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State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 14-004

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

August 22, 2014

Dr. Robin Cummings, Director
Division of Medical Assistance
Department of Health and Human Services
2501 Mail Service Center
Raleigh, NC 27699-2501

Re: North Carolina State Plan Amendment, 14-004

Dear Dr. Cummings:

We have reviewed the State plan amendment (SPA) 14-004 submitted to the Centers for Medicare & Medicaid Services on March 31, 2014 which proposes to adjust the reimbursement methodology for the Dental Services such that it will equal 97 percent of the rate in effect on July 1, 2013. The requested effective date is January 1, 2014.

CMS conducted its review of your submittal to ensure consistency with the statutory requirements at sections 1905(a)(24) and 1902(a) of the Social Security Act. We found that the proposed reimbursement methodology complies with applicable requirements and therefore have approved it with an effective date of January 1, 2014.

During the review of this SPA, CMS reviewed the state's public notice and determined that the notice meets the regulatory requirements at 42 CFR 447.205(c). Consistent with the requirements described in the CFR, the state issued public notice on December 23, 2013 in newspapers of widest circulation within the state and identified a local agency where the proposed changes were available for public viewing. Within the content of the notice, the state adequately described the changes proposed under SPA 14-004. In describing the changes and the budget impact as related to this SPA, North Carolina has adequately met the regulatory public notice requirements and the statutory public process requirements as CMS interprets those requirements.

Also, during its review, CMS queried the state as to what, if any, negative impact the proposed rate reduction could have on access to, or the quality of dental services provided to North Carolina Medicaid beneficiaries. The state provided information and analysis which indicated that access to or the quality of services would not be negatively impacted in connection with the implementation of the proposed rate reductions.

The state applied a number of metrics to their claims data to measure current access to Dental Services and to set a baseline for future monitoring activities. The state will continue to monitor service utilization through application of these metrics either through the use of its monitoring “dashboard” which is part of its new data warehouse or through its MMIS claims. In addition, North Carolina has committed to reviewing this data monthly and addressing any access issues that arise.

Regarding the quality of the services provided, the state has provided assurances that annual surveys of all provider types, including dental services providers, are conducted to assess the provider’s compliance with applicable laws and regulations affecting the quality of care provided. Follow up inspections are conducted for those providers who demonstrate significant non-compliance during the annual inspection.

Based on the information and assurances provided by the state, NC SPA 14-004 was approved on August 22, 2014. Enclosed are the HCFA Form 179 and the approved State plan page.

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

Sincerely,

//s//

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

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 14-004	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 January 1, 2014	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" 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 440.100		7. FEDERAL BUDGET IMPACT: a. FFY 2014 (\$4,139,753) b. FFY 2015 (\$5,545,683)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Supplement 3, Page 1a		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 4.19-B, Supplement 3, Page 1a	
10. SUBJECT OF AMENDMENT: Dental			
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: //s//		16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-20014	
13. TYPED NAME: Aldona Z. Wos, M.D.			
14. TITLE: Secretary			
15. DATE SUBMITTED: 03-13-14			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 03-20-14		18. DATE APPROVED: 08-22-14	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01-01-14		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
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 Dental:

FY 2007 - Effective January 1, 2007 inflationary increases were applied to the following program:

Dental providers received an increase of 23.61%,

SFY 2009 – The rates for Dental Services are frozen at the rates in effect on December 31, 2008.

SFY 2010 – The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009. Effective October 1, 2009, a negative inflationary adjustment of 5.79% as applied to the existing rates. There will be no further annual adjustment.

SFY 2011 – As of July 1, 2010 rates will be frozen.

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 2.67% to yield a twelve (12) month two percent (2%) reduction in the nine (9) remaining months of this State Fiscal Year. Exception: Reimbursement rates paid for composite fillings for back teeth were reduced by 15% (except for D2391 which was reduced by 5%) and a 10% increase as applied to rates paid for amalgam fillings for back teeth.

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. Exception: The rates are frozen at the November 1, 2011 rates for composite fillings for back teeth and for amalgam fillings for back teeth.

SFY 2014 – Effective August 1, 2013, the rates are frozen as of the rates in effect at June 30, 2013. Effective January 1, 2014 rates will be adjusted such that they will equal 97% of the rate in effect July 1, 2013. There will be no further annual rate adjustment.

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 rate adjustment.

Reference: Attachment 4.19-B, Section 10

TN- No. 14-004
Supersedes
TN-No. 13-012

Approval Date: 08-22-14

Eff. Date: 01/01/2014