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State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 24-0019

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Page (with 179-like data)
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

October 4, 2024

Jay Ludlam
Deputy Secretary of Medical Assistance
Division of Medical Assistance
2001 Mail Service Center
1985 Umstead Drive
Raleigh, NC 27699-20014

Re: North Carolina State Plan Amendment (SPA) 24-0019

Dear Deputy Secretary Ludlam:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under Transmittal Number (TN) 24-0019 (MMDL No.: NC.7222.R00.00). This amendment will allow Medicaid to exempt the following drugs from Medicaid co-payments: Opioid Antagonists, Nicotine Replacement Therapy, and medications used to treat opioid use disorder.

We conducted our review of your submittal according to Sections 1916 and 1916A of the Social Security Act and 42 CFR 447.50-57. This letter informs you that North Carolina's Medicaid SPA TN 24-0019 was approved on October 4, 2024, effective August 1, 2024.

Enclosed are copies of the Summary Page (CMS-179) and approved SPA page to be incorporated into the North Carolina State Plan.

If you have any questions, please contact Morlan Lannaman at (470) 890-4232 or via email at Morlan.Lannaman@cms.hhs.gov.

Sincerely,


James G. Scott, Director
Division of Program Operations

Enclosures

cc: Kathryn Horneffer, NC DHHS
Betty J. Staton, NC DHHS
Ashley Blango, NC DHHS

Medicaid Premiums and Cost Sharing: Summary Page (CMS 179)

State/Territory name: North Carolina

Transmittal Number:

Enter the Transmittal Number (TN), including dashes, in the format SS-YY-NNNN or SS-YY-NNNN-xxxx (with xxxx being optional to specific SPA types), where SS = 2-character state abbreviation, YY = last 2 digits of submission year, NNNN = 4-digit number with leading zeros, and xxxx = OPTIONAL, 1- to 4-character alpha/numeric suffix

NC-24-0019

Proposed Effective Date

08/01/2024 (mm/dd/yyyy)

Federal Statute/Regulation Citation

Section 1916 and 1916A of the Social Security Act and 42 C.F.R. §447.50-.57 (excluding 477.55)

Federal Budget Impact

	Federal Fiscal Year	Amount
First Year	2024	\$ 97288.00
Second Year	2025	\$ 577554.00

Subject of Amendment

Co-Payment Exemption: Opioid Antagonists, Nicotine Replacement Therapy, Opioid Use Disorder Medications

Governor's Office Review

☒ Governor's office reported no comment

☐ Comments of Governor's office received

Describe:

☐ No reply received within 45 days of submittal

☐ Other, as specified

Describe:

Signature of State Agency Official

Submitted By:

Ashley Blango

Last Revision Date:

Aug 26, 2024

Submit Date:

Jul 23, 2024



Medicaid Premiums and Cost Sharing

State Name: North Carolina

OMB Control Number: 0938-1148

Transmittal Number: NC - 24 - 0019

Cost Sharing Requirements

G1

1916
1916A
42 CFR 447.50 through 447.57 (excluding 447.55)

The state charges cost sharing (deductibles, co-insurance or co-payments) to individuals covered under Medicaid.

Yes

- ☒ The state assures that it administers cost sharing in accordance with sections 1916 and 1916A of the Social Security Act and 42 CFR 447.50 through 447.57.

General Provisions

- ☒ The cost sharing amounts established by the state for services are always less than the amount the agency pays for the service.
- ☐ No provider may deny services to an eligible individual on account of the individual's inability to pay cost sharing, except as elected by the state in accordance with 42 CFR 447.52(e)(1).
- ☐ The process used by the state to inform providers whether cost sharing for a specific item or service may be imposed on a beneficiary and whether the provider may require the beneficiary to pay the cost sharing charge, as a condition for receiving the item or service, is (check all that apply):
- ☒ The state includes an indicator in the Medicaid Management Information System (MMIS)
 - ☐ The state includes an indicator in the Eligibility and Enrollment System
 - ☐ The state includes an indicator in the Eligibility Verification System
 - ☐ The state includes an indicator on the Medicaid card, which the beneficiary presents to the provider
 - ☒ Other process

Description:

The state provides billing guidance to providers and MCOs that is incorporated by reference.

- ☐ Contracts with managed care organizations (MCOs) provide that any cost-sharing charges the MCO imposes on Medicaid enrollees are in accordance with the cost sharing specified in the state plan and the requirements set forth in 42 CFR 447.50 through 447.57.

Cost Sharing for Non-Emergency Services Provided in a Hospital Emergency Department

The state imposes cost sharing for non-emergency services provided in a hospital emergency department.

Yes

- ☒ The state ensures that before providing non-emergency services and imposing cost sharing for such services, that the hospitals providing care:



Medicaid Premiums and Cost Sharing

- ☐ Conduct an appropriate medical screening under 42 CFR 489.24, subpart G to determine that the individual does not need emergency services;
 - ☐ Inform the individual of the amount of his or her cost sharing obligation for non-emergency services provided in the emergency department;
 - ☐ Provide the individual with the name and location of an available and accessible alternative non-emergency services provider;
 - ☐ Determine that the alternative provider can provide services to the individual in a timely manner with the imposition of a lesser cost sharing amount or no cost sharing if the individual is otherwise exempt from cost sharing; and
 - ☐ Provide a referral to coordinate scheduling for treatment by the alternative provider.
- ☒ The state assures that it has a process in place to identify hospital emergency department services as non-emergency for purposes of imposing cost sharing. This process does not limit a hospital's obligations for screening and stabilizing treatment of an emergency medical condition under section 1867 of the Act; or modify any obligations under either state or federal standards relating to the application of a prudent-layperson standard for payment or coverage of emergency medical services by any managed care organization.

The process for identifying emergency department services as non-emergency for purposes of imposing cost sharing is:

The state maintains a list of codes that will be periodically updated.

Cost Sharing for Drugs

The state charges cost sharing for drugs.

Yes

The state has established differential cost sharing for preferred and non-preferred drugs.

No

- ☐ All drugs will be considered preferred drugs.

Beneficiary and Public Notice Requirements

- ☒ Consistent with 42 CFR 447.57, the state makes available a public schedule describing current cost sharing requirements in a manner that ensures that affected applicants, beneficiaries and providers are likely to have access to the notice. Prior to submitting a SPA which establishes or substantially modifies existing cost sharing amounts or policies, the state provides the public with advance notice of the SPA, specifying the amount of cost sharing and who is subject to the charges, and provides reasonable opportunity for stakeholder comment. Documentation demonstrating that the notice requirements have been met are submitted with the SPA. The state also provides opportunity for additional public notice if cost sharing is substantially modified during the SPA approval process.

Other Relevant Information

The State has copayments for covered Outpatient Pharmacy medications for adults (21 and older) in the traditional Medicaid program. Those copayments are \$4 per prescription.

Groups of Individuals who are mandatorily exempt from cost sharing as described in section G3 have \$0 co-payment for all prescriptions. Additionally, antiretroviral medications used to reduce HIV viral load, opioid antagonists, nicotine replacement therapy, and medications used to treat opioid use disorder are not subject to co-payments.



Medicaid Premiums and Cost Sharing

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 09381148. The time required to complete this information collection is estimated to average 40 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C42605, Baltimore, Maryland 212441850.

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