIS:

The bill would establish the CAF specialty plan as a new type of managed care PHP contract in addition to the standard benefit plans and BH IDD tailored plans that exist under current law. The CAF specialty plan would:

- Be one statewide contract. Medicaid beneficiaries in all counties would be covered by the CAF specialty plan. (**Section 12/G.S. 108D-62(b), Section 15**)
- Begin operating December 1, 2023. (**Section 1**)
- Be awarded based on responses to an RFP. Only PHPs, including local management entities/managed care organization (LME/MCOs) operating BH IDD tailored plans, that are currently under contract with DHHS to operate a standard benefit plan or a BH IDD tailored plan would be eligible to respond to the RFP. (**Section 12/G.S. 108D-62(b)(1)**)
- Cover the same services as BH IDD tailored plans, with the following exceptions (**Section 12/G.S. 108D-62(c)**):
  - Innovations waiver services
  - Traumatic Brain Injury waiver services
  - Services provided in an intermediate care facility for individuals with intellectual disabilities (ICF-IID)
  - Services to individuals participating in Transitions to Community Living
  - Non-Medicaid, publicly-funded behavioral health services

Jeffrey Hudson  
Director



Legislative Analysis  
Division  
919-733-2578

# House 144 PCS

Page 2

- Automatically enroll the following individuals in the CAF specialty plan (**Section 12/G.S. 108D-62(d), (f)**):
  - Individuals in foster care.
  - Individuals receiving adoption assistance.
  - Former foster youth until age 26.
  - The children of any of the above individuals.

Specified siblings, specified adults, and any other recipients who have had involvement with the child welfare system that DHHS determines would benefit from enrollment in the CAF specialty plan would be eligible to enroll voluntarily in the CAF specialty plan but would not be automatically enrolled.

- Allow all individuals who are eligible for the CAF specialty plan to have the option of choosing enrollment in a standard benefit plan instead of the CAF specialty plan. Individuals who meet the eligibility criteria for a BH IDD tailored plan would have the option of choosing either a BH IDD tailored plan or a standard benefit plan instead. (**Section 12/G.S. 108D-62(g)**)
- Disallow the following individuals from enrolling in the CAF specialty plan (**Section 12/G.S. 108D-62(e)**):
  - Recipients who require services that are excluded from CAF specialty plan coverage.
  - Certain temporary safety provider caregivers.
  - Recipients who are generally excluded from enrolling with a PHP.
- Allow individuals to remain enrolled in the CAF specialty plan for 12 months after they exit the custody of the county department of social services. (**Section 12/G.S. 108D-62(h)**)

The bill would make other changes to the Medicaid managed care statutes as follows:

- Allow enrollees in a BH IDD tailored plan to request disenrollment any time without cause. (**Section 3/G.S. 108D-5.3(b)(7)**) Currently these enrollees can only request disenrollment without cause during the 90 days following initial enrollment and once every 12 months after that.
- Adjust the behavioral health services covered by standard benefit plans. (**Section 8(a)/G.S. 108D-35(b)(1)**) Behavioral health services provided under a 1915(i) waiver that may be approved in the future would not be covered by standard benefit plans. The following services would be covered by standard benefit plans:
  - Substance abuse comprehensive outpatient treatment program services.
  - Substance abuse intensive outpatient program services.
  - Social setting detoxification services.
- Prohibit recipients of certain services that are not offered under a standard benefit plan from disenrolling from BH IDD tailored plans and enrolling in a standard benefit plan instead. (**Section 11/G.S. 108D-60(a)(11)**) The services include:
  - Innovations waiver services
  - Traumatic Brain Injury waiver services
  - Services in an ICF-IID
  - Services to individuals participating in Transitions to Community Living
  - State-funded residential services

**EFFECTIVE DATE:** The bill would become effective when it becomes law.