



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Richard O. Brajer,
Secretary DHHS

Division of Mental Health, Developmental
Disabilities and Substance Abuse Services
3001 Mail Services Center
Raleigh, North Carolina 27699-3001
Tel 919-733-7011 Fax 919-508-0951
Jason E. Vogler, Ph.D.
Interim Senior Director

Division of Medical Assistance
2501 Mail Services Center
Raleigh, North Carolina 27699-2501
Tel 919-855-4100 Fax 919-733-6608
Dave Richard
Deputy Secretary of Medical Assistance

LME-MCO Communication Bulletin #J219-Amendment

Date: October 14, 2016

To: LME-MCOs

From: Deb Goda, IDD Clinical Policy Manager, Behavioral Health Section, DMA and Mabel McGlothlen, LME-MCO System Management Team Leader, DMH/DD/SAS

Subject: Innovations Waiver – LS v. Wos Settlement Agreement and the Role of Individual Budgets

Under the LS v. Wos Settlement Agreement, individual budgets are a guideline only. The budget amounts do not constitute a limit on the amount of services that may be requested or authorized. Some language in DMA's proposed clinical policy changes and in DMA training materials were inadvertently inconsistent with the Settlement Agreement. DMA is in the process of correcting the clinical policy and its training materials to clarify the following:

- All services covered under the Innovations waiver, including Residential Supports and Supported Living, should be requested to the full extent of the individual's level of medical necessity, regardless of the individual's budgeting category.
- Services may be authorized in excess of the **Individual Budget**.

The Settlement Agreement required an update of each LME-MCO's written materials and staff training to occur prior to sending individual budget letters to beneficiaries. It is therefore critical that LME-MCOs promptly train their staff and make the necessary changes to their materials for the public and post those changes prominently on their websites. Care coordinators must explain each of the above 2 bullet points to all families at their next annual plan meeting. For participants with October birthdays that have already had their plan meetings, care coordinators must promptly contact the family to provide the above information and offer the opportunity to amend the plan of care.

As part of individual budgeting, DMA conducted Individual Budget Readiness Reviews for each LME-MCO. This occurred in September 2016.

Staff needed to be able to answer questions on Individual Budgeting and waiver changes as a part of these reviews.

If you have questions, please contact Deb Goda at (919)855-4297 or deborah.goda@dhhs.nc.gov

Previous bulletins can be accessed at: <https://www.ncdhhs.gov/divisions/mhddsas/joint-communication-bulletins>

Cc: Dave Richard, DMA
Dale Armstrong, DHHS
DMA Leadership Team
DMH/DD/SAS Leadership Team
Mary Hooper, NCCCP