



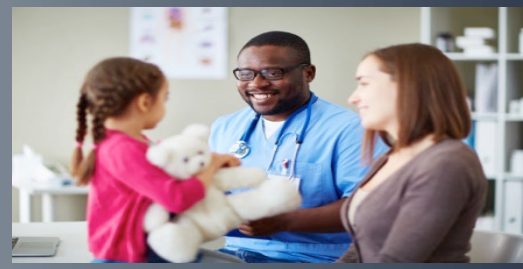

NC Department of Health and Human Services

NC Department of Adult Correction

Pre-Release Medicaid Services to Support Reentry

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Healthcare and Reentry

Healthcare and Reentry

- Continuous coverage and access to healthcare:
  - Reduces mortality
  - Reduces unnecessary emergency room visits and hospitalizations
  - Reduces recidivism
  - Reduces incarceration in the first place

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Why is healthcare important during reentry?

- People in prison are at high risk for poor health outcomes and are most vulnerable immediately following release.
- Post-release death by suicide is nearly 3 times higher than jail and prison deaths. (SAMHSA statistics, 2015)
- Lack of access to services leads many enmeshed in a cycle of costly justice system involvement.

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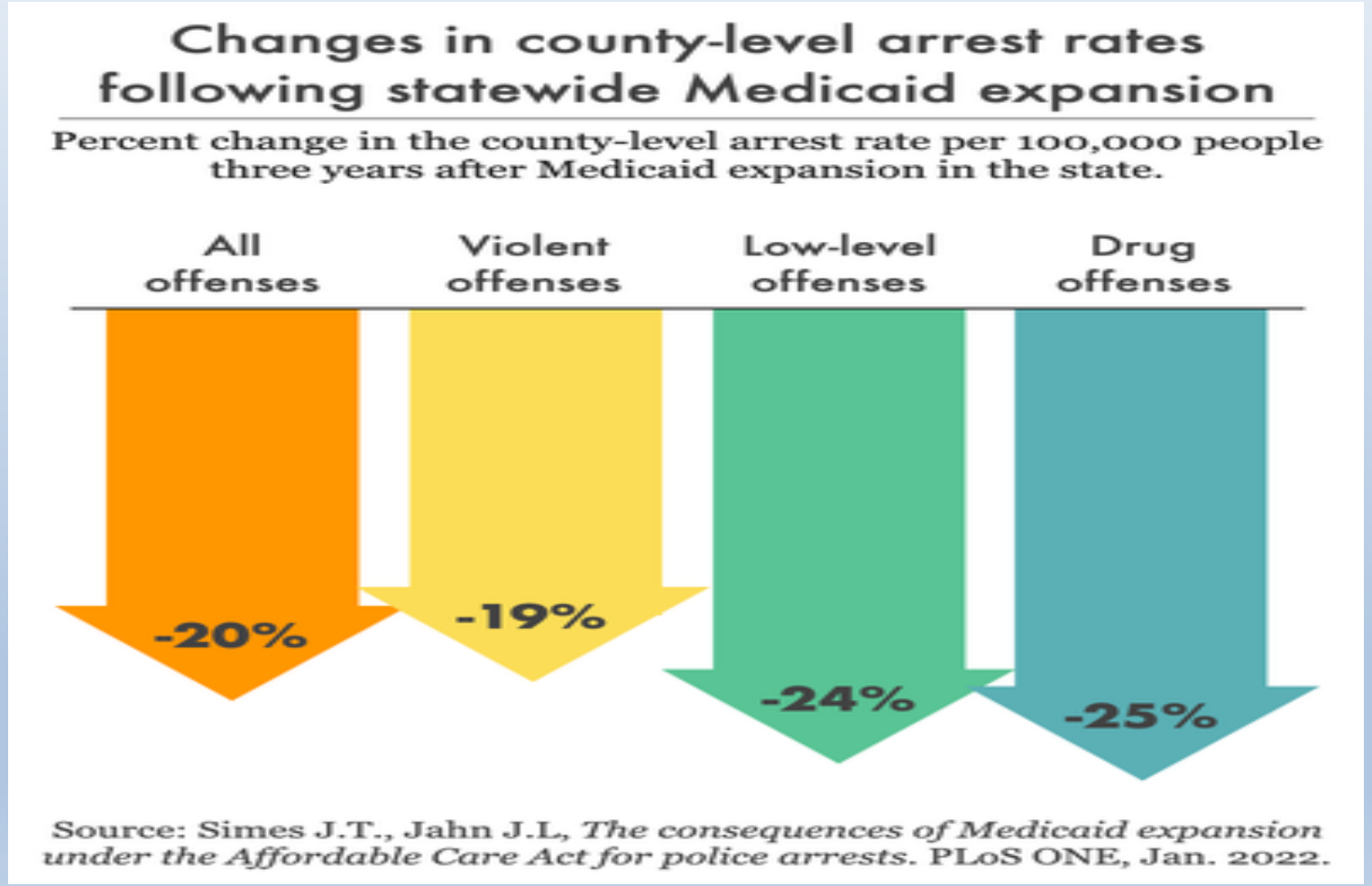
Reduced Recidivism Rates



