



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

3001 Mail Service Center • Raleigh, North Carolina 27699-3001

Tel 919-733-7011 • Fax 919-508-0951

Michael F. Easley, Governor

Dempsey Benton, Secretary

**Division of Mental Health, Developmental
Disabilities and Substance Abuse Services**
3001 Mail Service Center
Tel (919) 733-7011
Michael Moseley, Director

Division of Medical Assistance
2501 Mail Service Center
Raleigh, North Carolina Raleigh, NC 27699-
Tel (919) 855-4100
William Lawrence Jr., MD, Acting Director

September 10, 2007

MEMORANDUM

TO: Legislative Oversight Committee
Local CFAC Chairs
NC Council of Community Programs
NC Assoc. of County Commissioners
State Facility Directors
LME Board Chairs
Advocacy Organizations
MH/DD/SAS Professional and Stakeholders Organizations
NC Association of County DSS Directors

Commission for MH/DD/SAS
State CFAC
County Board Chairs
County Managers
LME Director
DHHS Division Directors
Provider Organizations

FROM: William Lawrence Jr. *[Signature]*
Mike Moseley *[Signature]*

SUBJECT: Implementation Update #33: Full Endorsement of Providers of MH-DD-SA Services

In **Implementation Update # 30**, DHHS announced the end of the 18 month transition period for providers of Community Intervention Services (CIS). Per Implementation Update #30, this 18 month period, which began in March of 2006, will end on September 20, 2007 for services in Phase I or II, and November 30, 2007 for Phase III. **DHHS has made the decision to extend the end date for the full endorsement of all services in Phases I, II, and III until November 30, 2007.**

Over the past several weeks, LMEs and providers have been actively engaged in completing the full endorsement process for providers of services in Phase I, II and III. This activity has been in addition to several other required processes, including Community Support audits, Post Payment Clinical Reviews, and routine monitoring. The DHHS is very appreciative of all the efforts of the LMEs and providers in working to complete the processes in a thorough and timely manner. The DHHS understands the many challenges of completing the multiple processes simultaneously and, to that end we have made a decision to extend the end date for the full endorsement of services as indicated below.

All LME endorsement decisions related to full endorsement should be completed and communicated to providers by the LME NO LATER THAN NOVEMBER 30, 2007 FOR ALL SERVICES IN PHASES I, II AND III.

Phase I: September 1, 2005-November 30, 2005	LME Decision Date	Medicaid Provider # End Date
Community Support Services (Adult, Child, Team)	11-30-07	12-31-2007
Mobile Crisis Management	11-30-07	12-31-2007
Diagnostic Assessment	11-30-07	12-31-2007
Intensive In-Home	11-30-07	12-31-2007

Multisystemic Therapy

11-30-07

12-31-2007

Phase II: December 1, 2005-February 28, 2006	LME Decision Date	Medicaid Provider #	End Date
Assertive Community Treatment Team	11-30-07		12-31-2007
Partial Hospitalization	11-30-07		12-31-2007
SA Comprehensive Outpatient Treatment Program	11-30-07		12-31-2007
Psychosocial Rehabilitation	11-30-07		12-31-2007

Phase III: March 1, 2006-May 3, 2006	LME Decision Date	Medicaid Provider #	End Date
Facility Based Crisis Programs	11-30-07		12-31-2007
SA Non Medical Community Residential Treatment	11-30-07		12-31-2007
SA Medically Monitored Community Residential Treatment	11-30-07		12-31-2007
SA Intensive Outpatient Program	11-30-07		12-31-2007
Child and Adolescent Day Treatment	11-30-07		12-31-2007
Opioid Treatment	11-30-07		12-31-2007
Detox	11-30-07		12-31-2007

As indicated in the meeting with LME staff on July 31, 2007, LMEs should proceed with the full endorsement process based on the approved Plan of Correction (POC), where applicable.

- **POC approval means:** The LME determines that the provider's POC represents a systemic means to correct identified issues, and the provider has the capacity to successfully implement the change.
- The DMH/DD/SAS website provider endorsement page (<http://www.dhhs.state.nc.us/mhddsas/stateplanimplementation/providerendorse/>) includes a flowchart: Endorsement/PPR/Audit/SB163, indicating the expected route of completion of the full endorsement process as related to Post Payment Clinical Reviews, SB163 Monitoring and Community Support Audits.
- The Post Payment Clinical Reviews are expected to be completed by the LMEs by September 30, 2007.

When a provider is endorsed, the **provider** must submit to DMA's Provider Enrollment Section:

- The NEA letter (One NEA letter must be submitted for each endorsed site);
- A completed Re-Enrollment Addendum; and
- A copy of licensure (if applicable)

Please visit the website for the most current Re-Enrollment Addendum, at www.ncdhhs.gov/dma/. DMA's normal processing time of 6 to 8 weeks applies to re-enrollments as well as new applications.

Providers that submit their information for receipt by DMA by December 31, 2007, should not experience any interruption in Medicaid enrollment. Providers that submit their information after December 31, 2007 may experience an interruption in enrollment and payment.

The LMEs are responsible for notifying DMA directly and immediately if a provider's endorsement is withdrawn. Upon receipt of the NEA withdrawal notice from the LME, DMA will take action to terminate the Medicaid provider number and recoup payments made after the effective date of the withdrawal, if payments have been made.

ACTION REQUIRED: REVIEW OF DRAFT REVISED PROVIDER ENDORSEMENT POLICY

The DHHS has revised the Provider Endorsement Policy, which has been reviewed with LMEs and providers in various forums. The **DRAFT Revised Provider Endorsement Policy** is attached to this communication. This **DRAFT Revised Provider Endorsement Policy** contains many significant changes, including having only one option for endorsement. **Conditional endorsement is no longer an option in the process.** Providers are expected to meet all the standards of the service definition checklists and secure endorsement **prior** to direct enrollment with DMA and **prior** to delivering and billing for services.

PLEASE READ THE DRAFT Revised Provider Endorsement Policy VERY CAREFULLY!!!!

Please provide any suggestions or feedback regarding this revised policy to Dick Oliver, Dick.Oliver@ncmail.net within seven calendar days of the date of this update. The Final Policy will be effective October 1, 2007. DHHS will publish the Final policy and related process documents (NEA, checklists, etc.) before the effective date.

The following provides direction for the transition from the current policy to the new policy.

- All providers of services in Phases I, II and III conditionally endorsed prior to April 1, 2007 must be fully endorsed by November 30, 2007. By December 31, 2007, providers must submit to DMA the correct and complete Re-Enrollment Addendum and a copy of the facility license (if applicable).
- All providers of services either conditionally endorsed or for whom the endorsement process has been initiated between April 1, 2007 and September 30, 2007 will be given six months to meet full endorsement. The current Endorsement Policy has been amended to *exclude* the option of a second six months endorsement period. All LME endorsement decisions shall be made based on the Endorsement Policy in force at the time of endorsement decision.

Thank you for your attention to the details in this communication and the attached documents. Questions related to endorsement may be submitted to Dick Oliver, Dick.Oliver@ncmail.net or 919-715-1294. Questions related to DMA CIS direct enrollment may be submitted to Tonya Trotter, Tonya.Trotter@ncmail.net, or 919-855-4060.

cc: Secretary Dempsey Benton
 Dan Stewart
 Mark Van Sciver
 Brad Deen
 DMA Assistant Directors
 Walker Wilson
 Sharnese Ransome

Kaye Holder
 Wayne William
 DMHDDSAS ELT
 William Lawrence, MD
 Tom Galligan
 Kory Goldsmith
 Andrea Poole