

## **Table of Contents**

**State/Territory Name: North Carolina**

**State Plan Amendment (SPA) #: 13-011**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Atlanta Regional Office  
61 Forsyth Street, Suite 4T20  
Atlanta, Georgia 30303



**DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS**

November 26, 2014

Ms. Sandra D. Terrell, MS, R.N.  
Chief Operating Officer  
Division of Medical Assistance  
North Carolina Department of Health and Human Services  
2501 Mail Service Center  
Raleigh, North Carolina 27699-2501

Attention: Teresa Smith

RE: North Carolina Title XIX State Plan Amendment, Transmittal # NC 13-011

Dear Ms. Terrell:

We reviewed the proposed amendment to the North Carolina Medicaid State Plan Amendment (SPA) NC 13-011 that was received in the Regional Office on September 16, 2014. The amendment allows North Carolina to disregard compensation payments as income, resource, and asset made to individuals from the Eugenics Asexualization and Sterilization Compensation Program.

Based on the information provided, we are now ready to approve the Medicaid State Plan Amendment NC 13-011. This SPA was approved on November 26, 2014. The effective date of this amendment is October 1, 2014. We are enclosing the signed paper-based HCFA-179, and the approved plan pages.

If you have any questions or need any further assistance, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

//s//

Jackie Glaze  
Associate Regional Administrator  
Division of Medicaid & Children's Health Operations

Enclosures

cc: Aldona Z. Wos, M.D., Secretary North Carolina Department of Health and Human Services  
Robin G. Cummings, M.D.

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL**

**FOR: HEALTH CARE FINANCING ADMINISTRATION**

**TO: REGIONAL ADMINISTRATOR  
HEALTH CARE FINANCING ADMINISTRATION  
DEPARTMENT OF HEALTH AND HUMAN SERVICES**

1. TRANSMITTAL NUMBER:  
13-011

2. STATE  
NC

3. PROGRAM IDENTIFICATION:  
TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

4. PROPOSED EFFECTIVE DATE  
June 1, 2015

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN

☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN

☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

§1902(r)(2) of the ACT

7. FEDERAL BUDGET IMPACT:

a. FFY 2015 \$0.00

b. FFY 2016 \$0.00

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Supplement 8A to Attachment 2.6-A, Page 3  
Supplement 8b to Attachment 2.6-A, Page 2, and  
Text Page 53c

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable):

Supplement 8A to Attachment 2.6-A, Page 3  
Supplement 8b to Attachment 2.6-A, Page 2, and  
Text Page 53c

10. SUBJECT OF AMENDMENT:

Eugenics Compensation Program

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT

☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED

☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED: Secretary

12. SIGNATURE OF STATE AGENCY OFFICIAL:

//s//

13. TYPED NAME:

Aldona Z. Wos, M.D.

14. TITLE:

Secretary

15. DATE SUBMITTED: 09/24/14

16. RETURN TO:

Office of the Secretary  
Department of Health and Human Services  
2001 Mail Service Center  
Raleigh, NC 27699-20014

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED:

09-24-13

18. DATE APPROVED: 11-26-14

**PLAN APPROVED - ONE COPY ATTACHED**

19. EFFECTIVE DATE OF APPROVED MATERIAL:

10-1-14

20. SIGNATURE OF REGIONAL OFFICIAL:

21. TYPED NAME:

Jackie Glaze

22. TITLE: Associate Regional Administrator

Division of Medicaid & Children Health Opns

23. REMARKS: Approved with the following changes to items 4, 8 and 9 as authorized by State Agency e-mail dated 11/10/14.

**Block # 4 changed to read:** October 1, 2014.

**Block # 8 changed to read:** Supplement 8a to Attachment 2.6-A, Page 3; Supplement 8b to Attachment 2.6-A page 1 and 2; and Supplement 12A to Attachment 2.6-A, page 2.

**Block #9 changed to read:** Supplement 8A to Attachment 2.6-A, Page 3; Supplement 8b to Attachment 2.6-A page 1 and 2; and Supplement 12A to Attachment 2.6-A, page 2

State Plan Under Title XIX of the Social Security Act

State: North Carolina

LESS RESTRICTIVE METHODS OF TREATING INCOME  
UNDER SECTION 1902(r)(2) OF THE ACT

1. For 1902(a)(10)(A)(ii)(X), 1902(a)(10)(E)(i), 1902(a)(10)(E)(iii), and 1902(a)(10)(E)(iv):

When the annual Social Security COLA and Federal Poverty Level adjustment cause ineligibility for Medicaid; disregard the most recent Social Security COLA increase.

