Prior Approval Requirements for Level of Care and Waiver Services

Effective Feb. 5, 2017, N.C. Division of Medical Assistance (DMA) will implement a prior approval (PA) process for the Community Alternatives Program for Children and Disabled Adults (CAP/C and CAP/DA) home and community-based services waivers for Level Of Care (LOC) and CAP waiver services.

A PA record will be created and electronically transmitted to NCTracks for each new LOC determination decision made after Feb. 5, 2017, and for each currently approved CAP waiver service for all currently eligible CAP beneficiaries.

NCTracks will use CAP waiver PA records to support claim processing for all waiver service authorized in an approved CAP plan of care (POC).

Purpose

- To ensure compliance with the six (6) federally mandated waiver assurances, specifically the following three:
  - **Level of Care** - An evaluation for LOC is provided to all applicants for whom there is reasonable indication that services may be needed in the future.
  - **Service Plan** - Services are delivered in accordance with the service plan, including the type, scope, amount, duration, and frequency specified in the service plan.
  - **Financial Accountability** - the State provides evidence that claims are coded and paid for in accordance with the reimbursement methodology specified in the approved waiver and only for services rendered.

- To ensure the health, safety and well-being of all CAP beneficiaries by monitoring standards based on the responsibility of the service provider.

Process

- PA records will be generated and transmitted to NCTracks on a daily basis for both the CAP/C and CAP/DA waiver using the e-CAP system.
- The PA records will be transmitted based on the type of waiver service. The PA record will specify the approved maximum level of service approved for the calendar month, fiscal or calendar year. For example, personal care services will be submitted on a monthly basis, respite services submitted yearly and modification-type services submitted based on occurrences.
- Any changes to a CAP beneficiary’s eligibility status or approved CAP waiver services will result in updated PA records.

After the implementation of the PA process, CAP case managers will no longer be required to approve direct service provider invoices or claims prior to their submission to NCTracks. However, case managers are still responsible for monitoring the provision of waiver services authorized to and rendered by the service provider. The case manager may request documentation of task sheets for the purpose of monitoring service provision.
Direct service providers will continue to receive service authorizations directly from CAP case managers. Direct service providers will have on-line access to e-CAP beginning March 2017. From that date forward, all service authorization and other CAP notices, sent by CAP case managers to the direct service provider, will be transmitted electronically using the new e-CAP interface for direct service providers.

This information was recently announced on the NCTracks web page. You may use the following link to access the announcement: https://nctracks.nc.gov/content/public/providers/prior-approval/PA-announcements/Changes-to-PA-Process-for-CAP-Participants.html.

If you have questions about the PA process once operational, please contact DMA at 919-855-4376, or e-CAP Support at 1-888-705-0970 or support@ncecap.net for assistance.