April 18, 2023

James Scott, Director
Division of Program Operations
Department of Health & Human Services
Centers for Medicare & Medicaid Services
601 East 12th Street Room 355
Kansas City, Missouri 64106

SUBJECT: State Plan Amendment
Title XIX, Social Security Act
Transmittal #2023-0009

Dear Mr. Scott:

Please find attached a State Plan Amendment (SPA) that modifies the range of eligibility for the household income as a percent of the Federal Poverty Limit (FPL) for M-CHIP eligibility. Currently the M-CHIP program covers children ages 0-5 whose household income is up to 210% of the FPL. However, the limit under S-CHIP for children ages 6-18 is up to 211% of the FPL. Once the programs merge, per the General Assembly’s State Fiscal Year (SFY) 2022-23 budget, this would create a 'gap' where children ages 0-5 with income between 210% and 211% would not be covered even though siblings aged 6-18 would be, with the same household income. This modification seeks to correct that by raising the FPL limit for CHIP children aged 0-18 to be covered up to 211% of the FPL. Additionally, the eligibility team at the Division of Health Benefits estimates that 250 children would be covered following this change.

The proposed effective date is April 01, 2023.

Your approval of this State Plan Amendment is requested. If you have any questions or concerns, please contact me or Cecilia Williams at (919) 270-2530.

Sincerely,

Jay Ludlam
Deputy Secretary, NC Medicaid

Enclosures
### Package Information

<table>
<thead>
<tr>
<th>Package ID</th>
<th>Program Name</th>
<th>Version Number</th>
<th>Submission Type</th>
<th>State</th>
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Submission - Summary
MEDI CA/D | Medicaid State Plan | Eligibility | NC2022/M50005D

Package Header

Package ID: NC2022/M50005D
Submission Type: Draft
Approval Date: N/A
Superseded SPA ID: N/A

SPA ID: N/A
Initial Submission Date: N/A
Effective Date: N/A

State Information

State/Territory Name: North Carolina

Medicaid Agency Name: Division of Medical Assistance

Submission Component

- State Plan Amendment
- Medicaid
- CHIP
Submission - Summary

Executive Summary

Summary Description Including Goals and Objectives

It is the intent of NC Medicaid to merge our separate NC Health Choice Children's Health Insurance Program with the NC Medicaid Program.

Federal Budget Impact and Statute/Regulation Citation

Federal Budget Impact

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<th>Federal Fiscal Year</th>
<th>Amount</th>
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<tr>
<td>First</td>
<td>$231,937</td>
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<tr>
<td>Second</td>
<td>$476,062</td>
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Federal Statute / Regulation Citation

NC Session Law 2021 HB 747.

Supporting documentation of budget impact is uploaded (optional).

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Submission - Summary
MEDI/CID | Medicaid State Plan | Eligibility | NC2022M50005D

Package Header

Package ID  NC2022M50005D
Submission Type  Draft
Approval Date  N/A
Superseded SPA ID  N/A

SPA ID  N/A
Initial Submission Date  N/A
Effective Date  N/A

Governor's Office Review

☐ No comment
☐ Comments received
☐ No response within 45 days
☐ Other
Submission - Medicaid State Plan

The submission includes the following:

- [ ] Administration
- [ ] Eligibility
  - [ ] Income/Resource Methodologies
  - [ ] Income/Resource Standards
  - [ ] Mandatory Eligibility Groups
  - [ ] Optional Eligibility Groups

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<tr>
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<td>Optional Eligibility Groups</td>
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- [ ] Non-Financial Eligibility
- [ ] Eligibility and Enrollment Processes

- [ ] Benefits and Payments
Submission - Public Comment

Package Header

Package ID: NC2022M50005D
Submission Type: Draft
Approval Date: N/A
Superseded SPA ID: N/A

SPA ID: N/A
Initial Submission Date: N/A
Effective Date: N/A

Indicate whether public comment was solicited with respect to this submission.

- Public notice was not federally required and comment was not solicited
- Public notice was not federally required, but comment was solicited
- Public notice was federally required and comment was solicited
Submission - Tribal Input

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One or more Indian Health Programs or Urban Indian Organizations furnish health care services in this state

☐ Yes
☐ No
## Medicaid State Plan Eligibility

### Optional Eligibility Groups

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### A. Options for Coverage

The state provides Medicaid to specified optional groups of individuals.