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Medicaid and Incarceration

- DAC estimates that up to 92% of individuals releasing to the community are potentially eligible for Medicaid
- Goal is that all eligible individuals who incarcerated are offered the opportunity to apply for Medicaid before release

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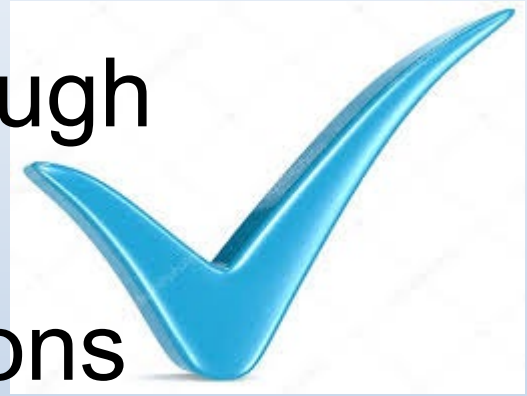
Medicaid Expansion: Getting the Information Out

- Notified all Facility Program Staff through memo
  - Medicaid Flyers placed in all institutions
  - Medicaid Flyers placed in Transitional Document Envelopes
  - Medicaid Flyers placed on offender tablets
  - Educated Social Workers on Medicaid Expansion



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Medicaid Expansion: Getting the Information Out

- Provided information to all Local Reentry Councils
- Provided information to all Recidivism Reduction Services Vendors
- Medicaid Expansion Flyers are in all Community Supervision offices and a copy is given to all individuals on supervision

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Introduction to NC Medicaid

What is NC Medicaid?

NC Medicaid is a health insurance program for low-income individuals and families. They must meet certain financial and non-financial criteria to be eligible to receive Medicaid.

Like any other medical insurance, Medicaid pays for medically related expenses for individuals who are eligible to receive benefits.

Medicaid covers most health services, including, but not limited to:

- **primary care**
- **Inpatient or outpatient hospital services**
- **maternity and postpartum care**
- **vision and hearing services**
- **prescription drug benefits**
- **behavioral health**
- **preventive and wellness services**
- **dental and oral health services**
- **medical-related devices and other therapies**

General Eligibility Criteria

Anyone can apply for Medicaid. Certain eligibility criteria must be met to qualify:

- Be a resident of North Carolina
- Be a US Citizen or have a qualified immigration status
    - Non-US Citizens or people without qualified immigration status may be able to get coverage for **emergency services**
- Lawfully residing individuals who are pregnant or under age 19 may qualify for full coverage
- Provide a **Social Security Number (SSN)** (or have applied for one)
    - Exception: Undocumented Immigrants
- Not be receiving Medicaid in another state
- Meet financial / non-financial eligibility requirements

More North Carolinians are now eligible due to Medicaid expansion.

