

# **Medicaid Care Coordination Policies for Justice Involved Individuals with Substance Use Disorders (SUD) Report Summary**

## **State Reentry Council Collaborative Presentation**

**Division of Health Benefits – Population Health**

**February 2026**

# Meeting Introduction

## Background

- In Session Law 2025-64, section 1.1(b) the North Carolina legislature requested a new Medicaid service for Justice Involved members & a corresponding report from the Department for Health Benefits on that new service, including stakeholder feedback.

## Meeting Objective

- The objective of today's meeting is to introduce the SRCC to that report & to collect initial feedback from the group.

# Today's Agenda

- 1. Introduction of 2025-64 Legislation – Section 1.1(a)**
- 2. Executive Summary**
- 3. Overview of Existing Medicaid Care Management Programs Serving Justice Involved Members**
- 4. Planned & Potential Enhancements to Existing Requirements**
- 5. New Team-Based Care Coordination Medicaid Service**
- 6. Additional Medicaid and DHHS Services Supporting JI Members with SUD**
- 7. Q&A / Discussion**

# **Introduction of 2025-64 Legislation**

# Introduction of 2025-64 Legislation – Section 1.1(a)

## Legislative Requirements:

- *SECTION 1.1.(a) The Department of Health and Human Services, Division of Health Benefits (DHB), is directed, in coordination with a working group of stakeholders established by DHB, to develop a team-based care coordination Medicaid service that includes, at a minimum, screening for alcohol use disorder, opioid use disorder, and other mild to moderate substance use disorders; prescription medications for opioid use disorder and alcohol use disorder; recovery support; and case management.*

## To ensure compliance with the legislation, DHB:

- Reviewed the legislative requirements against the existing Medicaid team-based care coordination and care management programs and requirements for the Justice Involved population.
- Assessed the cost and resources needed to launch a “new” program as described in the legislation.

# **Executive Summary**

# Executive Summary

## Key Findings

Existing Medicaid care management programs meet or exceed the requirements defined within the legislation, specifically for youth & those with severe substance-use disorders (SUD).

Launching a “new” program as described in the legislation would be duplicative and operationally / administratively burdensome.

In addition to care management & coordination for this population, there are numerous covered services for members with SUD in Medicaid, and the Division of Mental Health, Developmental Disabilities and Substance Use Services (DMHDDSUS) offers multiple programs for Justice Involved members and those with SUD.

## DHB Recommendation

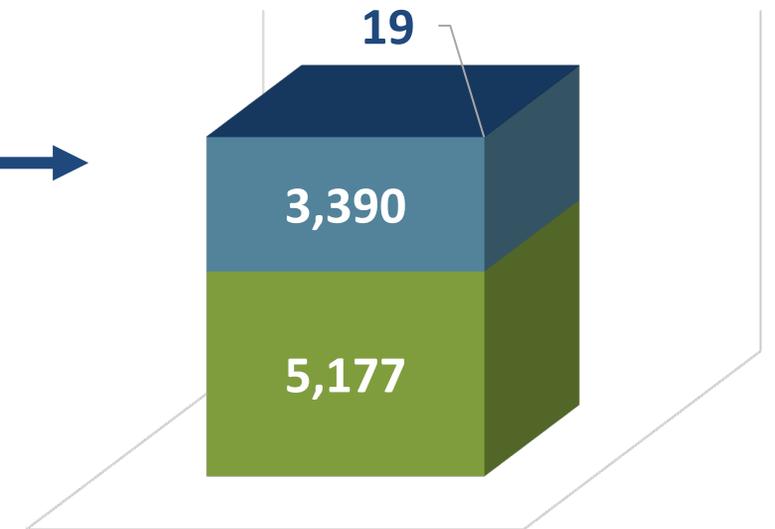
*The Department recommends maintaining the program requirements as they are today, with minor enhancements. This will avoid duplicative programs and costs while ensuring targeted support for this population.*

# Member Estimates

- Total NC Medicaid population as of Feb 2026 – **3,094,637**
- Total population served by each Tailored Plan as of Feb 2026
  - Total LME/MCO Tailored Plan – **265,384**
    - Trillium – 93,260
    - Vaya - 46,696
    - Alliance – 72,114
    - Partners – 53,314
- Number of members receiving medication assistance treatment (MAT) (as of April 2025): **27,905**
- Total JI population as of Jan 2026 – **8,586**

## JI POPULATION BREAKDOWN

■ CCNC ■ PIHP ■ Tribal Option



JI MEMBERS BY DELIVERY SYSTEM

---

# **Overview of Existing Medicaid Care Management Programs Serving Justice Involved Members**

# Delivery Systems Serving JI Members

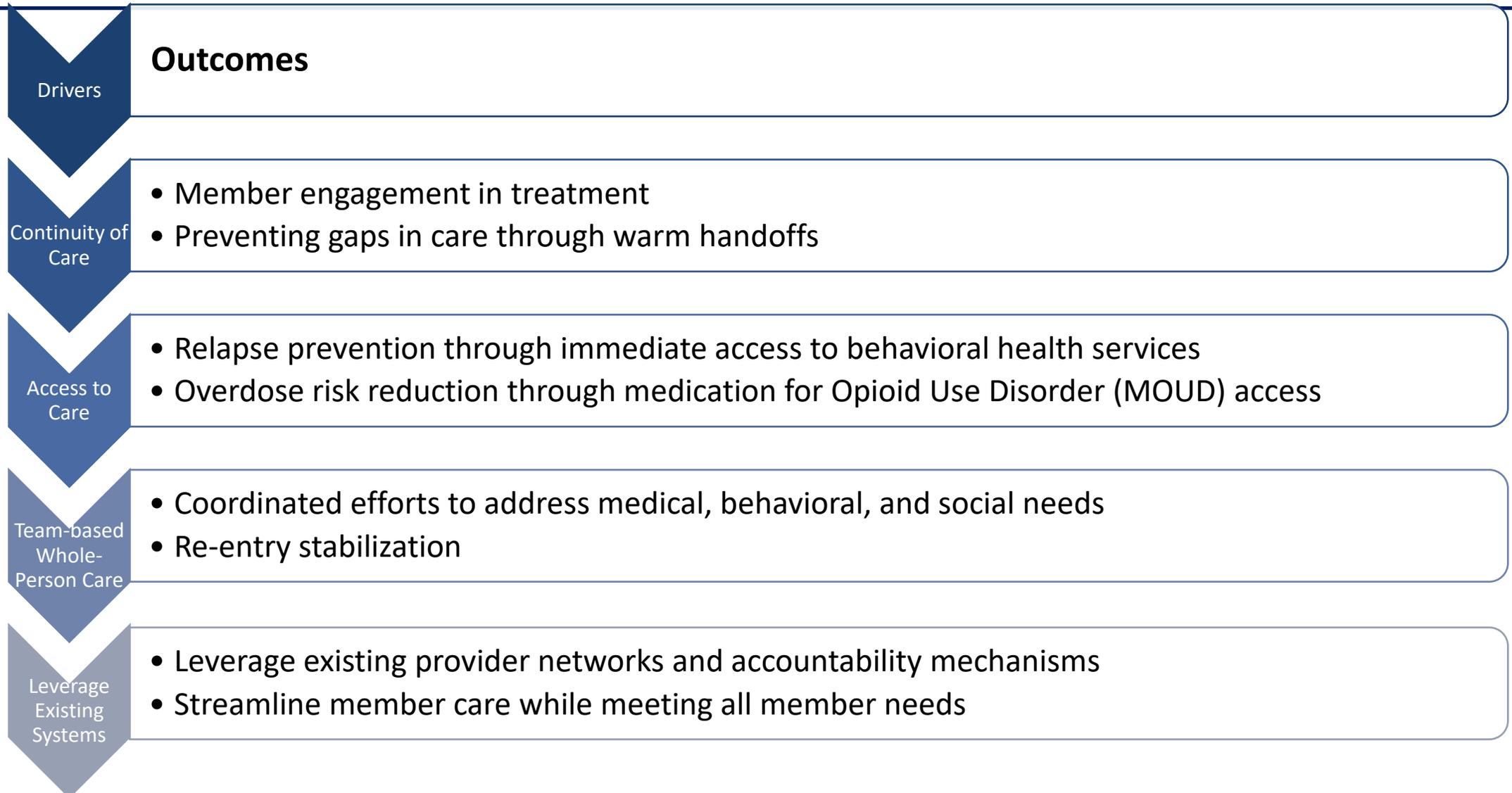
North Carolina Medicaid is comprised of multiple delivery systems across NC Medicaid Managed Care and NC Medicaid Direct. Providers and plans within each system are varied, but all offer whole-person, team-based care management to beneficiaries qualifying for such services based on need.

The delivery systems include:

- **Eastern Band of Cherokee Indian Tribal Option (EBCI TO)**
- **NC Medicaid Direct**
  - **Primary Care Case Management Entity (PCCM), provided by Community Care of North Carolina (CCNC)**
  - **Prepaid Inpatient Health Plans (PIHP), also referred to as Local Management Entity/Managed Care Organizations (LME/MCOs) , for members needing mental health, substance use, intellectual/developmental disabilities, traumatic brain injury services**
- Standard Plans
- Tailored Plans
- Children and Families Specialties Plan

Justice Involved populations are served under Tribal Option and Medicaid Direct in the 12 months post-release.

# Key Drivers and Outcomes for Justice Involved Population



# Coverage for Justice Involved Youth & Adults

## Tribal Option Members = ECBI TO Care Management

- Justice Involved beneficiaries eligible for the EBCI Tribal Option get care management access through ECBI Tribal Option
- TO completes risk stratification and screening of members for substance use service needs

## MH/IDD/SUS Members = LME MCO / PIHP Tailored Care Management

- During the first-year post-release, justice involved beneficiaries with mental health, intellectual/ developmental disabilities, traumatic brain injury and significant substance use service needs qualify for “Tailored Care Management” which is delivered by the LME/MCOs through Medicaid’s Prepaid Inpatient Health Plan contracts.
- Tailored Care Management conducts Care Needs Screenings and Comprehensive Risk Assessments to identify individuals’ needs and connect them to appropriate care.

## JI Youth and Former Foster Care Youth = LME MCO / PIHP Targeted Case Management

- During the first-year post-release, Justice Involved youth up to 21 or Former Foster Youth up to 25 qualifying under the federally required Consolidated Appropriations Act of 2023, Section 5121 (CAA 5121) to receive pre-release Targeted Case Management administered by LME/MCOs.
- Beneficiaries will receive a Care Needs Screening and Comprehensive Risk Assessment, and care managers will work with DJJ on the reentry plan for the youth pre-release.
- This program will begin with youth leaving youth Development Centers during 2026.

## JI Adults not eligible for TCM = Primary Care Case Management (PCCM)

- Justice Involved adults who do not qualify for TO or TCM will have access to care management through Medicaid’s Primary Care Case Management contract with Community Care of North Carolina (CCNC).
- Beneficiaries who receive care management will receive a Care Needs Screening and Comprehensive Risk Assessment
- The PCCM will begin prioritizing services to the Justice Involved adults Spring / Summer 2026

