

## **Table of Contents**

**State/Territory Name: North Dakota**

**State Plan Amendment (SPA) #: 25-0011**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS Form 179
- 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

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May 30, 2025

Sarah Aker  
Executive Director  
Medical Services Division  
North Dakota Department of Health and Human Services  
600 East Boulevard Avenue, Dept. 325  
Bismark, ND 58505

Re: North Dakota State Plan Amendment (SPA) – 25-0011

Dear Director Aker:

The Centers for Medicare & Medicaid Services (CMS) reviewed your Medicaid State Plan Amendment (SPA) submitted under transmittal number (TN) ND-25-0011. This amendment proposes an extension to the exemption for a Recovery Audit Contractor.

We conducted our review of your submittal according to statutory requirements in Title XIX of the Social Security Act and implementing regulations 42 CFR 455 and 1902(a)(42) of the Act. This letter informs you that North Dakota Medicaid SPA TN 25-0011 was approved on May 30, 2025, with an effective date of April 1, 2025.

Enclosed are copies of Form CMS-179 and approved SPA pages to be incorporated into the North Dakota State Plan.

If you have any questions, please contact Tyson Christensen at (816) 426-6440 or via email at [Tyson.Christensen@cms.hhs.gov](mailto:Tyson.Christensen@cms.hhs.gov).

Sincerely,

Shantrina Roberts, Acting Director  
Division of Program Operations

Enclosures

cc: LeeAnn Thiel

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 5 — 0 0 1 1

2. STATE

ND3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL  
SECURITY ACT

XIX



XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

April 1, 2025

5. FEDERAL STATUTE/REGULATION CITATION

42 CFR 455 and 1902(a)(42) of the Act

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 2025 \$ 0b. FFY 2026 \$ 0

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Section 4.5b, pages 36b-36d8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION  
OR ATTACHMENT (If Applicable)Section 4.5b, pages 36b-36d (TN 23-0009)

9. SUBJECT OF AMENDMENT

Amends the State Plan to request an extension to the exemption for a Recovery Audit Contractor.

10. 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:

Sarah Aker, Director  
Medical Services Division

11. SIGNATURE OF STATE AGENCY OFFICIAL

12. TYPED NAME  
Sarah Aker13. TITLE  
Medical Services Director14. DATE SUBMITTED  
March 6, 2025

15. RETURN TO

Sarah Aker, Executive Director  
Medical Services Division  
ND Department of Health and Human Services  
600 East Boulevard Avenue Dept 325  
Bismarck ND 58505-0250**FOR CMS USE ONLY**

16. DATE RECEIVED

March 6, 2025

17. DATE APPROVED

May 30, 2025**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL

April 1, 2025

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL

Shantrina Roberts

21. TITLE OF APPROVING OFFICIAL

Acting Director, Division of Program Operations

22. REMARKS

Revision: HCFA-PM-88-10 (BERC)  
December 2010

State: North Dakota

4.5b Medicaid Recovery Audit Contractor Program

Citation	
Section 1902(a)(42)(B)(i) of the Social Security Act	<p><input type="checkbox"/> The State has established a program under which it will contract with one or more recovery audit contractors (RACs) for the purpose of identifying underpayments and overpayments of Medicaid claims under the State Plan and under any waiver of the State Plan.</p> <p><input checked="" type="checkbox"/> The State is seeking an exception to establishing such program for the following reasons: The State has an approved RAC waiver effective April 1, 2019 through April 1, 2025. The State is requesting an extension of the current RAC waiver due to the majority of the State Medicaid recipients being part of a Managed Care Organization. The state issued an RFP for a new RAC vendor; in 2017 however, no proposals were received. There is no evidence that issuing a new RFP would result in receipt of proposals/response from prospective vendors. The State has no changes to its Medicaid program that would benefit the state to put out an RFP to vendors. The North Dakota Medicaid Program Integrity Unit efforts have not diminished and the Unit is continually exploring additional audit areas and methods to improve auditing practices across the Medicaid expenditure universe. The PIU contracted with a vendor that identified potential audit recoveries within long term care and the Unified Program Integrity Contractor Western Jurisdiction (UPICW) has been expanding on that audit as well as initiating others. North Dakota is requesting an extension of the exemption from establishing a Medicaid RAC program, effective April 1, 2025 through March 31, 2027.</p>
Section 1902(a)(42)(B)(ii)(I) of the Act	<p><input type="checkbox"/> The State Medicaid agency has contracts of the type(s) listed in section 1902(a)(42)(B)(ii)(I) of the Act. All contracts meet the requirements of the statute. RACs are consistent with the statute.</p> <p>Place a check mark to provide assurance of the following:</p> <p><input type="checkbox"/> The State will make payments to the RAC(s) only from amounts recovered.</p>

TN No. 25-0011  
Supersedes  
TN No.: 23-0009

Approval Date: 05-30-2025

Effective Date: 04-01-2025

Revision: HCFA-PM-88-10 (BERC)  
December 2010

State: North Dakota

4.5b Medicaid Recovery Audit Contractor Program – (continued)

	<p>_____ The State will make payments to the RAC(s) on a contingent basis for collecting overpayments.</p>
<p>Section 1902(a)(42)(b)(ii)(II)(aa) of the Act</p>	<p>The following payment methodology shall be used to determine State payments to Medicaid RACs for identification and recovery of overpayments (e.g., the percentage of the contingency fee):</p> <p>_____ The State attests that the contingency fee rate paid to the Medicaid RAC will not exceed the highest rate paid to Medicare RACs, as published in the Federal Register.</p> <p>_____ The State attests that the contingency fee rate paid to the Medicaid RAC will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will only submit for FFP up to the amount equivalent to that published rate.</p> <p>_____ The contingency fee rate paid to the Medicaid RAC that will exceed the highest rate paid to Medicare RACs, as published in the Federal Register. The State will submit a justification for that rate and will submit for FFP for the full amount of the contingency fee.</p>

Revision: HCFA-PM-88-10 (BERC)  
December 2010

State: North Dakota

4.5b Medicaid Recovery Audit Contractor Program – (continued)

Citation	
Section 1902(a)(42)(b)(ii)(bb) of the Act	_____ The following payment methodology shall be used to determine State payments to Medicaid RACs for the identification of underpayments (e.g., amount of flat fee, the percentage of the contingency fee):
Section 1902(a)(42)(b)(ii)(III) of the Act	_____ The State has an adequate appeal process in place for entities to appeal any adverse determination made by the Medicaid RAC(s).
Section 1902(a)(42)(B)(ii)(IV) (AA) of the Act	_____ The State assures that the amounts expended by the State to carry out the program will be amounts expended as necessary for the proper and efficient administration of the State Plan or a waiver of the plan.
Section 1902(a)(42)(B)(ii)(IV)(bb) of the Act	_____ The State assures that the recovered amounts will be subject to a State's quarterly expenditure estimates and funding of the State's share.
Section 1902(a)(42)(B)(ii)(IV)(cc) of the Act	_____ Efforts of the Medicaid RAC(s) will be coordinated with other contractors or entities performing audits of entities receiving payments under the State Plan or waiver in the state, and/or State and Federal law enforcement entities and the CMS Medicaid Integrity Program.

TN No. 25-0011  
Supersedes  
TN No.: 23-0009

Approval Date: 05-30-2025

Effective Date: 04-01-2025