People 19 through 64 years old with income up to 138% of the Federal Poverty Level

Household Size	2024 Monthly Income* *(before taxes)*
Single Adults	**$1,732 or less**
Family of 2	**$2,351 or less**
Family of 3	**$2,970 or less**
Family of 4	**$3,588 or less**
Family of 5	**$4,207 or less**
Family of 6	**$4,826 or less**

**Income limits are updated annually.*

Children, pregnant women, older adults, people with blindness and people with disabilities who meet the criteria below

Group	2024 Monthly Income* *(rounded)*
Children	**211% of Federal Poverty Level** **1 - $2,649** **2 - $3,595** **3 - $4,541**
Pregnant Women ***(including unborn child)***	**196% of Federal Poverty Level** **2 - $3,339** **3 - $4,218** **4 - $5,096**
•Older Adults over 65 **•People with blindness** **•People with disabilities** ***Asset limits also apply**	**100% of Federal Poverty Level** **1 - $1,255** **2 - $1,704**

**Income limits are updated annually.*

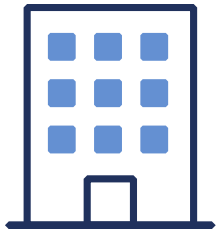
How to Apply for Medicaid

ePASS | **HealthCare.gov**

ePASS.nc.gov | HealthCare.gov

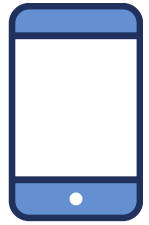
Paper application

medicaid.nc.gov/print-application



In person at your local DSS office

ncdhhs.gov/localDSS



Call DSS office

ncdhhs.gov/localDSS

- **Assistance** may be provided to someone completing an application (e.g., a DAC social worker) but you must be an **Authorized Representative** (legally authorized or designated in writing by the applicant) to apply on someone's behalf.
- Applying on **ePASS or HealthCare.gov** requires an **email address**.
- Applicants will be asked for full legal name, address, SSN, date of birth, income information, North Carolina residency, and a signature.
- **Voice signatures** may be provided for applications taken over the phone by the DSS.

Federal Consolidated Appropriations Act (CAA) Requirements

Background on the Medicaid "Inmate Exclusion"

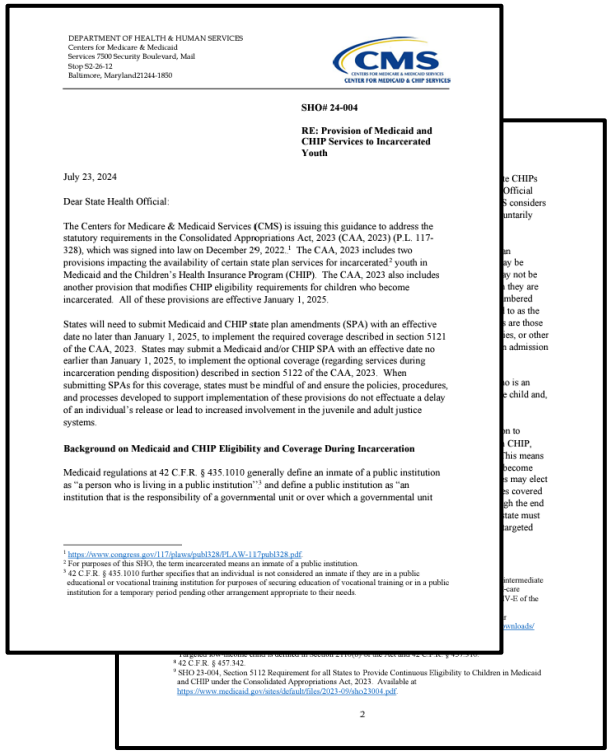
Under federal law,* Medicaid does not cover medical expenses for beneficiaries involuntarily detained in a correctional institution, except when they receive inpatient care in a hospital. This is known as the "inmate exclusion policy."

