



JOSH STEIN
ATTORNEY GENERAL

STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE

SETH DEARMIN
CHIEF OF STAFF

February 28, 2023

North Carolina Senate President Pro Tempore Phil Berger
North Carolina House of Representatives Speaker Tim Moore
Co-Chairs, Joint Legislative Commission on Governmental Operations

Senator Danny Earl Britt, Jr.
Senator Warren Daniel
Representative Ted Davis, Jr.
Representative Dudley Greene
Representative Charles W. Miller
Representative Carson Smith
Co-Chairs, Appropriations Subcommittee on Justice and Public Safety

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

RE: G.S. §114-2.5; Report on Settlement Agreement for Report on Triangle
Women's Center

Dear Members:

Section 114-2.5 of the North Carolina General Statutes requires the Attorney General to report to the Joint Committee on Governmental Operations and the Chairs of the Appropriations Subcommittees on Justice and Public Safety regarding all settlements and court orders which result in more than \$75,000.00 being paid to the State. Pursuant to that statute, I am writing regarding the settlement of claims for Medicaid reimbursement to the state and federal governments in the above-referenced matter. Pursuant to federal law (42 C.F.R. § 433.320) recoveries in these cases are shared on a pro rata basis by the state and federal governments.

A settlement has been executed between Triangle Women's Center, P.C. and the State of North Carolina.

The settlement resolves allegations that from January 1, 2018 through December 31, 2021, Triangle Women's Center, P.C. submitted claims for evaluation and management for an established patient in an office or outpatient location which the Government contends was not supported by the medical record and were not medically necessary.

Under the terms of North Carolina's settlement, the State of North Carolina will recover \$385,000. Of that amount the federal government will receive \$220,874.50 for North Carolina's federal portion of Medicaid recoveries. Pursuant to G.S. § 1-610, the qui tam plaintiffs whose whistleblower actions brought this matter to the government's attention will receive \$29,542.59 of North Carolina's recovery. The North Carolina Medicaid Program will receive \$80,110.74 as restitution. In addition, pursuant to Article IX, Section 7 of the North Carolina Constitution and G.S. § 115C-457.1, the penalty portion of the settlement in the amount of \$47,498.25 will be paid to the Civil Penalty Forfeiture Fund for the support of North Carolina public schools. Pursuant to G.S. § 1-608(c), the North Carolina Department of Justice will receive \$6,973.92 for investigative costs and costs of collection.

We will be happy to respond to any questions you may have regarding this report.

Very truly yours,



Seth Dearmin
Chief of Staff

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cc: Sean Hamel, NCGA Fiscal Research Division
Mark White, NCGA Fiscal Research Division
Morgan Weiss, NCGA Fiscal Research Division