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State/Territory Name: North Carolina

State Plan Amendment (SPA) #: 18-0008

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

February 5, 2019

Mr. Dave Richard
Deputy Secretary
Division of Medical Assistance
North Carolina Department of Health and Human Services
2501 Mail Service Center
Raleigh, North Carolina 27699-2501

Dear Mr. Richard:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan (SPA) NC 18-0008 (Free Standing Birth Center Program) that was initially submitted on November 13, 2018. This State Plan Amendment was submitted for the purpose of removing the Market Basket Index which is applied as the inflationary factor in effect each January 1st from the Freestanding Birth Center Program.

Based on the information provided, we are now ready to approve Medicaid State Plan Amendment NC 18-0008. This SPA was approved on February 4, 2019. The effective date of this amendment is January 1, 2019. We are enclosing the signed paper-based HCFA 179 and the approved plan pages.

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

Sincerely,

//s//

Shantrina D. Roberts
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 18-0008	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, 2019	
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: 42CFR447.201		7. FEDERAL BUDGET IMPACT: a. FFY 2019 (\$ 6,677) b. FFY 2020 (\$11,256)	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Section 9, Page 3; Attachment 4.19-B, Supplement 1, Page 4		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B, Section 9, Page 3; Attachment 4.19-B Supplement 1, Page 4	
10. SUBJECT OF AMENDMENT: Freestanding Birth Centers			
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:		16. RETURN TO:	
13. TYPED NAME: Mandy Cohen, MD, MPH		Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-20014	
14. TITLE: Secretary			
15. DATE SUBMITTED: 11/13/18			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 11/13/18		18. DATE APPROVED: 02/04/19	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/19		20. SIGNATURE OF REGIONAL OFFICIAL: //s//	
21. TYPED NAME: Shantrina D. Roberts		22. TITLE: Associate Regional Administrator Division of Medicaid and Children's Health Operations	
23. REMARKS:			

MEDICAL ASSISTANCE
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

d. Freestanding Birth Center Services:

Payments for Freestanding Birth Centers Services covered under Attachment 3.1-A are equal to the lower of the submitted charge or the appropriate fee from the North Carolina Medicaid Freestanding Birth Center Services Fee Schedule.

- (a) Effective October 6, 2011, the rate for Freestanding Birth Center Services is an all-inclusive fee schedule facility rate. The rate was initially established at 80% of the hospital reimbursement for a vaginal delivery without complications using the DRG 775 weight and 45th percentile DRG Base rate in effect October 1, 2011.
- (b) Reimbursement for Freestanding Birth Center procedures discontinued subsequent to the patient's surgical preparation, but prior to the administration of anesthesia (local, regional block, or general) will be reimbursed at 50% of the allowable for the procedure.

The agency's rate was set as of January 1st, 2019 and is effective on or after that date. The Fee Schedule rate is published on the agency's website at <https://medicaid.ncdhhs.gov/providers/fee-schedule-index>

Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

- (c) Freestanding Birth Center Services reimbursed under a fee schedule are not subject to cost settlement.

MEDICAL ASSISTANCE
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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TN. No. 18-0008

Supersedes

TN. No. 11-052

Approval Date: 02/04/2019

Eff. Date: 01/01/2019