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**State/Territory Name: North Carolina**

**State Plan Amendment (SPA) #:16-0001**

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**

April 14, 2016

Dave Richard, 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, 16-0001

Dear Mr. Richard:

We have reviewed the State Plan Amendment (SPA) 16-0001 that was received in the Regional Office on February 18, 2016. This amendment increases the reimbursement rate of Private Duty Nurses to 110 percent of the rate in effect June 30, 2014.

Based on the information provided, the Medicaid State Plan Amendment NC-16-0001 was approved on April 14, 2016. The effective date of this SPA is January 1, 2016. We are enclosing the approved Form HCFA-179 and the approved plan pages.

If you have any additional questions or need further assistance, please contact Michelle White at 404-562-7328, or Donald Graves at 919-828-2999.

Sincerely,

//s//

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: 16-001	2. STATE NC
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
<b>TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		4. PROPOSED EFFECTIVE DATE January 1, 2016	
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 447.200		7. FEDERAL BUDGET IMPACT:  a. FFY 2015      \$4,010,122 b. FFY 2016      \$5,398,489	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B Supplement 1, Page 1c		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Attachment 4.19-B Supplement 1, Page 1c	
10. SUBJECT OF AMENDMENT:  Private Duty Nursing (PDN)			
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: Richard O. Brajer			
14. TITLE: Secretary			
15. DATE SUBMITTED: 02/18/16			
<b>FOR REGIONAL OFFICE USE ONLY</b>			
17. DATE RECEIVED: 02/18/16		18. DATE APPROVED: 04/14/16	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/16		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 block 7a, 7b, 8 and 9 as authorized by the state on email date 04/07/16:  Block # 7a changed to read: FFY 2016 \$4,010,122.  Block # 7b changed to read: FFY 2017 \$5,398,489.  Block # 8 changed to read: Attachment 4.19-B Supplement 1, Page 1c and Attachment 4.19-B Section 8, page 1.  Block # 9 changed to read: Attachment 4.19-B Supplement 1, Page 1c and Attachment 4.19-B Section 8, page 1.			

MEDICAL ASSISTANCE  
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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8. Private Duty Nursing Services. (PDN)

- A. Private duty nursing services are reimbursed at the lower of billed customary charges or an established hourly rate. Effective October 1, 2002, this rate, is adjusted annually by the percentage change in the rate for a skilled nursing visit by a home health agency. Effective November 1, 2010, the RN rate is paid at Fee Schedule and will be billed with a code and modifier as defined in Clinical Policy, Attachment 3.1-A-1. Notwithstanding any other provision, if specified these rates will be adjusted as shown on Supplement 1 to the 4.19-B section of the state plan. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate is effective January 1, 2016 and is effective for services provided on or after this date. All rates are published on the agency's fee schedule, <http://dma.ncdhhs.gov/providers/fee-schedules>. Except as otherwise noted in the plan, this fee schedule rate shall be inflated forward annually by the Medicare Market Basket Index.
- B. Effective October 1, 1993, payment for Private Duty Nursing Medical Supplies, except those related to provision and use of DME shall be reimbursed at the lower of a provider's billed customary charges or the maximum fee established for certified home health agencies. If a new item is not covered by the DME program and Medicare allowable is available, the rate will be set at the Medicare allowable amount available to the Division of Medical Assistance. Fees will be established based on average, reasonable charges if a Medicare allowable amount cannot be obtained for a particular supply item. The Medicare allowable amounts will be those amounts based on the Market Basket Index available to the Division of Medical Assistance as of July 1 of each year.

State Plan Under Title XIX of the Social Security Act  
Medical Assistance Program  
State: North Carolina

Payments for Medical and Remedial Care and Services

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