

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4T20
Atlanta, Georgia 30303-8909



December 21, 2009

Craigian Gray, MD, MBA, JD
Director
Division of Medical Assistance
North Carolina Department of Health and Human Services
2501 Mail Service Center
Raleigh, North Carolina 27699-2501

Attention: Teresa Smith

RE: North Carolina Title XIX State Plan Amendment, Transmittal #09-016

Dear Dr. Gray:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan that was submitted under transmittal number 09-016 and received in the Regional Office on September 29, 2009. This amendment provides clarifying language in 4.19-B, Section 9, page 2 and adjusts SFY 2010 and freezes the SFY 2011 rates for Ambulatory Surgical Center based on an overall program reduction of 5.46 percent for SFY 2010. This amendment is required due to an administrative decision by the State to freeze existing rates effective July 1, 2009 and effective October 1, 2009 to implement rate reductions for SFY 2010 and SFY 2011. Effective July 1, 2010 rates are frozen at the SFY 2010 level.

Based on the information provided, we are pleased to inform you that Medicaid State Plan Amendment 09-016 was approved on December 18, 2009. The effective date of this amendment is July 1, 2009. We are enclosing the approved form HCFA-179 and plan pages.

If you have any questions or need any further assistance, please contact Clarence Lewis at (404) 562-7432, Cheryl Brimage at (404) 562-7116 or Rita Nimmons at (404) 562-7415.

Sincerely,

/s/

Mary Kaye Justis, RN, MBA
Acting Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures