



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

December 15, 2020

RE: Reminders for Submitting Trusts and Annuities to HMS for Review and Approval

Dear County Director of Social Services:
Medicaid Program Managers and Supervisors

The North Carolina Department of Health and Human Services (DHHS) has designated Health Management Systems (HMS) as its agent to perform Trust Review, Trust Accounting, and Trust Recovery services. This includes review for approval of all Special Needs Trusts (SNT), Pooled Trusts, Sole Benefit Trusts, Testamentary Trusts, Third-Party Trusts, and Annuities that have been established or purchased with the intent of qualifying the trust or annuity beneficiary for Medicaid.

Caseworkers who determine eligibility for Medicaid that have any trusts and annuities must send them to the HMS Trust Unit Office in Raleigh for review before Medicaid can be approved. At recertification, if a trust or annuity is reported or discovered that has not been approved by HMS, the caseworker must send them to HMS prior to recertification.

Federal law at 42 U.S.C. Section 1396p(d)(4) requires that many types of SNTs reimburse Medicaid when the trust terminates. The amount of the Payback Claim is equal to the total Medicaid assistance received by the SNT beneficiary during their lifetime, which often is a significant amount of money. This Payback Claim is applicable to all funds and other assets remaining in the trust, as well as all assets purchased with trust funds or held by the trust.

HMS has been able to recover millions of dollars for DHB with those funds going back into the Medicaid program to further serve the medical needs of more citizens. However, HMS is dependent on the help of every county in North Carolina and of every caseworker to provide the trust and annuity documents that make these Medicaid recoveries possible.

The NC Trust Unit is a paperless project, so please send these items electronically to Richard Gambrell and Francis Rivers at the NC Trust Unit in the HMS Raleigh office: NCTrust@hms.com. Local agencies **must** ensure that all emails are encrypted when sending information to HMS at the email address provided. **Do not** include the beneficiary's name or Medicaid Identification number (MID), or other identifying information in the subject line. The caseworker may include the Medicaid case number or application number as a reference in the subject line. In the body of the email, please include the applicant/beneficiary date of birth, Social Security number, and, if not already included in the trust document, amount of funding.

NC MEDICAID

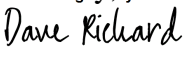
NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS

LOCATION: 79 T.W. Alexander Drive, Durham, NC 27709
MAILING ADDRESS: 2501 Mail Service Center, Raleigh NC 27699-2501
www.ncdhhs.gov • TEL: 919-813-5340 • FAX: 919-224-1070

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

If you have questions about submitting trusts and annuities, please contact the Trust Unit at 919-424-2805 or via email at NCTrust@hms.com.

If you have any questions regarding this information, please contact your [Medicaid Operational Support Team Representative \(OST\)](#).

Sincerely,
DocuSigned by:

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Dave Richard