

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth Street, SW, Suite 4T20
Atlanta, Georgia 30303-8909



January 6, 2011

Craigian Gray, MD, MBA, JD
Director
Division of Medical Assistance
NC Department of Health & Human Services
2501 Mail Service Center
Raleigh, North Carolina 27669-2501

Re: North Carolina Title XIX State Plan Amendment, Transmittal #10-027

Dear Dr. Gray:

We have reviewed North Carolina's State Plan Amendment (SPA) 10-027, which was submitted to the Atlanta Regional Office on October 8, 2010. This amendment provides a resource disregard and protection against Estate Recovery to an applicant for long term care Medicaid, who has received benefits under a qualified long term care partnership policy.

Based on the information provided, we would like to inform you that North Carolina SPA 10-027 was approved on January 6, 2011. The effective date is January 1, 2011. The signed CMS-179 and the approved plan pages are enclosed. If you have any questions regarding this amendment, please contact Tandra Hodges at (404) 562-7409 or Elaine Elmore at (404) 562-7408.

Sincerely,

/s/

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

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION	1. TRANSMITTAL NUMBER: 10-027	2. STATE NC
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES	4. PROPOSED EFFECTIVE DATE January 1, 2011	

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: Section 1917(b)(1)(C)(iii)(IV) of the Social Security Act	7. FEDERAL BUDGET IMPACT: a. FFY 2010- 2011 \$0 b. FFY 2011- 2012 \$0
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8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Title of Attachment Page 2; Page 53b; and Supplement 8c to Attachment 2.6-A Pages 1 and 2.	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Title of Attachment Page 2; and Page 53b
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10. SUBJECT OF AMENDMENT:

LONG TERM CARE PARTNERSHIP

11. GOVERNOR'S REVIEW (Check One):

GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: SECRETARY
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: <i>[Signature]</i>	16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, North Carolina 27699-2001
13. TYPED NAME: Lanier M. Cansler	
14. TITLE: Secretary	
15. DATE SUBMITTED: 10-6-10	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 10/12/10	18. DATE APPROVED: 01/06/11
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PLAN APPROVED – ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/11	20. SIGNATURE OF REGIONAL OFFICIAL: <i>[Signature]</i>
21. TYPED NAME: Jackie Glaze	22. TITLE: Associate Regional Administrator Division of Medicaid & Children's Health Opns

23. REMARKS:

Approved with the following changes to item 9 as authorized by State Agency on email dated 11/06/10.
Block # 9 Changed to read: Supplement 8c to Attachment 2.6-A pages 1 and 2

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: North Carolina

STATE LONG-TERM CARE INSURANCE PARTNERSHIP

1902(r)(2) The following more liberal methodology applies to individuals who are 1917(b)(1)(C) eligible for medical assistance under one of the following eligibility groups:

- Optional categorically needy individuals described in 1902(a)(10)(A)(ii)(I) and 1902(a)(10)(A)(ii)(X)
- Medically needy Aged (42 CFR 435.320), Blind (42 CFR 435.322), and Disabled (42 CFR 435.224) individuals
- Individuals described in 1902(a)(10)(A)(i)(II)
- Individuals described under 42 CFR 435.230

An individual, who is a beneficiary under a long-term care insurance policy that meets the requirements of a “qualified State long-term care insurance partnership” policy (“partnership policy”) as set forth below, is given a resource disregard as described in this amendment. The amount of the disregard is equal to the amount of the insurance benefit payments made to or on behalf of the individual. The term “long-term care insurance policy” includes a certificate issued under a group insurance contract.

X The State Medicaid Agency (Agency) stipulates that the following requirements will be satisfied in order for a long-term care policy to qualify for a disregard. Where appropriate, the Agency relies on attestations by the State Insurance Commissioner (Commissioner) or other State official charged with regulation and oversight of insurance policies sold in the state, regarding information within the expertise of the State’s Insurance Department.

- The policy is a qualified long-term care insurance policy as defined in section 7702B(b) of the Internal Revenue Code of 1986.
- The policy meets the requirements of the long-term care insurance model regulation and long-term care insurance model Act promulgated by the National Association of Insurance Commissioners (as adopted as of October 2000) as those requirements are set forth in section 1917(b)(5)(A) of the Social Security Act.
- The policy was issued no earlier than the effective date of this State plan amendment.
- The insured individual was a resident of a Partnership State when coverage first became effective under the policy. If the policy is later exchanged for a different long-term care policy, the individual was a resident of a Partnership State when coverage under the earliest policy became effective.
- The policy meets the inflation protection requirements set forth in section 1917(b)(1)(C)(iii)(IV) of the Social Security Act.

TN No. 10-027
Supersedes
TN No. NEW

Approval Date 01-06-11Effective Date: 01/01/2011

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: North Carolina

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STATE LONG-TERM CARE INSURANCE PARTNERSHIP

- The Commissioner requires the issuer of the policy to make regular reports to the Secretary that include notification regarding when benefits provided under the policy have been paid and the amount of such benefits paid, notification regarding when the policy otherwise terminates, and such other information as the Secretary determines may be appropriate to the administration of such partnerships.
- The State does not impose any requirement affecting the terms or benefits of a partnership policy that the state does not also impose on non-partnership policies.
- The State Insurance Department assures that any individual who sells a partnership policy receives training, and demonstrates evidence of an understanding of such policies and how they relate to other public and private coverage of long-term care.
- The Agency provides information and technical assistance to the Insurance Department regarding the training described above.

TN No. 10-027
Supersedes
TN No. NEW

Approval Date 01-06-11

Effective Date: 01/01/2011