# Program Requirements – LME/MCO PIHP Care Management (TCM)

Prepaid Inpatient Health Plan (PIHP) Care Management (TCM) Requirements & Alignment with Section 1.1(a) Requirements		
Session Law 2025-64 Section 1.1(a) Requirement Category	Alignment with Section 1.1(a)	High-Level Requirements
Alcohol Use Disorder (AUD)/Opioid Use Disorder (OUD)/SUD Screening	Yes	<ul style="list-style-type: none"> <li>Includes initial &amp; periodic comprehensive assessments for SUD risk using required screening tools.</li> </ul>
Access to / Referrals for Medications for AUD/OUD	Yes	<ul style="list-style-type: none"> <li>Care managers must identify if a beneficiary is on or needs medications for AUD or OUD and coordination / provide referrals.</li> <li>LME / MCOs are required to have SUD and mental health treatment providers in their network.</li> </ul>
Recovery Support	Yes	<ul style="list-style-type: none"> <li>Care managers must connect members to peer support, recovery communities, psychosocial rehab, and housing depending on need.</li> <li>Care team may include Peer Support Specialists, Community Navigators, and Community Health Workers depending on need.</li> </ul>
Case Management	Yes	<ul style="list-style-type: none"> <li>Every member is assigned a care manager who provides ongoing case management.</li> </ul>
Team-Based Care Coordination (Care Team)	Yes	<ul style="list-style-type: none"> <li>The care manager works with the member’s treatment providers (PCP, psychiatrists, therapists, etc.) and holds care team meetings, as necessary.</li> <li>Care manager must also have access to primary care, psychiatry, and psychology consultants as needed.</li> </ul>

Note: There are currently ~3,400 Justice Involved members enrolled with the PIHP

# Program Requirements – Tribal Option

Tribal Option Management Requirements & Alignment with Section 1.1(a) Requirements		
Session Law 2025-64 Section 1.1(a) Requirement Category	Alignment with Section 1.1(a)	High-Level Requirements
Alcohol Use Disorder (AUD)/Opioid Use Disorder (OUD)/SUD Screening	Yes	<ul style="list-style-type: none"> <li>Includes initial &amp; periodic comprehensive assessments for SUD risk using required screening tools.</li> </ul>
Access to / Referrals for Medications for AUD/OUD	Yes	<ul style="list-style-type: none"> <li>Tribal Option coordinates all medical, mental health, SUD needs and pharmacy services for beneficiaries, including MAT for AUD/OUD</li> </ul>
Recovery Support	Yes	<ul style="list-style-type: none"> <li>Tribal Option provides recovery-oriented services through required care coordination and follow-up for beneficiaries with SUD</li> <li>The Tribal Option must coordinate with behavioral health providers and systems</li> <li>Peer Support Specialists are available to beneficiaries receiving care management</li> </ul>
Case Management	Yes	<ul style="list-style-type: none"> <li>Tribal Option provides care coordination/case management for all Tribal Option enrollees</li> </ul>
Team-Based Care Coordination (Care Team)	Yes	<ul style="list-style-type: none"> <li>Tribal Option uses a multi-disciplinary care team for each high-need beneficiary.</li> <li>Beneficiaries needing SUD-related services are considered high-need beneficiaries who receive support from the care team.</li> </ul>

Note: There are currently 19 Justice Involved Tribal Members

# Program Requirements – PCCMe

PCCMe Care Management Requirements & Alignment with Section 1.1(a) Requirements		
Session Law 2025-64 Section 1.1(a) Requirement Category	Alignment with Section 1.1(a)	High-Level Requirements
Alcohol Use Disorder (AUD)/Opioid Use Disorder (OUD)/SUD Screening	Yes	<ul style="list-style-type: none"> <li>Includes initial &amp; periodic comprehensive assessments for SUD risk using required screening tools.</li> </ul>
Access to / Referrals for Medications for AUD/OUD	Yes	<ul style="list-style-type: none"> <li>Care managers must identify if a beneficiary is on or needs medications for AUD or OUD and coordination / provide referrals.</li> <li>Medication Assisted Treatment (MAT) is available to NC Medicaid Direct beneficiaries</li> </ul>
Recovery Support	Closely Aligned	<ul style="list-style-type: none"> <li>Recovery support is primarily via referrals to community programs or LME/MCOs for state-funded SUD services</li> <li>PCCMe has care managers connect patients to local resources (e.g., AA, NA, recovery housing) and peer support resources on an as-needed basis</li> </ul>
Case Management	Closely Aligned	<ul style="list-style-type: none"> <li>PCCMe assigns care managers (RNs or social workers) who provide care coordination for high-risk patients.</li> </ul>
Team-Based Care Coordination (Care Team)	Yes	<ul style="list-style-type: none"> <li>PCCMe networks are community-based teams including PCPs, pharmacists and mental health and SUD providers in addition to care managers.</li> <li>PCCMe also works with LME/MCOs for mental health and SUD needs</li> </ul>