- **Yes**
- **No**

The optional eligibility groups covered in the state plan are (options made in this screen may not be comprehensive during the transition period from the paper-based state plan to MACPro):

### Families and Adults

<table>
<thead>
<tr>
<th>Eligibility Group Name</th>
<th>Covered In State Plan</th>
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<th>Included In Another Submission Package</th>
<th>Source Type</th>
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<td>Optional Coverage of Parents and Other Caretaker Relatives</td>
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<td>Reasonable Classifications of Individuals under Age 21</td>
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<tr>
<td>Children with Non-IV-E Adoption Assistance</td>
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<td></td>
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<tr>
<td>Independent Foster Care Adolescents</td>
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<tr>
<td>Optional Targeted Low Income Children</td>
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<td></td>
<td>NEW</td>
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<tr>
<td>Individuals above 133% FPL under Age 65</td>
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<td></td>
<td></td>
<td>NEW</td>
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<tr>
<td>Individuals Needing Treatment for Breast or Cervical Cancer</td>
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<tr>
<td>Individuals Eligible for Family Planning Services</td>
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<tr>
<td>Individuals with Tuberculosis</td>
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<tr>
<td>Individuals Electing COBRA Continuation Coverage</td>
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### Aged, Blind and Disabled

<table>
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<tr>
<th>Eligibility Group Name</th>
<th>Covered In State Plan</th>
<th>Include RU In Package</th>
<th>Included In Another Submission Package</th>
<th>Source Type</th>
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<tr>
<td>Individuals Eligible for but Not Receiving Cash Assistance</td>
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<tr>
<td>Eligibility Group Name</td>
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<tr>
<td>Individuals Eligible for Cash Except for Institutionalization</td>
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<td>Individuals Receiving Home and Community-Based Waiver Services under Institutional Rules</td>
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<tr>
<td>Optional State Supplement Beneficiaries</td>
<td>❌</td>
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<td>Individuals in Institutions Eligible under a Special Income Level</td>
<td>❌</td>
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<td>PACE Participants</td>
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<td>Individuals Receiving Hospice</td>
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<td>Children under Age 19 with a Disability</td>
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<td>Age and Disability-Related Poverty Level</td>
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<td>Work Incentives</td>
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<td>Ticket to Work Basic</td>
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<tr>
<td>Ticket to Work Medical Improvements</td>
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<tr>
<td>Family Opportunity Act Children with a Disability</td>
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<td>❌</td>
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<tr>
<td>Individuals Receiving State Plan Home and Community-Based Services</td>
<td>❌</td>
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<td>❌</td>
<td>NEW</td>
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<tr>
<td>Individuals Receiving State Plan Home and Community-Based Services Who Are Otherwise Eligible for HCBS Waivers</td>
<td>❌</td>
<td>❌</td>
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## Optional Eligibility Groups

### Package Header

- **Package ID**: NC2022M00005D
- **Submission Type**: Draft
- **Superseded SPA ID**: NC-22-0001

#### B. Medically Needy Options for Coverage

The state provides Medicaid to specified groups of individuals who are medically needy.

- Yes
- No

The medically needy eligibility groups covered in the state plan are:

### 1. Mandatory Medically Needy:

<table>
<thead>
<tr>
<th>Eligibility Group Name</th>
<th>Covered In State Plan</th>
<th>Include RU In Package</th>
<th>Included In Another Submission Package</th>
<th>Source Type</th>
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</thead>
<tbody>
<tr>
<td>Medically Needy Pregnant Women</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>NEW</td>
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<tr>
<td>Medically Needy Children under Age 18</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>NEW</td>
</tr>
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</table>

### 2. Optional Medically Needy:

#### Families and Adults

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<thead>
<tr>
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<tbody>
<tr>
<td>Medically Needy Reasonable Classifications of Individuals under Age 21</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>NEW</td>
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<tr>
<td>Medically Needy Parents and Other Caretaker Relatives</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
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#### Aged, Blind and Disabled

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<th>Included In Another Submission Package</th>
<th>Source Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medically Needy Individuals Who Were Eligible in 1973</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
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</tbody>
</table>

<table>
<thead>
<tr>
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<th>Covered In State Plan</th>
<th>Include RU In Package</th>
<th>Included In Another Submission Package</th>
<th>Source Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medically Needy Populations Based on Age, Blindness or Disability</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>APPROVED</td>
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Optional Eligibility Groups

MEDICAID | Medicaid State Plan | Eligibility | NC2022/MS0005D

Package Header

Package ID: NC2022/MS0005D
Submission Type: Draft
Approval Date: N/A
Superseded SPA ID: NC-22-0001
System-Derived

SPA ID: N/A
Initial Submission Date: N/A
Effective Date: N/A

C. Additional Information (optional)

Eligibility Groups Deselected from Coverage

The following eligibility groups were previously covered in the source approved version of the state plan and deselected from coverage as part of this submission package:

- N/A
Medicaid State Plan Eligibility
Eligibility Groups - Options for Coverage

Optional Targeted Low Income Children

Uninsured children who meet the definition of optional targeted low income children at 42 C.F.R. §435.4, who have household income at or below a standard established by the state.

