

## **Table of Contents**

**State/Territory Name: NORTH CAROLINA**

**State Plan Amendment (SPA) #: NC-24-0009**

This file contains the following documents in the order listed:

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

**DEPARTMENT OF HEALTH & HUMAN SERVICES**

Centers for Medicare & Medicaid Services  
Center for Medicaid & CHIP Services  
230 South Dearborn  
Chicago, Illinois 60604



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**Financial Management Group**

May 30, 2024

Jay Ludlam  
Office of the Deputy Secretary  
Department of Health and Human Services  
2001 Mail Service Center  
Raleigh, NC 27699-20014

RE: TN 24-0009

Dear Deputy Secretary Ludlam,

The Centers for Medicare & Medicaid Services (CMS) has reviewed the proposed North Carolina State Plan Amendment (SPA) to Attachment 4.19-B, which was submitted to CMS on March 25, 2024. This plan amendment updates the Partial Hospitalization (H0035)/Child and Adolescent Day Treatment (H2012).

We reviewed your SPA submission for compliance with statutory requirements including in sections 1902(a)(2), 1902(a)(13), 1902(a)(30), and 1903 as it relates to the identification of an adequate source for the non-federal share of expenditures under the plan, as required by 1902(a)(2), of the Social Security Act and the applicable implementing Federal regulations.

Based upon the information provided by the state, we have approved the amendment with an effective date of January 1, 2024. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact Ysabel Gavino via email at [maria.gavino@cms.hhs.gov](mailto:maria.gavino@cms.hhs.gov).

Sincerely,

A solid black rectangular box used to redact the signature of Todd McMillion.

Todd McMillion  
Director  
Division of Reimbursement Review

Enclosures

**TRANSMITTAL AND NOTICE OF APPROVAL OF  
STATE PLAN MATERIAL  
FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES**

1. TRANSMITTAL NUMBER

2 4 — 0 0 0 9

2. STATE

NC

3. PROGRAM IDENTIFICATION: TITLE OF THE SOCIAL SECURITY ACT



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XXI

TO: CENTER DIRECTOR  
CENTERS FOR MEDICAID & CHIP SERVICES  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE

January 01, 2024

5. FEDERAL STATUTE/REGULATION CITATION

42 C.F.R. §447.201

6. FEDERAL BUDGET IMPACT (Amounts in WHOLE dollars)

a. FFY 24 \$ 3,376,553

b. FFY 25 \$ 4,444,010

7. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT

Attachment 4.19-B, Section 13, Pages 12, 19

8. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable)

Attachment 4.19-B, Section 13, Pages 12, 19

9. SUBJECT OF AMENDMENT

Partial Hospitalization (H0035) / Child and Adolescent Day Treatment (H2012)

10. 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

11. SIGNED BY: DocuSigned by: STATE AGENCY OFFICIAL

12. TYPED NAME  
Jay Ludlam

13. TITLE  
Deputy Secretary

14. DATE SUBMITTED 03/13/24 | 7:39 PM EDT

15. RETURN TO

Office of the Deputy Secretary  
Department of Health and Human Services  
2001 Mail Service Center  
Raleigh, NC 27699-20014

**FOR CMS USE ONLY**

16. DATE RECEIVED  
March 25, 2024

17. DATE APPROVED  
May 30, 2024

**PLAN APPROVED - ONE COPY ATTACHED**

18. EFFECTIVE DATE OF APPROVED MATERIAL  
January 1, 2024

19. SIGNATURE OF APPROVING OFFICIAL

20. TYPED NAME OF APPROVING OFFICIAL  
Todd McMillion

21. TITLE OF APPROVING OFFICIAL  
Director, Division of Reimbursement Review

22. REMARKS

MEDICAL ASSISTANCE

State: North Carolina

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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12) Partial Hospital (H0035)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Partial Hospital. The agency's fee schedule rate of \$132.32 per diem was set as of July 1, 2012. Effective March 1, 2022, the rate increased to \$135.20 for services provided on or after that date.

Effective January 1, 2024, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules).

This service will be provided by direct enrolled Medicaid providers who may be either private or governmental. This service is not cost settled for any provider. This service is provided in accordance with Attachment 3.1- A.1 Page 7c. 5, and Attachment 3.1-A.1 Page 15a.4, Paragraph 13.D., subparagraph (v).

The facilities providing this service are not IMD facilities and NC Medicaid is not reimbursing room and board for this service.

In the event this service is operated by a 638 Compact or Indian Health Service Provider, the rate of reimbursement shall be the All-Inclusive Rate (AIR) established on an annual basis as published in the Federal Register.

In the event this service is operated by a 638 Compact or Indian Health Service Provider and is not covered under the criteria to receive the All-Inclusive Rate (AIR), the provider is subject to the NC Medicaid Fee Schedule or other agreed upon rate(s) by the payor.

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TN No: 24-0009

Supersedes

TN No: 22-0008

Approval Date: May 30, 2024 Effective Date: 01/01/2024

MEDICAL ASSISTANCE

State: North Carolina

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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19) Child and Adolescent Day Treatment (H2012 HA)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Child and Adolescent Day Treatment. The agency's fee schedule rate of \$31.41 was set as of October 1, 2009. Effective March 1, 2022, the rate increased to \$32.13 per hour for services provided on or after that date.

Effective January 1, 2024, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules).

This service will be provided by direct enrolled Medicaid providers who may be either private or governmental. This service is not cost settled for any provider. This service is provided in accordance with Attachment 3.1- A.1 Page 7c.4, Paragraph 4.b, subparagraph (d).

The facilities providing this service are not IMD facilities and NC Medicaid is not reimbursing room and board for this service.

In the event this service is operated by a 638 Compact or Indian Health Service Provider, the rate of reimbursement shall be the All-Inclusive Rate (AIR) established on an annual basis as published in the Federal Register.

In the event this service is operated by a 638 Compact or Indian Health Service Provider and is not covered under the criteria to receive the All-Inclusive Rate (AIR), the provider is subject to the NC Medicaid Fee Schedule or other agreed upon rate(s) by the payor.

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