



**North Carolina Department of Health and Human Services  
Division of Medical Assistance**

Pat McCrory  
Governor

Aldona Z. Wos, M.D.  
Ambassador (Ret.)  
Secretary DHHS

Robin Gary Cummings, M.D.  
Deputy Secretary for Health Services  
Deputy Secretary for Medicaid

February 10, 2015

**Dear County Director of Social Services:**

**RE: Policy regarding the deduction of monthly premiums for individual Dental Insurance products sold to Medicaid beneficiaries in nursing homes for calculating the recipient's PML**

As there may be some confusion regarding the allowances of dental insurance premium deductions from a beneficiary's income on calculating PML, DHHS wants to clarify in this correspondence that premiums for individual /non-group) dental insurance products, as classified by the N.C. Department of Insurance, purchased by Medicaid beneficiaries in a nursing home, are a lawful and permissible deduction and must be included in the calculation of determining the beneficiary's PML. It is noted that "prepaid dental plans" are not insurance.

DHHS establishes the following policy for DSS case workers to follow in determining whether or not the deduction of the monthly premiums are to be included in the calculation of determining the beneficiary's PML. The DSS case worker must determine whether or not the monthly premium payment is for an individual dental insurance product, as classified by the N.C. Department of Insurance. These type products have been approved by the N.C. Department of Insurance and are offered by companies in North Carolina. In determining such product classification, the DSS case worker must rely on any written document provided by the Medicaid recipient stating that the product purchased by the recipient has been classified as an "individual dental insurance product" by the N.C. Department of Insurance. If the written document is not provided by the Medicaid beneficiary, the DSS case worker must contact the N.C. Department of Insurance, Liability and Healthcare Division, at 1-855-408-1212 (toll free) and request such written classification confirmation. Once the DSS case worker has been provided the written classification confirmation, the DSS case worker must include the deducted monthly premiums for calculating the Medicaid beneficiary's PML.

Moreover, DHHS hereby establishes a uniform process for DSS case workers to follow in making these PML calculations. Once the individual dental insurance product is appropriately classified, DSS case workers are required only to have a copy of a monthly premium invoice stating the amount owed and a copy of the beneficiary's insurance card from such classified company. After receiving these written documents, DSS case workers must include such deduction in the calculation of the beneficiary's PML, no later than ten days from receiving such documents. This process should create uniformity and efficiency in calculating the PML of these beneficiaries.

If you have any questions regarding this information, please contact the Operational Support Team at [ost.policy.questions@dhhs.nc.gov](mailto:ost.policy.questions@dhhs.nc.gov).

Sincerely,

Handwritten signature of Wayne E. Black in blue ink.

Wayne E. Black  
Director, Division of Social Services

Handwritten signature of Robin Gary Cummings in blue ink.

Robin Gary Cummings, M.D.  
Deputy Secretary for Health Services  
Deputy Secretary for Medicaid

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Tel 919-855-4100 • Fax 919-733-6608

Location: 1985 Umstead Drive • Kirby Building • Raleigh, NC 27603  
Mailing Address: 2501 Mail Service Center • Raleigh, NC 27699-2501  
An Equal Opportunity/ Affirmative Action Employer