



CHAPTER 108C

N.C.G.S. § 108C-3.

Medicaid provider screening.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 02:04 UTC	SOURCE FINGERPRINT 20f26246935c5af203046135 - 7cda881e265b63c8146e8536 - 0c680fcf54e24536
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§ 108C-3(a) Provider Screening. - The Department shall conduct provider screening of Medicaid providers in accordance with applicable State or federal law or regulation.

§ 108C-3(b) Enrollment Screening. - The Department must screen all initial provider applications for enrollment in Medicaid, including applications for a new practice location, and all revalidation requests based on the Department's assessment of risk and assignment of the provider to a categorical risk level of limited, moderate, or high. If a provider could fit within more than one risk level described in this section, the highest level of screening is applicable.

§ 108C-3(c) Limited Categorical Risk Provider Types. - All of the following provider types are designated as limited categorical risk:

- (1) Ambulatory surgical centers.
- (1a) Behavioral health and intellectual and developmental disability provider agencies that are nationally accredited by an entity approved by the Secretary, unless they meet the description in subdivision (g)(15) of this section.
- (2) End-stage renal disease facilities.
- (3) Federally qualified health centers.
- (4) Health programs operated by an Indian Health Program, as defined in section 4(12) of the Indian Health Care Improvement Act, or an urban Indian organization, as defined in section 4(29) of the Indian Health Care Improvement Act, that receives funding from the Indian Health Service pursuant to Title V of the Indian Health Care Improvement Act.

- (5) Histocompatibility laboratories.
- (6) Hospitals, including critical access hospitals, Department of Veterans Affairs Hospitals, and other State or federally owned hospital facilities.
- (6a) Licensed outpatient behavioral health providers.
- (7) Local Education Agencies.
- (8) Mammography screening centers.
- (9) Mass immunization roster billers.
- (10) Nursing facilities, including Intermediate Care Facilities for Individuals with Intellectual Disabilities, that are not skilled nursing facilities.
- (10a) Skilled nursing facilities that are limited categorical risk under subsection (k) of this section.
- (11) Organ procurement organizations.
- (12) Physician or nonphysician practitioners, including nurse practitioners, CRNAs, physician assistants, physician extenders, occupational therapists, speech/language pathologists, chiropractors, and audiologists; optometrists; dentists and orthodontists; and medical groups or clinics.
- (13) Radiation therapy centers.
- (14) Rural health clinics.
- (15) Hearing aid dealers.
- (16) Repealed by Session Laws 2025-27, s. 2.3(b), effective January 1, 2024.
- (17) Religious nonmedical health care institutions.
- (18) Registered dietitians.
- (19) Clearinghouses, billing agents, and alternate payees.
- (20) Local health departments.

§ 108C-3(d) Limited Categorical Risk Screenings. - When the Department designates a provider as a limited categorical level of risk, the Department shall conduct the applicable screening functions required by federal law.

§ 108C-3(e) Moderate Categorical Risk Provider Types. - All of the following provider types are designated as moderate categorical risk:

- (1) Ambulance services.
- (2) Comprehensive outpatient rehabilitation facilities.
- (3) Repealed by Session Laws 2018-5, s. 11H.12(a), effective June 12, 2018.
- (4) Repealed by Session Laws 2013-378, s. 6, effective October 1, 2013.
- (5) Revalidating hospice organizations, unless they meet the description in subdivisions (g)(14) and (g)(15) of this section.
- (6) Independent clinical laboratories.
- (7) Independent diagnostic testing facilities.
- (8) Pharmacy services.
- (9) Physical therapists enrolling as individuals or as group practices.
- (10) Revalidating adult care homes delivering Medicaid-reimbursed services, unless they meet the description in subdivision (g)(15) of this section.
- (11) Revalidating agencies providing durable medical equipment, including orthotics and prosthetics, unless they meet the description in subdivision (g)(15) of this section.
- (12) Revalidating agencies providing nonbehavioral health home- or community-based services pursuant to waivers authorized by the federal Centers for Medicare and Medicaid Services under 42 U.S.C. § 1396n(c), unless they meet the description in subdivision (g)(15) of this section.
- (13) Revalidating agencies providing private duty nursing, home health, personal care services or in-home care services, or home infusion, unless they meet the description in subdivision (g)(15) of this section.
- (14) Nonemergency medical transportation.
- (15) Skilled nursing facilities that are moderate categorical risk under subsection (k) of this section.
- (16) Portable X-ray suppliers.