Package Header

<table>
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<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
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</tbody>
</table>

The state covers the optional targeted low income children group in accordance with the following provisions:

A. Characteristics

Individuals qualifying under this eligibility group must meet the following criteria:
1. Are under age 19, or a lower age, as specified in C.
3. Have household income at or below the standard established by the state, if the state has an income standard.
4. Are not otherwise eligible for and enrolled in mandatory coverage under the state plan.

B. Financial Methodologies

MAGI-based methodologies are used in calculating household income. Please refer as necessary to MAGI-Based Methodologies, completed by the state.

C. Individuals Covered

1. The state covers all children under a specified age under this eligibility group.
   - Yes
   - No

   The age of children covered under this eligibility group is:
   - Under age 19
   - Under age 18
   - Under other age

D. Income Standard Used

The income standard for this eligibility group is:

FPL 211.00%
Optional Targeted Low Income Children

MEDICAID | Medicaid State Plan | Eligibility | NC2022MS0005D

Package ID: NC2022MS0005D
Submission Type: Draft
Approval Date: N/A
Superseded SPA ID: N/A

E. Basis for Income Standard

1. Minimum income standard

The minimum income standard for this eligibility group is a standard greater than the lowest income standard currently used for children of this age under the mandatory Infants and Children under Age 19 eligibility group.

2. Maximum income standard

   a. The state certifies that it has submitted and received approval for its converted income standard(s) for this eligibility group to MAGI-equivalent standards and the determination of the maximum income standard to be used for this classification of children under this eligibility group.

   b. The state’s maximum income standard for this eligibility group is:

      i. The state’s effective income level for this eligibility group under the Medicaid state plan as of March 23, 2010, converted to a MAGI-equivalent percent of FPL.

      ii. The state’s effective income level for this group of children under the CHIP state plan as of March 23, 2010, converted to a MAGI-equivalent percent of FPL.

      iii. The state’s effective income level for this eligibility group under the Medicaid state plan as of December 31, 2013, converted to a MAGI-equivalent percent of FPL.

      iv. The state’s effective income level for this group of children under the CHIP state plan as of December 31, 2013, converted to a MAGI-equivalent percent of FPL.

      v. The state’s effective income level for this group of children under a Medicaid 1115 demonstration as of March 23, 2010, converted to a MAGI-equivalent percent of FPL.

      vi. The state’s effective income level for this group of children under a CHIP-1115 demonstration as of March 23, 2010, converted to a MAGI-equivalent percent of FPL.

      vii. The state’s effective income level for this group of children under a Medicaid 1115 demonstration as of December 31, 2013, converted to a MAGI-equivalent percent of FPL.

      viii. The state’s effective income level for this group of children under a CHIP 1115 demonstration as of December 31, 2013, converted to a MAGI-equivalent percent of FPL.

      ix. 200% FPL

      x. A percentage of the FPL which may exceed the Medicaid Applicable Income Level, defined in section 2110(b)(4), but by no more than 50 percentage points.

   c. The amount of the maximum income standard is:

      FPL 211.00%
Optional Targeted Low Income Children

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F. Additional Information (optional)
PRA Disclosure Statement: Centers for Medicare & Medicaid Services (CMS) collects this mandatory information in accordance with (42 U.S.C. 1396a) and (42 CFR 430.12); which sets forth the authority for the submittal and collection of state plans and plan amendment information in a format defined by CMS for the purpose of improving the state application and federal review processes, improve federal program management of Medicaid programs and Children's Health Insurance Program, and to standardize Medicaid program data which covers basic requirements, and individualized content that reflects the characteristics of the particular state's program. The information will be used to monitor and analyze performance metrics related to the Medicaid and Children's Health Insurance Program in efforts to boost program integrity efforts, improve performance and accountability across the programs. Under the Privacy Act of 1974 any personally identifying information obtained will be kept private to the extent of the law. 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 0938-1188. The time required to complete this information collection is estimated to range from 1 hour to 80 hours per response (see below), 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 C6 25-05, Baltimore, Maryland 21244-1850.

This view was generated on 1/10/2023 8:38 AM EST