

## **Table of Contents**

**State/Territory Name: North Carolina**

**State Plan Amendment (SPA) #:13-030**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) Summary Form 179
- 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 12, 2013

Ms. Sandra Terrell, MS, R.N., Acting Director  
Division of Medical Assistance  
Department of Health and Human Services  
2501 Mail Service Center  
Raleigh, NC 27699-2501

Re: North Carolina Title XIX State Plan Amendment, Transmittal 13-030

We have reviewed the proposed State Plan Amendment TN 13-030, which was submitted on September 24, 2013. This amendment implements a rate freeze for Independent Practitioner Services in North Carolina for fiscal years 2014 and 2015.

Based on the information provided, the Medicaid State Plan Amendment NC 13-030 was approved on December 12, 2013. The effective date of this amendment is August 1, 2013. We are enclosing the HCFA Form 179 and the approved plan pages.

If you have any additional questions or need further assistance, please contact Clarence Lewis at 803-898-7647, or Donald Graves at 919-828-2999.

Sincerely,

A black rectangular redaction box covering the signature of Jackie Glaze.

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

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: 13-030	2. STATE NC
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE August 1, 2013	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		

5. TYPE OF PLAN MATERIAL (Check One):

- NEW STATE PLAN       AMENDMENT TO BE CONSIDERED AS NEW PLAN       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:  42 CFR 447.201	7. FEDERAL BUDGET IMPACT: a. FFY 2014      \$0.00 b. FFY 2015      \$0.00
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Supplemental 3, page 1h	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):  Attachment 4.19-B, Supplemental 3, page 1h

10. SUBJECT OF AMENDMENT:

Independent Practitioner (IPP)

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

OTHER, AS SPECIFIED: Secretary

12. SIGNATURE OF STATE AGENCY OFFICIAL: 	16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-20014
13. TYPE: Aldona Z. Wos, M.D.	
14. TITLE: Secretary	
15. DATE SUBMITTED: 9/24/13	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 09-24-13	18. DATE APPROVED: 12-12-13
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 08-01-13	20. SIGNATURE OF REGIONAL OFFICIAL: 
21. TYPED NAME: Jackie Glaze	22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns

23. REMARKS:

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 Independent Practitioner Services:

SFY 2004 – No adjustment. Other Independent Practitioner Fees

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 Independent Practitioner Fees for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005 except Medicaid rates may be adjusted downward in accordance with the current year's downward adjustments to the Medicare fee schedule.

SFY 2007 - Effective January 1, 2007 an inflationary increase of 5.171% was applied.

SFY 2010 –The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009, except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Effective October 1, 2009, an overall negative rate adjustment of 4.90% was applied. There will be no further annual rate adjustment for SFY 2010.

SFY 2011 – The rates for SFY 2011 will be frozen at the rates in effect on June 30, 2010.

SFY 2012 – Rates will be frozen at the rate in effect on June 30, 2011. Effective November 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. Rates for new codes will not include inflation beyond 2009.

SFY 2014 – Effective August 1, 2013, the rates are frozen as of the rate in effect at June 30, 2013. 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.

SFY 2015 – Effective July 1, 2014, the rates are frozen at the rate in effect as of June 30, 2014. 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 6, Page 1d

---

TN-No: 13-030  
Supersedes  
TN- No. 11-014

Approval Date: 12-12-13

Eff. Date: 08-01-13