



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
JAY LUDLAM • Deputy Secretary, NC Medicaid

December 22, 2023

Daniel Tsai
Deputy Administrator and Director of Center for Medicaid and CHIP Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Deputy Administrator Tsai:

On behalf of the State of North Carolina, I am writing to modify the State's [pending request](#) to amend the North Carolina Section 1115 Demonstration Project (11-W00313/4).

On January 24, 2023, North Carolina submitted to CMS a request to modify the demonstration as follows:

1. Extend Medicaid eligibility to parents and caretaker relatives of children/youth in foster care who are making reasonable efforts to comply with a court-ordered plan of reunification, allowing them to maintain coverage while the child/youth is in foster care; and
2. Expand eligibility for the Children and Families Specialty Plan (CFSP) – which, as outlined by N.C. Session Law 2023-134, the State intends to launch by December 2024 – to include certain Medicaid-eligible parents, custodians, and guardians of children/youth in foster care (i.e., those described in the previous bullet); siblings of children/youth in foster care; certain family members receiving Child Protective Services (CPS) In-Home Services; minor children of children/youth in foster care and those receiving adoption assistance; and minor children of former foster youth.

Since submitting this amendment request, the North Carolina General Assembly passed a budget effectuating Medicaid expansion ([General Statute § 108D-62](#)). Medicaid expansion launched on December 1, 2023. Therefore, starting on this date and prior to the launch of the CFSP, North Carolina anticipates that all people who would have been eligible for the coverage expansion under the 1115 demonstration amendment are now eligible under Medicaid expansion. This includes parents and caretaker relatives of children/youth in foster care who are making reasonable efforts to comply with a court-ordered plan of reunification. For this reason, North Carolina seeks to withdraw this portion of the demonstration amendment request (#1 above).

North Carolina is still seeking to amend the demonstration to expand eligibility for the CFSP as described in #2 above. In accordance with the state budget legislation and following outreach to EBCI to confirm the Tribe's agreement, North Carolina is seeking to update the list of populations eligible for the CFSP to include adults identified in an open Eastern Band of Cherokee Indians Department of Public Health and Human Services Family Safety program case or an enrolled tribal youth living in Swain, Jackson, Graham, Haywood, or Cherokee Counties and any children living in the same home. This population

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would have the ability to opt-into the CFSP (expanding their choice of plans); they would not default into it.

Thank you for considering this request. We greatly appreciate your continued partnership with North Carolina on the NC 1115 demonstration as we work towards our shared goal of improving health and well-being for all North Carolinians through a whole-person, well-coordinated, equitable system of care.

Sincerely,



Jay Ludlam
Deputy Secretary, NC Medicaid