



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

**ROY COOPER** • Governor  
**MANDY COHEN, MD, MPH** • Secretary  
**DAVE RICHARD** • Deputy Secretary, NC Medicaid

MEMORANDUM

TO: Mandy Cohen, MD, MPH  
Secretary

FROM: Dave Richard <sup>DS</sup>  
Deputy Secretary for NC Medicaid

SUBJECT: State Plan Amendment  
Title XIX, Social Security Act  
Transmittal #2021-0026

DATE: November 17, 2021

Please find attached an amendment for North Carolina's State Plan under Title XIX of the Social Security Act for the Medical Assistance Program. The affected pages are Attachment 4.22-B, Pages 1-2.

This state plan amendment will allow Medicaid to incorporate the changes mandated by CFR 433.138. We changed our policies to cost avoid prenatal services instead of paying for these claims and chasing recoveries from liable third parties. We also changed policy to require providers to submit claims to the liable insurance carrier within 90 days. This is a policy only change and will have no financial impact.

This amendment is effective October 1, 2021.

Your approval of this state plan amendment is requested. If you have any questions or concerns, please contact me or Betty J. Staton at 919-538-3215.

**NC MEDICAID**  
**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS**

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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Revision: HCFA-PM-90-2  
January 1990

(BPD)

Attachment 4.22-B  
Page 1  
OMB No:0938-0193

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: North Carolina

Requirements for Third Party Liability -  
Identifying Liable Resources

- (1) If a provider has billed a third party and has not received payment, the provider will be required to submit proof that he or she has attempted to bill the third party within 90 days and has not received payment. The provider must indicate, in writing, either on the hardcopy claim form or a separate form that he had billed the third party and has not received payment. The TPL unit will verify with the insurance carrier the availability of third party payments and if the payments are available, the TPL unit will bill the third party for reimbursement to the Medicaid program. If the absent or custodial parent is to make medical support payments, in cash, through the clerk of courts office, the TPL unit will bill the absent or custodial parent for medical services on a routine schedule, not to exceed every sixty (60) days if there has been Medicaid payments on behalf of the child(ren). For those absent parents who are court ordered to provide health insurance, the TPL unit will pay and chase the Medicaid claims. If the provider uses electronic billing, the TPL unit will do selective monitoring to verify provider compliance with this regulation. This will be done by selecting a sample of recipients with TPL available and securing the paid claim history for the proceeding three (3) months for these recipients and verify with the third party carrier the information the provider furnished on his claim form.

TN No. 21-0026  
Supersedes  
TN No. 91-49

Approval Date

Eff. Date 10/01/2021

(BPD)

Revision: HCFA-PM-90-2  
January 1990

Attachment 4.22-B  
Page 2  
OMB No:0938-0193

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: North Carolina

Requirements for Third Party Liability -  
Identifying Liable Resources

- (2) The State of North Carolina will cost avoid claims for prenatal services. Preventive pediatric services including EPSDT for those recipients that have major medical insurance coverage the state will pay and chase these claims. The state collects all known third-party liability prior to making payments on claims. The TPL unit will accumulate these claims for a period of six (6) months and bill the major medical carriers for payment. The first billing will be done in January, 1992 for claims paid May 7, 1991 to December 31, 1991. After that, they will be billed to the insurance carrier each July and January for the preceding six (6) months.
- (3) North Carolina does not use a threshold for TPL claims processing. We cost avoid all claims, except those for which we have a waiver, when there is health insurance indicated on the TPL data base and recipient eligibility file.
- (4) All claims for a recipient related to trauma diagnosis code between 800.00 and 999.99 are accumulated for a period of one (1) month and a questionnaire is mailed to that recipient at the end of the month requesting information related to a possible accident and any and all information regarding the liable party and/or the recipient's attorney. See Attachment 3 in the North Carolina TPL Action Plan for a sample copy of the questionnaire.

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Approval Date

Eff. Date 10/01/21