

What You Need to Know About Medicaid Transformation and Guardianship

The North Carolina Department of Health and Human Services is working to develop and implement a new Medicaid managed care plan, or Medicaid Transformation.

In this plan, all Medicaid-funded medical services and community support services will eventually be capitated. In this “cap” all of the costs for the group of people receiving Medicaid-funded supports and services will be added together and an average cost per person will be calculated. This average cost per person will become a “per member per month” amount that is paid to a managed care organization to cover all Medicaid-funded services.

The Standard Plan (SP) is a plan for how the state will manage costs for health and medical services for Medicaid recipients. Most Medicaid recipients will move into the SP when it goes live across the state on February 1, 2020.

As the Standard Plan begins, most people with intellectual/developmental disabilities (I/DD), severe mental illness (MI), or substance use disorder (SU) will be "exempt" from the Standard Plan. This means they are exempt from the mandate to be served under the SP. They will remain in the traditional fee-for-service model for medical services while they wait for the Tailored Plan. That fee-for-service model is now called "NC Medicaid Direct."

If you are responsible for a child, here are some key points about guardianship and Medicaid Transformation:

You do not need to have guardianship of a child under the age of 18 to enroll them into a Standard Plan or NC Medicaid Direct.

In North Carolina, the guardianship process for an individual can begin six months prior to turning 18 years old.

Guardianship should be a last resort. Limited decision-making alternatives to guardianship may be more suitable.

For commonly asked questions about guardianship, go to our website:

<https://www.arcnc.org/guardianship> or contact The Arc of North Carolina at 800-662-8706 or info@arcnc.org.