- Beneficiaries subject to the **inmate exclusion policy** can **remain enrolled in Medicaid or become eligible for Medicaid while incarcerated**. However, Medicaid coverage is **limited to inpatient hospital stays** outside of a carceral setting of 24 hours or more.
- A beneficiary's Medicaid is **suspended** during the period of incarceration, meaning the **beneficiary remains eligible**, but not for the full scope of coverage they would have outside of a carceral setting.
- Medicaid benefits are **unsuspended** as of the **date of release,** meaning the individual will have access to the full scope of Medicaid benefits they are eligible for on Day 1 of release.
- The **Consolidated Appropriations Act (CAA) of 2023** includes requirements that will increase the scope of Medicaid benefits an **incarcerated youth** can receive during the period immediately preceding their release.

Reference: https://www.ssa.gov/OP_Home/ssact/title19/1905.htm.

Overview of 2023 Federal Consolidated Appropriations Act (CAA) Guidance

On July 23, 2024, the Centers for Medicare and Medicaid Services (CMS) released a State Health Official (SHO) letter, "Provisions of Medicaid and CHIP Services to Incarcerated Youth," providing guidance on implementation of CAA provisions related to incarcerated children and youth.



DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid
Services 7500 Security Boulevard, Mail
Stop S2-26-12
Baltimore, Maryland 21244-1850

CMS
CENTER FOR MEDICAID & CHIP SERVICES

SHO# 24-004

RE: Provision of Medicaid and CHIP Services to Incarcerated Youth

July 23, 2024

Dear State Health Official:

The Centers for Medicare & Medicaid Services (CMS) is issuing this guidance to address the statutory requirements in the Consolidated Appropriations Act, 2023 (CAA, 2023) (P.L. 117-328), which was signed into law on December 29, 2022.[1] The CAA, 2023 includes two provisions impacting the availability of certain state plan services for incarcerated[2] youth in Medicaid and the Children's Health Insurance Program (CHIP). The CAA, 2023 also includes another provision that modifies CHIP eligibility requirements for children who become incarcerated. All of these provisions are effective January 1, 2025.

States will need to submit Medicaid and CHIP state plan amendments (SPA) with an effective date no later than January 1, 2025, to implement the required coverage described in section 5121 of the CAA, 2023. States may submit a Medicaid and/or CHIP SPA with an effective date no earlier than January 1, 2025, to implement the optional coverage (regarding services during incarceration pending disposition) described in section 5122 of the CAA, 2023. When submitting SPAs for this coverage, states must be mindful of and ensure the policies, procedures, and processes developed to support implementation of these provisions do not effectuate a delay of an individual's release or lead to increased involvement in the juvenile and adult justice systems.

Background on Medicaid and CHIP Eligibility and Coverage During Incarceration

Medicaid regulations at 42 C.F.R. § 435.1010 generally define an inmate of a public institution as "a person who is living in a public institution"[3] and define a public institution as "an institution that is the responsibility of a governmental unit or over which a governmental unit

[1] https://www.congress.gov/117/plaws/publ328/PLAW-117publ328.pdf
[2] For purposes of this SHO, the term incarcerated means an inmate of a public institution.
[3] 42 C.F.R. § 435.1010 further specifies that an individual is not considered an inmate if they are in a public educational or vocational training institution for purposes of securing education of vocational training or in a public institution for a temporary period pending other arrangement appropriate to their needs.

[8] 42 C.F.R. § 457.342.
[9] SHO 23-004, Section 5112 Requirement for all States to Provide Continuous Eligibility to Children in Medicaid and CHIP under the Consolidated Appropriations Act, 2023. Available at https://www.medicaid.gov/sites/default/files/2023-09/sho23004.pdf

2

- The SHO letter provided important clarifications and implementation guidance for states on CAA 5121 and 5122 requirements related to the provision of services for Medicaid-eligible incarcerated children and youth. The two key provisions are:
  - **CAA Section 5121**: Mandatory requirement to provide targeted case management and screening and diagnostic services for eligible children and youth who are post-adjudication by 1/1/2025.
  - **CAA Section 5122**: State option to provide full scope Medicaid services for eligible children and youth who are pre-adjudication.
- States were instructed to develop an internal Operational Plan by 1/1/2025 and seek SPA authority to operationalize CAA 5121.