Note: There are currently ~5,200 Justice Involved members enrolled with the PCCMe

## **Planned & Potential Enhancements to Existing Requirements**

# Planned & Potential Enhancements

## Planned Enhancements

- **Requirement:** Adding Justice Involved population as a priority population in the PCCMe contract for adults that don't qualify for Tailored Care Management
  - Adding the Justice Involved beneficiaries as a priority population will ensure they are screened for any care management related needs
- **Purpose:** To ensure the inclusion and prioritization of the Justice Involved population, assuring that they receive the appropriate level of care.

## Potential Enhancements with Additional Funding

- **Requirements:**
  - Expand the population provided with Care Coordination to all Justice Involved members, regardless of need indicated in initial screenings.
  - Care Management would incorporate individual and family supports as needed including providing information and connections to needed services and support including but not limited to peer support services, psychosocial rehabilitation, and supportive housing.
  - Care management training curriculum will include self-management and self-help recovery resources (including substance use recovery).
- **Purpose:** These enhancements could be applied to the PCCM care management / coordination requirements to further align with the legislative requirements.

## Costs Associated

- The estimated cost to implement the potential enhancements across delivery systems is between **\$1,134,000,000 - \$2,807,000,000**
- *NC Medicaid cannot commit to these new enhancements with the existing funding gap for NC Medicaid.*
- The estimated cost to implement a new case management program cross delivery systems is **\$28,851,000- \$34,250,000**

# Closing

## Key Findings

Existing Medicaid care management programs meet or exceed the requirements defined within the legislation, specifically for youth & those with severe substance-use disorders (SUD).

Launching a “new” program as described in the legislation would be duplicative, operationally / administratively burdensome, and costly.

In addition to care management & coordination for this population, there are numerous covered services for members with SUD in Medicaid, and the Division of Mental Health, Developmental Disabilities and Substance Use Services (DMHDDSUS) offers multiple programs for Justice Involved members and those with SUD.

## DHB Recommendation

*The Department recommends maintaining the program requirements as they are today, with minor enhancements. This will avoid duplicative programs and costs while ensuring targeted support for this population.*

# **Q&A / Discussion**

# Q&A / Discussion

---

1. Does the SRCC have any feedback on the recommendation?
2. What do you see as the current gaps in Medicaid care management populations for the justice involved reentry population that could be improved as funding allows in the future?

# Tailored Care Management Overview

## What is Tailored Care Management (TCM)?

- TCM is intended to provide whole person care management to support members in meeting their health goals by addressing all their needs, including:
  - Physical health
  - Mental health
  - Substance use
  - Intellectual and developmental disabilities
  - Traumatic brain injuries
  - Pharmacy
  - Long term services and supports
  - Unmet resource needs
- Under TCM, members will have a single care manager that will manage all of members' needs, including physical health, behavioral health, I/DD, TBI, pharmacy, LTSS, and unmet health-related resource needs.

## Core Health Home Services

- TCM is built around the six core Health Home services. Below are examples of activities care managers may complete in delivering TCM:
  - **Comprehensive care management:** creating and updating comprehensive care management assessments and care plans
  - **Care coordination:** working with the member on coordination across settings of care and services (e.g., appointment/wellness reminders, etc)
  - **Health promotion:** education on members' chronic conditions, teaching self-management skills and sharing self-help recovery resources
  - **Comprehensive transitional care/follow-up:** visiting the member during the member's stay in the institution and be present on the day of discharge and reviewing the discharge plan with the member and facility staff
  - **Individual & family support:** providing education and guidance on self-advocacy to the member, family members, and support members and providing information to the member, family members, and support members about the member's rights, protections, and responsibilities, including the right to change providers, the grievance and complaint resolution process, and fair hearing processes
  - **Referral to community & social support services:** providing referral, information, and assistance in obtaining and maintaining community-based resources and social support services; providing assistance securing key health-related services (e.g., filling out and submitting applications)

---

**New Team-Based Care Coordination Medicaid Service Described in Section 1.1(a)**

# New Service Overview and Costs

The below describes the “new” program requested by the legislation for all Justice Involved members. However, upon review of existing programs against the legislative requirements within section 1.1(a), the Department believes the creation of a new service would be duplicative of existing Care Management and Medicaid services available for Justice Involved members, and members with SUD more broadly.

