

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



October 21, 2011

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 #11-025

Dear Dr. Gray:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan that was submitted under transmittal number 11-025 and received in the Atlanta Regional Office on July 26, 2011.

This amendment is required due to the State administrative decision to adjust the supplemental page for ambulance services. The State Plan change is to adjust the SFY 2012 rates by a negative 2.67 percent to yield a 12 month 2 percent reduction in the 8 remaining months of this SFY. For SFY 2013, the rates will be adjusted such that they will equal 98 percent of the rate in effect July 1, 2011.

Based on the information provided, Medicaid State Plan Amendment 11-025 was approved on October 20, 2011. The effective date of this amendment is November 1, 2011. We are enclosing the approved form HCFA-179 and plan page.

If you have any questions or need any further assistance, please contact Yvette Moore at (404) 562-7327.

Sincerely,

/s/

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures



Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 11-025	2. STATE NC
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE October 1, 2011	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input checked="" type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 414.615		7. FEDERAL BUDGET IMPACT: a. FFY 2012 (\$ 326,902) b. FFY 2013 (\$ 0)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Section 23, Page 1a and Attachment 4.19-B, Supplement 2, Page 1a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B, Section 23, Page 1a and Attachment 4.19-B, Supplement 2, Page 1a	
10. SUBJECT OF AMENDMENT: Ambulance			
11. GOVERNOR'S REVIEW (Check One): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: SECRETARY <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 13. TYPED NAME: Lanier M. Cansler		16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, North Carolina 27699-2001	
14. TITLE: Secretary		15. DATE SUBMITTED: 7/25/11	
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 07/26/11		18. DATE APPROVED: 10/20/11	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 11/01/11		20. SIGNATURE OF REGIONAL OFFICIAL: [Redacted Signature]	
21. TYPED NAME: Jackie Glaze		22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns	
23. REMARKS: Approved with the following changes to item 4 as authorized by State Agency on email dated 10/11/11: Blocked #4 changed to read: November 1, 2011.			

MEDICAL ASSISTANCE
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

A. Direct Medical Services Payment Methodology

Effective July 1, 2009 Ambulance Services fees will be based on the following percentages of the Medicare Fee Schedule:

- a. Ground Mileage, Per Statue Mile will be 45%
- b. Advanced Life Support, Non-Emergency, Level 1 will be 30%
- c. Basic Life Support, Non-Emergency, Level 1 will be 33%
- d. Advanced Life Support, Emergency will be 35%
- e. Basic Life Support, Emergency will be 22%
- f. Conventional Air Services, One Way (Fixed Wing) will be 16%
- g. Conventional Air Services, One Way (Rotary Wing) will be 14%
- h. Advance Life Support, Level 2 will be 24%
- i. Fixed Wing Air Mileage per Statue Mile will be 45%
- j. Rotary Wing Air Mileage, Per Statue Mile will be 54%

Fee changes for codes not covered by Medicare that Medicaid currently covers, such as Non-Emergency Transportation will be based on the forecasted Gross National Product (GNP) Implicit Price Deflator.

Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19-B, Supplement 2, Page 1a of the State Plan. These rates will be adjusted July 1st of each year.

The Ambulance Transportation Fee Schedule is published on the North Carolina Department of Health and Human Services, Division of Medical Assistance (DMA) Website located at <http://www.ncdhhs.gov/dma/fee/fee.htm>.

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

Payments for Medical and Remedial Care and Services

Payment for Transportation:

SFY 2003 – No adjustment.

SFY 2004 – No Adjustments for Transportation effective October 1, 2003.

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Transportation for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005.

SFY 2010 – No inflationary adjustment.

SFY 2011 - No inflationary adjustment.

SFY 2012 – Rates will be frozen at the rate in effect on June 30, 2011. Effective October 1, 2011, existing rates are adjusted by a negative 2.66% to yield a twelve (12) month two percent (2%) reduction in the nine (9) remaining months of this State Fiscal Year.

SFY 2013 – Effective July 1, 2012, the rates will be adjusted such that they will equal 98% of the rate in effect July 1, 2011. There will be no further annual adjustments this state fiscal year except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule.

Reference: Attachment 4.19-B, Section 23, Page 1 through 1f

TN. No: 11-025
Supersedes
TN. No: 09-016

Approval Date: 10-20-11

Eff. Date 11/01/2011

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

Payments for Medical and Remedial Care and Services

Payment for Transportation:

SFY 2003 – No adjustment.

SFY 2004 – No Adjustments for Transportation effective October 1, 2003.

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Transportation for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005.

SFY 2010 – No inflationary adjustment.

SFY 2011 - No inflationary adjustment.

SFY 2012 – Rates will be frozen at the rate in effect on June 30, 2011. Effective October 1, 2011, existing rates are adjusted by a negative 2.66% to yield a twelve (12) month two percent (2%) reduction in the nine (9) remaining months of this State Fiscal Year.

SFY 2013 – Effective July 1, 2012, the rates will be adjusted such that they will equal 98% of the rate in effect July 1, 2011. There will be no further annual adjustments this state fiscal year except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule.

Reference: Attachment 4.19-B, Section 23, Page 1 through 1f

TN. No: 11-025
Supersedes
TN. No: 09-016

Approval Date: 10-20-11

Eff. Date 11/01/2011