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



October 31, 2011

Craigan 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 (NC) Title XIX State Plan Amendment (SPA), Transmittal #11-033

Dear Dr. Gray:

We have reviewed the proposed amendment to the NC Medicaid State Plan that was submitted under transmittal number 11-033 and received in the Atlanta Regional Office on August 2, 2011.

This amendment is required to adjust the rates for hearing aids. 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.

A corresponding coverage companion letter will also be issued with the approval of the SPA to request clarifying language specifying that audiology services include any necessary supplies and equipment. Also, language that individuals are referred for services by a physician or other licensed practitioner.

Based on the information provided, Medicaid SPA 11-033 was approved on October 31, 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,

Jackie Glaze

Associate Regional Administrator

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Division of Medicaid & Children's Health Operations

Enclosures