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State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 12-011

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Atlanta Regional Office
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303



DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS

December 7, 2012

Mr. Michael Watson
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 # NC-12 - 011

Dear Mr. Watson:

We have reviewed the proposed North Carolina Medicaid State Plan Amendment (SPA) NC-12- 011 that was received in the Regional Office on September 10, 2012. The amendment provides clarification to the Non-Emergency Transportation service to ensure that it complies with 42 CFR 431.53.

North Carolina's payment methodologies associated with non-emergency transportation appear to be transparent and comprehensive.

Based on the information provided, we are now ready to approve the Medicaid State Plan Amendment NC-12-011. This SPA was approved on December 7, 2012. The effective date of this amendment is October 1, 2012. We are enclosing the signed HCFA-179 and approved plan pages.

If you have any questions or need any further assistance, please contact Elaine Elmore at (404) 562-7408 or Yvette Moore at (404) 562-7327.

Sincerely,

//s//

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

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL FOR: HEALTH CARE FINANCING ADMINISTRATION		1. TRANSMITTAL NUMBER: 12-011	2. STATE NC
		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, 2012	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <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 (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 431.53		7. FEDERAL BUDGET IMPACT: a. FFY 2012 – 2013 \$0 b. FFY 2013 – 2014 \$0	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-D, Page 1; Attachment 3.1-D, Page 2; Attachment 3.1-D, Page 3; and Attachment 3.1-D, Page 4, Attachment 4.19-B, Section 23, Page 1g, and Attachment 4.19-B, Supplement 2, Page 1f		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 3.1-D, Page 1	
10. SUBJECT OF AMENDMENT: Non-Emergency Medicaid Transportation			
11. GOVERNOR'S REVIEW (<i>Check One</i>): <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: //s//		16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, North Carolina 27699-2001	
13. TYPED NAME: Albert A. Delia			
14. TITLE: Secretary			
15. DATE SUBMITTED: 09/10/12			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 09/10/12		18. DATE APPROVED: 12/07/12	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 10/01/12		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
21. TYPED NAME: Jackie Glaze		22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns	
23. REMARKS: Approved with the following changes to the 179 item 4 as authorized by state agency email 11/19/12. Block #4 changed to read: October 1, 2012.			

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: NORTH CAROLINA

**AMOUNT DURATION AND SCOPE OF MEDICAL AND REMEDIAL CARE AND SERVICES
PROVIDED**

Limitations in the Amount, Duration and Scope of Certain Items of Provided Medical and Remedial Care and Services are Described Below:

<u>CITATION</u> 42 CFR 431.53	Medical and Remedial Care and Services Item 24.a Transportation	Methodologies for medically necessary ambulance transportation are found in Attachment 3.1-A.1, page 18. Transportation services for categorically needy are defined in Attachment 3.1-A and transportation services for medically needy are defined in Attachment 3.1-B.
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An amount to reimburse nursing facilities, ICF-MR and Adult Care Homes for non-ambulance non-emergency transportation is included in Medicaid payments to those facilities.

Methods of Assuring Transportation

The North Carolina Division of Medical Assistance, or its designated agent, shall assure that necessary NEMT services are provided for beneficiaries who have a need for assistance with transportation. The designated agent is the county departments of social services. The distance to be traveled, transportation methods available, treatment facilities available, and the physical condition and welfare of the beneficiary shall determine the type of NEMT authorized. The type of transportation available may vary by region because of rural and urban conditions.

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Any appropriate means of transportation which can be secured without charge through volunteer organizations, public services, recipient relatives or friends will be used. If transportation is not available without charge, payment will be made for the least expensive appropriate means of transportation available, including personal vehicle, multi-passenger van, wheelchair van, bus, taxi, train, ambulance, and other forms of public and private conveyance. Beneficiaries, family members and volunteers using their own vehicles to provide transportation are provided gas vouchers or mileage reimbursement. Mileage costs incurred shall not exceed the current IRS business rate. Mileage costs incurred by recipients and financially responsible persons shall not exceed half the current IRS business rate. Payments to beneficiaries, financially responsible individuals and volunteers are provided as an administrative service and reimbursement for these services is claimed at the administrative rate.

