

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 in July 2021.

As the Standard Plan begins, most people with I/DD (and severe mental illness (MI) and substance use disorder (SUD) will be “temporarily excluded” from the Standard Plan. This means they are held out of the mandate to be served under the SP. For now, they will remain in the traditional fee-for-service model for medical services called “NC Medicaid Direct.” In 2022, the state will launch a Tailored Plan (TP) for the people who have been temporarily excluded, and the TP will include more tailored, or customized services for people with I/DD, MI and SUD.

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. Alternatives to guardianship should be seriously considered prior to Guardianship, such as Health Care Power of Attorney, limited forms of guardianship, Trusts, Joint Bank Accounts, Supported Decision Making and others. These forms of limited decision-making are often useful alternatives to guardianship and may be more suitable.

If you have questions about guardianship, please contact The Arc of North Carolina at: 800-662-8706 or info@arcnc.org