In the fall of 2024, CMS acknowledged that states were likely in different stages of readiness to implement CAA Section 5121 requirements starting 1/1/2025 and that a state may be "partially ready" by this date.

Optional provision 5122 may be implemented at any time after 1/1/2025. NC Medicaid has elected not to implement at this time.

Source: CMS, Provisions of Medicaid and CHIP Services to Incarcerated Youth.

Key Features: Federal Consolidated Appropriations Act (CAA) Requirements

CAA 5121 requires states to provide screening and diagnostic services and care management to eligible children/youth in the last 30 days of their placement and first 30 days after release (care management only) who are being held post-adjudication. The effective date of these requirements is January 1, 2025.

Eligible Individuals	Required Screening And Diagnostic Services	Required Care Management Activities
Medicaid-enrolled children and youth who are: ✓ Under 21 years of age or former foster youth between the ages of 18 and 26; and ✓ Being held in a carceral facility post-adjudication	✓ Comprehensive health, developmental history, and physical examinations ✓ Appropriate vision, hearing, and lab testing ✓ Dental screening services ✓ Immunizations	✓ Comprehensive needs assessments (e.g., behavioral health, health-related social needs) ✓ Development of a person-centered care plan—including social, educational, and other underlying needs. ✓ Referrals and related activities (e.g., appointment scheduling) to link individuals to needed services in the community. ✓ Monitoring and follow-up activities (e.g., follow-up with service providers) to ensure the care plan is implemented.

Source: CMS State Health Official letter, Provisions of Medicaid and CHIP Services to Incarcerated Youth.

North Carolina's Pathway to Full Compliance with CAA 5121

NC Medicaid plans to phase-in CAA 5121 requirements, beginning with the state's five YDCs.
An estimate of 5-10 youth release from YDCs each month.

Screening and Diagnostic Services to begin in ~Spring 2025:

- The Department of Public Safety, Division of Juvenile Justice and Delinquency Prevention (DJJDP) will facilitate screening & diagnostics appointments for youth committed to a YDC within the 30-days prior to their scheduled release date.
- To meet CAA 5121 requirements, DJJDP will use community-based providers to deliver all screening and diagnostic services; YDC providers will not deliver these services.

Reentry Care Management Services to begin ~Summer 2025:

- YDC youth will receive pre-release care management within 30 days prior to release.
- NC Medicaid has elected to provide a full year of post-release care management.
- LME/MCOs are best positioned to provide pre- and post-release reentry care management given the LME/MCOs existing role for the Medicaid population. Tribal members will receive reentry care management from the Cherokee Indian Hospital Authority (CIHA).

Additional Facilities that House CAA 5121-Eligible Population to be Phased In:

- Facilities that house post-adjudication youth under 21 or 18 – 26 on former foster care Medicaid will phase-in CAA 5121 requirements starting in 2026.

Source: CMS, Provisions of Medicaid and CHIP Services to Incarcerated Youth.

Coordination with Federally Qualified Health Centers (FQHCs) for CAA 5121

North Carolina's Division of Health Benefits (DHB), Division of Juvenile Justice and Delinquency Prevention (DJJDP), and Community Health Center Association (NCCHCA) are coordinating to provide CAA 5121-required **screening & diagnostic services** to youth committed to the state's youth development centers (YDCs).

Referral

- **NCCHCA** will assign a **Care Coordinator** to locate primary care providers at local **Federally Qualified Health Centers (FQHCs)** for youth being released from YDCs.
- The Care Coordinator will maintain a list of health center contacts and **facilitate referrals**.

