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

November 26, 2012

Mr. Michael Watson Director Division of Medical Assistance NC Department of Health & 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 # NC 12-017

Dear Mr. Watson:

We have reviewed the proposed North Carolina State Plan Amendment (SPA) 12-017, which was submitted to the Atlanta Regional Office on September 10, 2012. This amendment will allow Medicaid to substitute the Payment Error Rate Measurement (PERM) to meet the statutory and regulatory Medicaid Eligibility Quality Control (MEQC) review requirements during the PERM cycle years of 2013, 2016, and 2019.

Based on the information provided, the Medicaid State plan amendment NC 12-017 was approved on November 21, 2012. The effective date of this amendment is October 1, 2012. We are enclosing the approved CMS-179 and the plan pages.

If you have any additional questions or need further assistance, please contact Rita Nimmons at (404) 562-7415 or Rita.Nimmons@cms.hhs.gov.

Sincerely,

/s/

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

Enclosures