§ 108C-3(f)

Moderate Categorical Risk Screenings. - When the Department designates a provider as a moderate categorical level of risk, the Department shall conduct the applicable screening functions required by federal law and regulation.

§ 108C-3(g)

High Categorical Risk Provider Types. - All of the following provider types are designated as high categorical risk:

- (1) Prospective, or newly enrolling, adult care homes delivering Medicaid-reimbursed services.
- (2) Agencies providing behavioral health services, excluding (i) behavioral health and intellectual and developmental disability provider agencies that are nationally accredited by an entity approved by the Secretary and (ii) licensed outpatient behavioral health providers.
- (3) Repealed by Session Laws 2018-5, s. 11H.12(a), effective June 12, 2018.
- (4) Prospective, or newly enrolling, agencies providing durable medical equipment, including, but not limited to, orthotics and prosthetics.
- (5) Agencies providing HIV case management.
- (6) Prospective, or newly enrolling, agencies providing nonbehavioral health home- or community-based services pursuant to waivers authorized by the federal Centers for Medicare and Medicaid Services under 42 U.S.C. § 1396n(c).
- (7) Prospective, or newly enrolling, agencies providing personal care services or in-home care services.
- (8) Prospective, or newly enrolling, agencies providing private duty nursing, home health, or home infusion.
- (9) Providers against which the Department has imposed a payment suspension based upon a credible allegation of fraud in accordance with 42 C.F.R. § 455.23 within the previous 12-month period. The Department shall return the provider to its original risk category not later than 12 months after the cessation of the payment suspension.
- (10) Providers that were excluded, or whose owners, operators, or managing employees were excluded, by the U.S. Department of Health and Human Services Office of Inspector General, the Medicare program, or another state's Medicaid or Children's Health Insurance Program within the previous 10 years.
- (11) Providers that have incurred a Medicaid final overpayment, assessment, or fine to the Department in excess of twenty percent (20%) of the provider's payments received from Medicaid in the previous 12-month period. The Department shall return the provider to its original risk category not later than 12 months after the completion of the provider's repayment of the final overpayment, assessment, or fine.

- (12) Providers whose owners, operators, or managing employees were convicted of a disqualifying offense pursuant to G.S. 108C-4 but were granted an exemption by the Department within the previous 10 years.
- (13) Skilled nursing facilities that are high categorical risk under subsection (k) of this section.
- (14) Prospective, or newly enrolling, hospice organizations and revalidating hospice organizations undergoing a change in ownership.
- (15) The following revalidating providers (i) that are revalidating for the first time since newly enrolling and (ii) for which fingerprinting requirements, as a newly enrolling provider, were waived due to a national, state, or local emergency:
 - a. Opioid treatment programs that have not been fully and continuously certified by the Substance Abuse and Mental Health Services Administration since October 23, 2018.
 - b. Agencies providing durable medical equipment, including orthotics and prosthetics.
 - c. Adult care homes delivering Medicaid-reimbursed services.
 - d. Agencies providing private duty nursing, home health, personal care services, or in-home care services, or home infusion.
 - e. Hospice organizations.

§ 108C-3(h) High Categorical Risk Screenings. - When the Department designates a provider as a high categorical level of risk, the Department shall conduct the applicable screening functions required by federal law and regulation.

§ 108C-3(i) Dually-Enrolled Providers. - For providers dually enrolled in the federal Medicare program and Medicaid, the Department may rely on the results of the provider screening performed by Medicare contractors.

§ 108C-3(j) Out-of-State Providers. - For out-of-state providers, the Department may rely on the results of the provider screening performed by the Medicaid agencies or Children's Health Insurance Program agencies of other states.

§ 108C-3(k) Skilled Nursing Facilities. - The categorial risk level for provider screening of skilled nursing facilities is the categorical risk level required by federal law or regulation. If federal law or regulation does not require a particular categorical risk level, skilled

nursing facilities are limited categorical risk. (2011-399, s. 1; 2013-378, s. 6; 2016-94, s. 12H.3(a); 2018-5, s. 11H.12(a); 2022-74, s. 9D.15(z); 2025-27, s. 2.3(a), (b).)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
1 AUTHORITY

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 108C-4	(g)(12)	"of a disqualifying offense pursuant to"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 108C-3 (2026).

PINPOINT

N.C. Gen. Stat. § 108C-3(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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