Transportation to in-state or out-of-state locations, that are not within the beneficiary's normal service area, shall be covered when it has been determined, on the basis of medical advice, that the needed medical services, or necessary supplementary resources, are not able to be provided by a provider/facility within the state or within the beneficiary's normal service area.

Services ancillary to NEMT shall include meals and lodging. Reimbursement for related travel expenses may not exceed the state mileage, subsistence and lodging reimbursement rates.

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Attendants, including family members, are entitled to reimbursement of expenses incurred during transportation at the least expensive rate that is appropriate to the beneficiary's circumstances. Attendants, other than family members, may charge for their time when an attendant is medically necessary. Maximum reimbursement for an attendant's time shall not exceed the state hourly wage rate, nor shall an attendant be reimbursed for time spent in travel without the beneficiary. A medical professional who serves as an attendant and administers medical services during the trip may bill Medicaid for that service, but cannot also charge for his time.

Applicants/ beneficiaries are made aware of NEMT services by the following methods:

- Information on applications/re-enrollment forms
- Rights and Responsibilities Handout/Mailing
- Department of Social Services contact
- Beneficiary Handbook
- DMA Website

Compliance with NEMT policy is assured through county and state monitoring and state auditing.

Counties are required to track each trip request from intake through disposition. Effective April 1, 2012, counties are required by policy to audit 2% of the trips made each month using a state compliance monitoring tool. Reports are maintained at the county and must be provided to the state upon request and at a time of state audits.

In March 2012, a contract was executed by the state with a vendor to perform audits of the county NEMT programs based on policy. The state meets at minimum biweekly with the vendor to review

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findings and take action. Counties are required to submit a corrective action plan for issues identified through the audits and to payback funds as necessary. Implementation of corrective action plan is monitored and can result in withholding of funding or termination of provider status. The audit does not affect the recipients' coverage.

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Payments for Medical and Remedial Care and Services

Payment for Non-Emergency Transportation:

Reference: Attachment 4.19-B, Section 23, Page 1g

TN. No: 12-011
Supersedes
TN. No: NEW

Approval Date: 12-07-12

Eff. Date: October 1, 2012

State Plan Under Title XIX of the Social Security Act
Medical Assistance
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PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

F. Non-Emergency Medical Transportation:

Payments for Non-Emergency Medical Transportation services covered under Attachment 3.1-D provided by Commercial carriers shall be reimbursed at an individually negotiated rate or the prevailing commercial rate. The agency's rates were set as of October 1, 2012.

Mileage costs incurred by recipients and financially responsible persons using their private vehicles, the amount of reimbursement shall not exceed half the current IRS business rate at 27 cents per mile. Mileage cost for volunteers who are persons other than the recipients and financially responsible persons and are using their private vehicles shall be reimbursed at an amount not to exceed the current IRS business rate at 55 cents per mile.

In subsequent years, these rates will be adjusted as the IRS business rates are adjusted.

Reimbursement for related ancillary travel expenses may not exceed the state mileage, subsistence and lodging reimbursement rates. The rates can be found at: <http://www.ncdhhs.gov/dma/fee/index.htm>. The rates for food and lodging are set by the North Carolina Office of State Budget and Management.

Reimbursement for an attendant's transportation time, excluding wait time, shall not exceed the state hourly minimum wage rate of \$7.25 per hour. This rate is established by the North Carolina Office of State Personnel. Medical professionals who bill separately for medical services shall not be reimbursed for time.

Medicaid will make no payment for expenses of an attendant to sit and wait following recipient's admission to a medical facility.

Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19B, Supplement 2, Page 1f of the State Plan.

There shall be no cost settlement for these services.

TN. No. 12-011
Supersedes
TN. No. NEW

Approval Date: 12-07-12

Effective Date: October 1, 2012