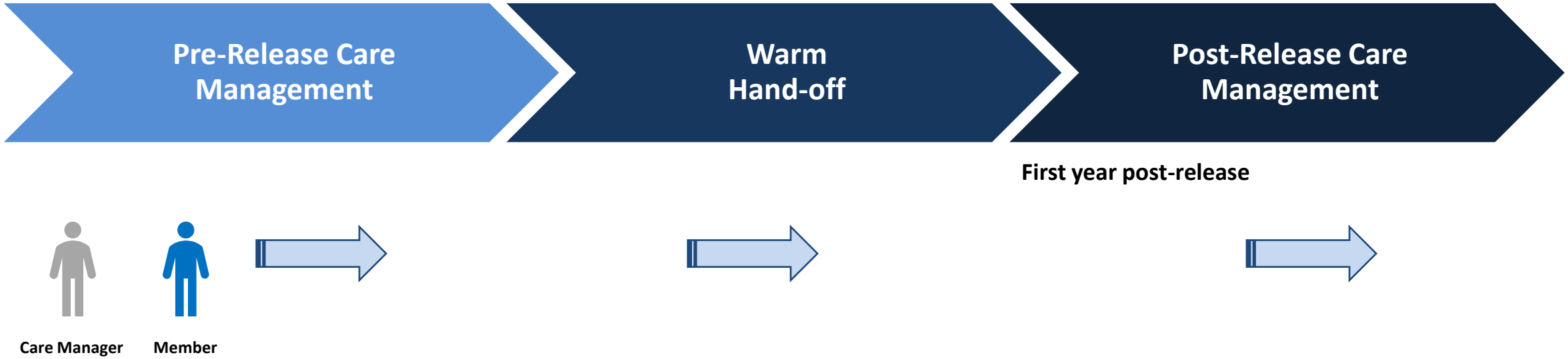
Appointment

- **Screening and diagnostic** appointment will be scheduled close to where the youth will live post-release within the 30-day period prior to their projected release date.
- DJJDP will **transport the youth** to the appointment at the FQHC.

Follow-Up

- FQHCs will **follow up** with Care Coordinator after the appointment to confirm date of service.
- DHB will **track the claims** to ensure systems are working as expected and monitor the number of youth served.

Overview of Reentry Care Management Delivery Model



- Care manager to **meet with member and conduct required care management activities** including:
  - Complete Reentry Care Management Assessment
  - Develop Reentry Care Plan
  - Coordinate referrals and appointments for pre- and post-release services
  - Educate around health literacy and health system navigation

- In cases where the pre- and post-release care manager differ, the **pre-release care manager must conduct a warm hand-off with the individual and the post-release care manager** (best practice, in-person meeting before release)
  - Activities include sharing results of the Reentry Care Management Assessment, the Reentry Care Plan, and other relevant information

- Care manager has **ongoing contact with member; frequency should vary based on member's needs**
- Activities include navigation supports, such as referrals and linkages to post-release appointments and providers

1115 Waiver Reentry Initiative

Background on the Section 1115 Demonstration Initiative

Background

- **Medicaid enrollment** is critical to ensuring **access to health care services,** including treatment for mental and behavioral health issues, for incarcerated individuals returning to their community.
- Due to restrictions in federal law, states have **historically been unable to use Medicaid funding** to provide health care services to individuals when they are incarcerated (known as the "inmate exclusion").
- In 2023, the federal government released **new guidance on how states can provide specific Medicaid services to youth and adults who have had contact with the justice system** while they are in a correctional setting to support their reentry into the community.

Impact in North Carolina

In December 2024, North Carolina received approval from the federal government to provide pre-release services through a Medicaid Reentry Initiative under North Carolina's Section 1115 demonstration.

Definitions

Section 1115 Demonstration: Give states additional flexibility to design their Medicaid programs. The purpose of these demonstrations is to test and evaluate state-specific policy approaches to better serving Medicaid populations.

Source: Centers for Medicaid and Medicare Services, SMDL 23-003: https://www.medicaid.gov/federal-policy-guidance/downloads/smd23003.pdf

Proposed Key Features of the Medicaid Reentry Initiative

Eligible Individuals

Starting 2025 (CAA): Medicaid-enrolled children and youth, 30 days pre-release, who are:

- ✓ Under 21 years of age or former foster youth between the ages of 18 and 26; and
- ✓ Being held in a carceral facility post-adjudication

TBD (1115): Medicaid-eligible adults and children/youth (pre- and post-adjudication) can obtain Medicaid-covered services 90 days pre-release

The State will collaborate with facilities to ensure that eligible individuals are enrolled in Medicaid to receive services and care management

Eligible Facilities

All types of correctional facilities will be eligible to participate in the reentry initiative, including:

- ✓ Tribal-operated jails
- ✓ County-operated jails
- ✓ State Prisons
- ✓ Youth Development Centers **(starting 2025)**
- ✓ Juvenile Detention Centers

Participation in the Medicaid Reentry Initiative is optional. Facilities will phase into the Medicaid Reentry Initiative based on readiness to offer required services and meet other requirements.

