

§ 108A-25. Creation of programs; assumption by federally recognized tribe of programs.

(a) The following programs of public assistance are established, and shall be administered by the county department of social services or the Department of Health and Human Services under federal regulations or under rules adopted by the Social Services Commission and under the supervision of the Department of Human Resources:

- (1) Repealed by S.L. 1997-443, s. 12.3, effective August 28, 1997.
- (2) State-county special assistance.
- (3) Food and Nutrition Services.
- (4) Foster care and adoption assistance payments.
- (5) Low income energy assistance program.

(b) The program of medical assistance is established as a program of public assistance and shall be administered by the Department of Health and Human Services in accordance with G.S. 108A-54. Medicaid eligibility administration may be delegated to the county departments of social services under rules adopted by the Department of Health and Human Services.

(b1) The Work First Program is established as a program of public assistance and shall be supervised and administered as provided in Part 2 of this Article.

(c) The Department of Health and Human Services may accept all grants-in-aid for programs of public assistance which may be available to the State by the federal government. The provisions of this Article shall be liberally construed in order that the State and its citizens may benefit fully from the federal grants-in-aid.

(d) Each Community Care network organization designated by the Department of Health and Human Services as responsible for coordinating the health care of individuals eligible for medical assistance in a county is hereby deemed to be a public agency that is a local unit of government for the sole and limited purpose of all grants-in-aid, public assistance grant programs, and other funding programs.

(e) **(Effective until contingency met – see note)** When any federally recognized Native American tribe within the State assumes responsibility for any social services, Medicaid and NC Health Choice healthcare benefit programs, and ancillary services, including Medicaid administrative and service functions, that are otherwise the responsibility of a county under State law, then, notwithstanding any other provision of law, the county shall be relieved of the legal responsibility related to the tribe's assumption of those services. With respect to a tribe's assumption of any responsibilities for administration of any aspects of the NC Medicaid program, NC Health Choice, and the Supplemental Nutrition Assistance Program (SNAP), the State and the tribe shall execute an agreement to set forth the general terms, definitions, and conditions by which the parties shall operate. The agreement shall also include requirements and procedures regarding the allocation of all federal and other funds for all programs to be administered by the tribe. Upon the execution of the agreement, to allow the tribe to assume certain duties and responsibilities for the administration of the NC Medicaid program, NC Health Choice, and SNAP, the agreement between the State and the tribe shall require the tribe to accept the oversight authority of the State and the Department of Health and Human Services (Department) in the administration and supervision of these programs. In addition to the other necessary terms and conditions, the agreement shall include the following conditions:

- (1) All requirements as prescribed by federal law, as well as the tribe and State's responsibilities in complying with federal law, including, but not limited to, any specific provisions pertaining to accounting and auditing compliance, maintenance of liability insurance, confidentiality, reporting requirements, indemnity, waiver of immunity, or due process.
- (2) As the Department is the federally recognized single State agency for the NC Medicaid program, NC Health Choice, and SNAP, provisions stating the Department retains ultimate administrative discretion in the administration

interpretation of all applicable policies, rules, and regulations regarding application processing, eligibility determinations and redeterminations, and other functions related to the eligibility process.

- (3) Provisions by the tribe to ensure that individuals who will be responsible for the tribe's duties and responsibilities under this agreement shall be employed under standards equivalent to current standards for a Merit System of Personnel Administration or any standards later prescribed by the Office of Personnel Management under section 208 of the Intergovernmental Personnel Act of 1970, unless an exemption is obtained from the federal government. The tribe shall also provide the Department with information to verify the unemployment standards included under this condition.
- (4) Requirements and procedures for allocating to the tribe in a timely manner all federal funds, nonfederal matching funds, and State funds for State programs previously borne by the State. However, requirements and procedures for allocating funds pursuant to this subdivision shall not include any funding the tribe receives directly from federal agencies.
- (5) The Department shall, when possible and as allowed by the federal government, adopt funding flexibility for Indian Health Services when such flexibility furthers goals addressing health disparities among American Indians.

(e) **(Effective once contingency met – see note)** When any federally recognized Native American tribe within the State assumes responsibility for any social services, Medicaid healthcare benefit programs, and ancillary services, including Medicaid administrative and service functions, that are otherwise the responsibility of a county under State law, then, notwithstanding any other provision of law, the county shall be relieved of the legal responsibility related to the tribe's assumption of those services. With respect to a tribe's assumption of any responsibilities for administration of any aspects of the NC Medicaid program and the Supplemental Nutrition Assistance Program (SNAP), the State and the tribe shall execute an agreement to set forth the general terms, definitions, and conditions by which the parties shall operate. The agreement shall also include requirements and procedures regarding the allocation of all federal and other funds for all programs to be administered by the tribe. Upon the execution of the agreement, to allow the tribe to assume certain duties and responsibilities for the administration of the NC Medicaid program and SNAP, the agreement between the State and the tribe shall require the tribe to accept the oversight authority of the State and the Department of Health and Human Services (Department) in the administration and supervision of these programs. In addition to the other necessary terms and conditions, the agreement shall include the following conditions:

- (1) All requirements as prescribed by federal law, as well as the tribe and State's responsibilities in complying with federal law, including, but not limited to, any specific provisions pertaining to accounting and auditing compliance, maintenance of liability insurance, confidentiality, reporting requirements, indemnity, waiver of immunity, or due process.
- (2) As the Department is the federally recognized single State agency for the NC Medicaid program and SNAP, provisions stating the Department retains ultimate administrative discretion in the administration interpretation of all applicable policies, rules, and regulations regarding application processing, eligibility determinations and redeterminations, and other functions related to the eligibility process.
- (3) Provisions by the tribe to ensure that individuals who will be responsible for the tribe's duties and responsibilities under this agreement shall be employed

under standards equivalent to current standards for a Merit System of Personnel Administration or any standards later prescribed by the Office of Personnel Management under section 208 of the Intergovernmental Personnel Act of 1970, unless an exemption is obtained from the federal government. The tribe shall also provide the Department with information to verify the unemployment standards included under this condition.

- (4) Requirements and procedures for allocating to the tribe in a timely manner all federal funds, nonfederal matching funds, and State funds for State programs previously borne by the State. However, requirements and procedures for allocating funds pursuant to this subdivision shall not include any funding the tribe receives directly from federal agencies.
- (5) The Department shall, when possible and as allowed by the federal government, adopt funding flexibility for Indian Health Services when such flexibility furthers goals addressing health disparities among American Indians. (1937, c. 135, s. 1; c. 288, ss. 3, 31; 1949, c. 1038, s. 2; 1955, c. 1044, s. 1; 1957, c. 100, s. 1; 1965, c. 1173, s. 1; 1969, c. 546, s. 1; 1973, c. 476, s. 138; 1975, c. 92, s. 4; 1977, 2nd Sess., c. 1219, s. 9; 1979, c. 702, s. 1; 1981, c. 275, s. 1; 1997-443, ss. 11A.118(a), 11A.122, 12.3; 2004-203, s. 41; 2007-97, s. 3; 2010-31, s. 10.19A(b); 2014-100, s. 12C.3(c); 2015-241, s. 12C.10(a); 2017-57, s. 11H.22(a); 2022-74, s. 9D.15(z).)