North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services

Pat McCrory
Governor

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Ambassador (Ret.)
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Dave Richard
Division Director

August 21, 2013

MEMORANDUM

TO: LME-MCOs Directors

FROM: Dave Richard, Director of DMH/DD/SAS
Les Merritt, DMH/DD/SAS Chief Financial Officer

SUBJECT: SFY13-14 Bridge Funding for .5600A and .5600C Group Homes

As of January 1, 2013, many individuals with mental illness or intellectual and developmental disabilities who were living in group homes and previously eligible for Personal Care Services (PCS) under Medicaid were no longer eligible for those services. Per Session Law 2013-360 Section 12A.2A, the General Assembly has appropriated $4.6 million in non-recurring funds to provide supplemental short-term assistance for individuals living in group homes. These funds will be distributed through LME-MCOs to group homes with .5600A and .5600C designations that that house individuals that have been assessed as non-qualified for personal care services (PCS) as of January 1, 2013.

The process for these funds is similar to the process that was used for these same providers for January 2013. Allocations letters to each LME-MCO for bridge funding will be sent by August 31, 2013. For SFY 2013-2014 funding the process is outlined below:

Operational Process

- DMA has sent a list of all residents by group home who have received a denial letter for Medicaid Personal Care Services (PCS) with an effective date of January 1, 2013.
- DMH/DD/SAS will send an allocation letter to the responsible LME-MCO based upon the following:
  1. The amount per resident will be $464.30 monthly
  2. The resident must have been a resident in the group home and received a Medicaid denial for PCS notice with effective date of January 1, 2013. The resident must have been eligible for PCS services prior to January 1, 2013.
  3. The recipient may not receive the bridge funding if a Medicaid appeal has been filed and Maintenance of Service (MOS) has been granted for PCS.
  4. Resident must have continuously resided in a group home since December 31, 2012.
- Group homes must contact the LME-MCO to access and receive payment of the bridge funding.
- DMH/DD/SAS will provide a recommended invoice template to LME-MCOs to distribute to eligible group homes. The request for payment or invoice by the group home must contain the following:

  1. Name of the Medicaid recipient and Medicaid number

2. Name of the Group Home, Medicaid provider number and Tax ID
3. Signed statement on the invoice that the Medicaid recipient received a denial letter and MOS has not been granted.
4. Signed statement that the group home shall refund any monies received in this process this it not qualified/eligible to receive.

- In order to receive bridge funds, group homes shall submit to DHHS a list of all funding sources for the operating costs of the group home for the preceding two years. A schedule for this information will be forthcoming from DMH/DD/SAS.
- LME-MCOs shall pay the group home the designated amount within 10 business days from the receipt of an invoice for bridge funds.
- LME-MCOs shall request reimbursement from the DMH/DD/SAS by submitting a claim for bridge funding on their monthly FSR report. All requests for reimbursement shall be made to the DMH/DD/SAS no later than June 1, 2014.

Should you have any questions regarding the implementation of this process, please contact Les Merritt at Les.Merritt@dhhs.nc.gov or Tina Quiller-Morgan at Tina.Quiller-Morgan@dhhs.nc.gov at 919-733-7013.

cc: Secretary Aldona Wos, M.D.
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