This disregard continues until the individual loses Medicaid coverage or becomes eligible without this disregard.

2. For individuals eligible under § 1902(a)(10)(A)(ii)(XV) or § 1902(a)(10)(A)(ii)(XVI):

Disregard unearned income above the SSI federal benefit rate up to 150% of the federal poverty level.

3. When determining eligibility for medically needy individuals described at 42 CFR 435.301 (b)(1)(i), (iv) 42 CFR 435.301 (b)(1)(ii), 435.308 and 42 CFR 435.310, payments made under the authority of N.C. G.S. Section 6.18.(a) Article 9 of Chapter 143B, Part 30 Eugenics Asexualization and Sterilization Compensation Program are disregarded as income.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE: North Carolina

MORE LIBERAL METHODS OF TREATING RESOURCES  
UNDER SECTION 1902(R)(2) OF THE ACT

   SECTION 1902(f) State       X  Non-Section 1902(f) State

4. QUALIFIED CHILDREN UNDER AGE 19

All resources are excluded

5. MEDICALLY NEEDY AFDC RELATED INDIVIDUALS

Methodologies less restrictive than AFDC

Disregards otherwise countable assets in the following amounts:

Family Size	Amount
1	1500
2	750
3	650
4	550
5	450
6	350
7	250
8	150
9	50
10	0

6. When determining eligibility for medically needy individuals described at 42 CFR 435.301 (b)(1)(i), (iv) 42 CFR 435.301 (b)(1)(ii), 435.308 and 42 CFR 435.310, payments made under the authority of N.C. G.S. Section 6.18.(a) Article 9 of Chapter 143B, Part 30 Eugenics Asexualization and Sterilization Compensation Program are disregarded as income.

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: North Carolina

MORE LIBERAL METHODS OF TREATING RESOURCES

UNDER SECTION 1902(r)(2) OF THE ACT

\_\_\_\_\_ Section 1902(f) State

X Non-Section 1902(f) State

1. AGED, BLIND AND DISABLED INDIVIDUALS, QUALIFIED MEDICARE BENEFICIARIES, SPECIFIED LOW-INCOME MEDICARE BENEFICIARIES, QUALIFYING INDIVIDUALS, AND ALL NON-MAGI RELATED GROUPS

Methodologies less restrictive than SSI.

- a. The value of personal effects and-household goods are not counted.
- b. The current market value for real property is the tax assessed value. The tax assessed value may be reduced if evidence is provided proving that the current market value is less than the tax assessed value.
- c. For individuals not receiving optional State Supplements, the value of life estate interest in real property is not counted.
- d. For individuals not receiving optional State Supplements, the value of tenancy in common interest in real property is not counted.
- e. Value of burial plots are not counted.
- f. The cash value of life insurance when the total face value of all cash value bearing life insurance policies does not exceed ten thousand dollars is not counted.
- g. Up to \$12,000 of real property contiguous to the individual's principal place of residence when the individual has no ownership interest in his principal place of residence.
- h. Payments made under the authority of N.C.G.S. Section 6.18(a) Article 9 of Chapter 143B, Part 30 Eugenics Asexualization and Sterilization Compensation Program are not counted.

2. MEDICALLY NEEDY AGED, BLIND AND DISABLED INDIVIDUALS--

Methodologies less restrictive than SSI

Individuals with resources in excess of the resource limit at the first moment of the month may become eligible at the point that resources are reduced to the allowable limit.

3. MEDICALLY NEEDY AFDC RELATED INDIVIDUALS

Methodologies less restrictive than AFDC

- a. The value of real property is not counted.
- b. The value of one vehicle per adult is not counted.
- c. The value of trusts funds, burial contracts and retirement accounts is not counted.

Revision: HCFA-PM-97-2  
December 1997

SUPPLEMENT 12A TO ATTACHMENT 2.6-A  
Page 2  
OMB No.: 0938-0673

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: North Carolina

VARIATIONS FROM THE BASIC PERSONAL NEEDS ALLOWANCE- Continued

1924 of the SSA II  
CFR 435.725  
CFR 435.733  
CFR 435.832

4. In addition to the basic personal needs allowance, the personal needs allowance is increased by the amount of compensation paid to the individual from the Eugenics Asexualization and Sterilization Compensation Fund.

---

TN No. 13-011  
Supersedes  
TN No. NEW

Approval Date 11-26-14

Effective Date: 10/01/2014