

Table of Contents

State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 14-009

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

June 27, 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, 14-009

Dear Dr. Cummings:

We have reviewed the State plan amendment (SPA) 14-009 submitted to CMS on March 31, 2014 which proposes to adjust the reimbursement methodology for Personal Care Services such that it will equal 97 percent of the rate in effect on December 31, 2014. 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 14-009. 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, personal care 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 personal care 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 (expected to be functional in June 2014) 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 providers of personal care services, 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 14-009 was approved on June 27, 2014. Enclosed are the HCFA Form 179 and the approved State 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,

//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: 14-009	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 (<i>Check One</i>):			
<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 (<i>Separate Transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447.167		7. FEDERAL BUDGET IMPACT: a. FFY 2014 (\$6,180,127) b. FFY 2015 (\$8,279,002)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Supplement 1, Page 1b		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B, Supplement 1, Page 1b	
10. SUBJECT OF AMENDMENT: Personal Care Services			
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, NC 27699-20014	
13. TYPED NAME: Aldona Z. Wos, M.D.			
14. TITLE: Secretary			
15. DATE SUBMITTED:			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 03-31-14		18. DATE APPROVED:	
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 Personal Care Services for Adults and Children:

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.

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. This methodology ends December 31, 2012.

SFY 2013 – Effective January 1, 2013, a new rate is established as calculated in the methodology as described on Attachment 4.19-B, Section 23, Page 6.

All rates for this service are published at <http://www.ncdhhs.gov/dma/fee/index.htm>.

SFY 2014 – Effective October 1, 2013, a new rate is established as calculated in the methodology as described on Attachment 4.19-B, Section 23, Page 6.

Effective January 1, 2014 rates will be adjusted such that they will equal 97% of the rate in effect December 31, 2013.

Reference: Attachment 4.19-B, Section 23, Page 6

TN. No. 14-009
Supersedes
TN. No. 13-009

Approval Date: 06-27-14

Eff. Date: 01/01/2014