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State/Territory Name: North Carolina

State Plan Amendment (SPA): 20-0002

This file contains the following documents in order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

March 10, 2020

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 State Plan (SPA), submitted under transmittal NC 20-0002 on February 4, 2020. This SPA was submitted to allow Medicaid to revise North Carolina's End State Renal Disease (ESRD) program's policies and titles to expand dialysis to patients diagnosed with Acute Kidney Injuries (AKI).

Based on the information provided, this amendment was approved on March 10, 2020. The effective date of this amendment is January 1, 2020. We are enclosing the approved CMS Form 179 and plan pages.

Should you have questions or need further assistance, please Charles Friedrich at (404) 562-7404.

Sincerely,

/s/
James Scott
Division Director
Division of Program Operations

Enclosure

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL	1. TRANSMITTAL NUMBER: 20-0002	2. STATE NC
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION	4. PROPOSED EFFECTIVE DATE January 1, 2020	
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 2020 (\$232,839) b. FFY 2021 (\$310,452)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 3.1-A.1, page 13c.1 Attachment 4.19-B, Section 9, page 1a	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): Attachment 3.1-A.1, page 13c.1 Attachment 4.19-B, Section 9, page 1a

10. SUBJECT OF AMENDMENT:

End Stage Renal Disease (ESRD)

11. GOVERNOR'S REVIEW (Check One):

- GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED: Secretary
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

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. TYPED NAME: Mandy Cohen, MD, MPH	
14. TITLE: Secretary	
15. DATE SUBMITTED: 2/4/2020	

FOR REGIONAL OFFICE USE ONLY

17. DATE RECEIVED: 02/04/2020	18. DATE APPROVED: 03/10/2020
PLAN APPROVED - ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/20	20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME: James Scott	22. TITLE: Director, Division of Program Operations

23. REMARKS:

e. Dialysis Services

The following Dialysis services are covered:

- (1) Hemodialysis, peritoneal dialysis, and self-dialysis support services are covered when they are provided by a Medicaid enrolled certified ESRD hospital-based renal dialysis center or free-standing ESRD facility.
 - a. Hemodialysis is defined as the removal of certain elements from the blood by virtue of the difference in the rates of their diffusion through a semi-permeable membrane while the blood is being circulated outside the body.
 - b. Peritoneal dialysis is defined as a process by which waste products and excess fluids are removed from the blood when the body's own kidneys have failed. But unlike hemodialysis where the blood passes through a machine, peritoneal dialysis is done inside the body. Two types of peritoneal dialysis are covered:
 - (i) Continuous cycling peritoneal dialysis (CCPD), is a continuous dialysis process which uses a machine to make automatic exchanges at night.
 - (ii) Continuous ambulatory peritoneal dialysis (CAPD), which does not require a machine. CAPD is a continuous dialysis process that uses the patient's peritoneal membrane as a dialyzer. CCPD and CAPD are furnished on a continuous basis, not in discrete sessions.
 - c. Self-dialysis is not covered for beneficiaries diagnosed with Acute Kidney Injury, as they need to be closely monitored in the ESRD facility.

Provider Qualifications

A dialysis center or free-standing facility must provide a letter of Certification as a Medicare provider from the Centers for Medicare and Medicaid Services (CMS).

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

Payments for Medical and Remedial Care and Services

b. Dialysis Services

The Division of Medical Assistance ESRD certified hospital based or freestanding dialysis facility rates were set as of July 1, 2012 and are effective for dialysis services provided on or after that date.

Medicaid providers enrolled on or after July 1, 2012 will receive dialysis bundled rates equal to the simple average of the composite rates of existing providers and will receive written notification of their Medicaid composite rates and effective date.

All rates are published on the website at <https://medicaid.ncdhhs.gov/fee-schedule/dialysis-services-fee-schedules>.

Rates are the same for both governmental and private providers of ESRD certified hospital based or licensed freestanding dialysis centers.

As of January 1, 2020, dialysis services will be expanded to patients diagnosed with acute kidney injury (AKI). Dialysis rates are the same for both End-Stage Renal Disease (ESRD) and Acute Kidney Injury (AKI) patients.

Home dialysis services will not be reimbursed for patients diagnosed with Acute Kidney Injury (AKI) or Acute Renal Failure.

Dialysis treatments continue to be reimbursed according to the inpatient and outpatient hospitals' reimbursement methodologies when performed in non-ESRD certified dialysis hospitals.

TN. No: 20-0002
Supersedes
TN. No: 14-043

Approval Date: 03/10/20

Effective Date: 01/01/2020