Scope Of Covered Services

Starting 2025 In Youth Development Centers (CAA):

- ✓ Comprehensive health, developmental history, and physical examinations; appropriate vision, hearing, and lab testing; dental screening services, immunizations*
- ✓ Care management

TBD (1115) for Facilities Participating in the Medicaid Reentry Initiative:

- ✓ MOUD/MAUD
- ✓ 30-day supply of all prescription medications in-hand upon release
- ✓ Practitioner office visits (at least CAA-required screening and diagnostic services)
- ✓ Additional services phased in, including
  - ✓ Prescribed drugs and medication administration
  - ✓ Tobacco cessation treatment
  - ✓ Labs/radiology
  - ✓ Medical supplies/equipment/appliances upon release

**As required under CAA 2023*

Operational Updates for Incarcerated Beneficiaries

County Jails Suspension Policy Update

- Historically, NC Medicaid policy has required termination instead of suspension of NC Medicaid beneficiaries incarcerated in **county jails** (unless under age 21, or ages 18 to 26 on NC Medicaid as former foster child).

- NC Medicaid changed this policy, effective **Feb. 1, 2025**, to suspend instead of terminate coverage for beneficiaries in county jails. This policy change will help **avoid gaps in Medicaid coverage** post-release from incarceration.
  - Beneficiaries incarcerated in a county jail for **30 days or less will not** have benefits suspended and will remain enrolled with their current health plan.
  - Beneficiaries incarcerated in a county jail for **31 days or more will** have benefits suspended and will be disenrolled from their health plan.

Post-Release Medicaid Direct Enrollment

- Session Law 2024-34 (https://www.ncleg.gov/EnactedLegislation/SessionLaws/PDF/2023-2024/SL2024-34.pdf) PART XII. CLARIFYING MEDICAID BENEFITS FOR INMATES, SECTION 12.1.(a) G.S. 108D-40 – states that beneficiaries who are incarcerated and whose Medicaid has been suspended will remain excluded from Managed Care for up to 365 days following their release.
- As of **January 1, 2025**, Medicaid beneficiaries whose Medicaid was suspended during a period of incarceration will be placed in NC Medicaid Direct (or the EBCI Tribal Option, if eligible) upon release.
- After the 365-day post-release period, the beneficiary will be assigned to the health plan that best suits their needs (e.g., Tailored Plan, Standard Plan).
- This process allows easier access to physical health providers and reduces system transitions and confusion during the post-release period. This also allows beneficiaries to access needed mental and behavioral health services through the LME/MCO, if needed.

NC Medicaid's Goals for Reentry

Goals of the Medicaid Reentry Initiative

NC's goals through the Medicaid Reentry Initiative are to:

- Increase coverage, continuity of coverage, and appropriate service uptake through assessment of eligibility and availability of coverage for benefits in carceral settings just prior to release
- Improve access to services prior to release and improve transitions and continuity of care into the community upon release and during reentry
- Improve coordination and communication between correctional systems, Medicaid systems, managed care plans, and community-based providers
- Increase additional investments in health care and related services, aimed at improving the quality of care for beneficiaries in carceral settings and in the community to maximize successful reentry post-release
- Improve connections between carceral settings and community services upon release to address physical health, behavioral health, and health-related social needs (HRSNs)
- Reduce all-cause deaths in the near-term post-release
- Reduce number of emergency department visits and inpatient hospitalizations among recently incarcerated Medicaid beneficiaries through increased receipt of preventive and routine physical and behavioral health care