## Service Summary

- A new service structure and its requirements would mirror TCM, currently available to qualifying Justice Involved members today.
- The service would be provided through the existing delivery systems and providers serving Justice Involved members today.
- The population of Justice Involved members served would exclude members eligible for CAA 5121 to align with directions from the federal Consolidated Appropriations Act and North Carolina’s associated State Plan Amendment (SPA).

## Proposed Launch Date & Context

- The potential start date for the coverage of a new service would be December 1, 2027, at the earliest.
- Prior to the launch of any new Medicaid program, service, or delivery system, there are numerous design, planning, and implementation activities that are consistently required, and that may be required based on the type of launch.

## Costs Associated

- To launch a new service, the total cost is approximately **\$28,850,881- \$34,246,987**

**Additional Medicaid & DHHS Services Supporting JI Members &  
Members with SUD**

## Additional Medicaid & DHHS Services Supporting JI Members with SUD – Examples

Additional Medicaid & DHHS Team-Based Services Available in North Carolina		
Category	Service / Program	Description
<b>DHHS Team-Based Services</b>  <i>Available to Medicaid &amp; Non-Medicaid Individuals</i>	Law Enforcement Assisted Diversion (LEAD)	Pre-arrest diversion and deflection programs, commonly known as Law Enforcement Assisted Diversion (LEAD), receive DHHS support in 13 counties to provide care management for individuals with substance use, mental health, and/or co-occurring disorders who have current and/or risk of future criminal justice system involvement.
	Treatment Accountability for Safer Communities (TASC)	North Carolina TASC (Treatment Accountability for Safer Communities) is a statewide network of provider programs offering a comprehensive set of services aimed at supporting individuals with substance use or mental health needs who are justice involved. These services are available statewide regardless of Medicaid eligibility.
<b>Medicaid Services</b>	Opioid Treatment Program (OTP) Services	Medication-assisted treatment (MAT) with methadone, buprenorphine, or naltrexone, delivered by interdisciplinary teams with integrated case management and recovery support.
	Substance Abuse Comprehensive Outpatient Treatment	A structured, multi-faceted outpatient program offering counseling, relapse prevention, life skills, and case management.
	Substance Abuse Intensive Outpatient Program	A structured outpatient service providing individual, group, and family counseling, relapse prevention, and case management.

# Additional Medicaid & DHHS Services Supporting JI Members with SUD – More Examples

Additional Medicaid & DHHS Team-Based Services Available in North Carolina		
Category	Service / Program	Description
<b>DHHS Team-Based Services</b>  <i>Available to Medicaid &amp; Non-Medicaid Individuals</i>	Forensic Assertive Community Treatment (FACT)	Forensic Assertive Community Treatment (FACT) is a service delivery model designed to support individuals with serious mental illness (SMI), most frequently with primary psychotic disorders, with or without co-occurring SUD, who are involved with the criminal justice system. FACT teams provide client-focused, community-based services that are delivered by a multidisciplinary team.
<b>Medicaid Services</b>	Medically Monitored Intensive Inpatient Services	An organized serviced delivered by clinical and support staff in a 24-hour facility. This service provides evaluation, observation, medical monitoring and addiction treatment delivered under a defined set a licensed professional approved policies and protocols
	Medically Managed Intensive Inpatient Services	A 24-hour, organized service delivered in an acute care inpatient setting that encompasses medically directed evaluation and treatment services for the stabilization of signs and symptoms of substance use.
	Medically Managed Intensive Inpatient Withdrawal Management	A 24-hour, organized service delivered by medical and nursing professionals that provide medically directed evaluation and withdrawal management to sufficiently resolve the signs and symptoms of substance use withdrawal.