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MCO Communication Bulletin #J140

Date: May 8, 2015
To: LME-MCOs
From: Kathy Nichols, Lead Waiver Program Manager, Contracts Section, DMA, and Mabel McGlothlen, LME System Performance Team Leader, DMH/DD/SAS
Subject: Due Process Requirements for 1915(b)(3) Services

The purpose of this bulletin is to inform LME-MCOs of due process requirements for 1915(b)(3) services.

Medicaid 1915(b)(3) services enable states to provide health-related services in addition to those in the approved State plan. 1915(b)(3) services are subject to Medicaid due process and appeal rights in the same manner as other Medicaid services provided under the waiver. Medicaid due process and appeal rights must be provided to Medicaid beneficiaries when there is a denial or limited authorization, reduction, suspension, or termination of a previously authorized 1915(b)(3) service based on medical necessity criteria.

LME-MCOs receive a separate 1915(b)(3) capitation rate. Total expenditures on 1915(b)(3) services cannot exceed the resources available. 1915(b)(3) services that are denied based on total LME-MCO expenditures meeting or exceeding the resources available are subject to the grievance process. If you have questions, please contact Renee' Rader at renee.rader@dhhs.nc.gov or 919-855-4197.

Previous bulletins can be accessed at: <http://jtcommunicationbulletins.ncdhhs.gov/>

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