

Tailored Plans

Keeping Care Local and
Specialized Supports Strong

October 2026

For Medicaid members with serious mental illness, severe substance use disorders, I/DD, traumatic brain injuries, and other complex needs, specialized care management and community-based services are essential, not optional. Standard plans play an important role in North Carolina, however Tailored Plans provide a distinct model designed to address the needs of eligible members who may require more intensive behavioral health services, specialized disability supports, and ongoing coordination across medical, behavioral, and community systems.

Why the LME-MCO Model Matters

North Carolina launched Behavioral Health and I/DD Tailored Plans on July 1, 2024. These plans serve eligible members with qualifying serious mental illness, severe substance use disorders, I/DD, or traumatic brain injuries. Their specialized focus aligns care delivery with the needs of individuals who may require intensive, ongoing, or long-term support.

Tailored Plans cover additional services that Standard Plans do not cover, including Assertive Community Treatment, Community Support Team services, intensive in-home services, psychosocial rehabilitation, and certain residential treatment services. Eligible member can access the NC Innovations and Traumatic brain Injury waivers through Tailored Plans. These are substantive differences in available benefits, not simply differences in how health plans are administered.

North Carolina's Innovations Waiver waitlist reported more than 8,500 people who were not receiving services (NCDHHS, 6/2025). This underscores the scale of unmet need for I/DD supports and the importance of preserving and strengthening specialized service coordination and provider capacity. Further, North Carolina reported 129 institution-to-community transitions during FY2025 (NCDHHS, Inclusion Connects, 1/2026).

Tailored Plans coordinate physical health, behavioral health, pharmacy, care management, and specialized services. This model creates an opportunity to address medical, behavioral, functional, and social needs together. Rather than treating them as disconnected areas of focus.



Tailored Plans

- **Protect Access**
 - Maintain access to specialized services
- **Strengthen Provider Capacity**
 - Address workforce shortages, service gaps, and barriers, to timely care, especially in rural communities
- **Support Community Living**
 - Improve coordination among health plans, housing providers, hospitals, behavioral health organizations, and community partners



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Model Comparison

	Standard Plans	Tailored Plans
Primary Target Population	Most Medicaid beneficiaries, including lower-risk families, children, and pregnant individuals.	Beneficiaries with severe mental illness (SMI), severe substance use disorders (SUD), intellectual/developmental disabilities (I/DD), or traumatic brain injuries (TBI).
Plan Management	Statewide commercial health insurance companies (e.g., WellCare, Blue Cross Blue Shield).	Regional, public behavioral health organizations known as LME-MCOs (e.g., Alliance Health, Trillium Health Resources, Vaya Health).
Behavioral Health Scope	Basic outpatient therapy, crisis intervention, and mild-to-moderate mental health services.	Comprehensive, high-intensity specialized behavioral coverage.
Exclusive Services	None (standard baseline Medicaid state benefits).	Assertive Community Treatment (ACT), intensive in-home therapy, psychosocial rehabilitation, and psychiatric residential treatment facilities (PRTFs).
Care Coordination Model	Standard care management focused on basic health navigation and appointments.	Tailored Care Management (TCM), featuring a designated care coordinator managing a whole-person, integrated care plan.
Waiver & State Funding Integration	Ineligible for specialized state-funded support programs.	Coordinates specific 1915(c) Innovations Waivers, TBI Waivers, and non-Medicaid state-funded services.

For Medicaid members with complex behavioral health, I/DD, and traumatic brain injury needs, specialized care is a critical component of an effective delivery system.

The Tailored Plan model offers a specialized infrastructure that supports member with complex needs while strengthening the accountability across all Medicaid plans. The Tailored Plan model services as a cornerstone of a responsive, community-based Medicaid system while holding every plan accountable for measurable improvements in access, quality, member outcomes and value. LME-MCOs that operate as Tailored Plans protect access, strengthen provider capacity, support community living, and measure outcomes especially for crisis-service utilization, avoidable emergency department visits and hospitalizations, continuity of care, member experience, community tenure, and total cost of care.

Standard Plans are fundamentally not built to manage high-intensity, long-term developmental and psychological care. Standard Plan networks do not comprehensively contract for these specialized services. Providers of these niche-but-essential services struggle a Standard Plan model. Tailored Plans very effectively bridge the communication between physical and behavioral services and reduce fragmentation. This integration creates a system of Whole Person care when physical, behavioral and social health care is truly synchronized.