

Department of Health & Human Services
Centers for Medicare & Medicaid Services
61 Forsyth St., Suite 4T20
Atlanta, Georgia 30303-8909



October 31, 2011

Craigan Gray, MD, MBA, JD
Director
Division of Medical Assistance
North Carolina Department of Health and Human Services
2501 Mail Service Center
Raleigh, North Carolina 27699-2501

Attention: Teresa Smith

RE: North Carolina (NC) Title XIX State Plan Amendment (SPA), Transmittal #11-014

Dear Dr. Gray:

We have reviewed the proposed amendment to the NC Medicaid State Plan that was submitted under transmittal number 11-014 and received in the Atlanta Regional Office on August 2, 2011.

This amendment is required to adjust the rates for medical care and other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law for podiatrists, optometrists, chiropractor and other practitioner services. The State Plan change is to adjust the SFY 2012 rates by a negative 2.67 percent to yield a 12 month 2 percent reduction in the 8 remaining months of this SFY. For SFY 2013, the rates will be adjusted such that they will equal 98 percent of the rate in effect July 1, 2011.

The payment methodology associated with pregnancy medical home is currently being evaluated under State Plan NC 10-035B. NC 10-035B provides an upper payment limit (UPL) demonstration for clinic services through the health departments and is currently in off-the-clock status while NC prepares the demonstration.

Based on the information provided, Medicaid SPA 11-014 was approved on October 31, 2011. The effective date of this amendment is November 1, 2011. We are enclosing the approved form HCFA-179 and plan pages.

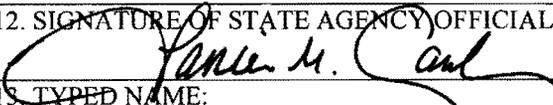
If you have any questions or need any further assistance, please contact Yvette Moore at (404) 562-7327.

Sincerely,

A handwritten signature in cursive script that reads "Jackie Glaze".

Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health Operations

Enclosures

TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 11-014	2. STATE NC
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
FOR: HEALTH CARE FINANCING ADMINISTRATION		4. PROPOSED EFFECTIVE DATE October 1, 2011	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES			
5. TYPE OF PLAN MATERIAL (<i>Check One</i>):			
<input type="checkbox"/> NEW STATE PLAN <input checked="" type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input 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 447.201		7. FEDERAL BUDGET IMPACT: a. FFY 2012 (\$2,480,303) b. FFY 2013 \$ 68,848	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B, Section 6, Page 1, Attachment 4.19-B, Section 6, Page 1a, Attachment 4.19-B, Section 6, Page 1b, Attachment 4.19-B, Section 6, Page 1c, Attachment 4.19-B, Section 6, Page 1d, Attachment 4.19-B, Section 6, Page 1e, Attachment 4.19-B, Supplement 3, Page 1d, Attachment 4.19-B, Supplement 3, Page 1e, Attachment 4.19-B, Supplement 3, Page 1f, Attachment 4.19-B, Supplement 3, Page 1g, Attachment 4.19-B, Supplement 3, Page 1h, and Attachment 4.19-B, Supplement 3, Page 1i.		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B, Section 6, Page 1,	
10. SUBJECT OF AMENDMENT: Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner 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: 		16. RETURN TO: Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, North Carolina 27699-2001	
13. TYPED NAME: Lanier M. Cansler			
14. TITLE: Secretary			
15. DATE SUBMITTED: 7/29/11			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 08/02/11		18. DATE APPROVED: 10/31/11	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: 11/01/11		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Jackie Glaze		22. TITLE: Associate Regional Administrator Division of Medicaid & Children Health Opns	
23. REMARKS: Approved with the following changes to item 4 as authorized by State Agency on email dated 10/11/11: Blocked #4 changed to read: November 1, 2011.			

State Plan Under Title XIX of the Social Security Act
Medical Assistance
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

6. Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law:

Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner Services.

a. Podiatry Services:

Payments for Podiatry Services covered under Attachment 3.1-A.1 are equal to the lower of the submitted charge or the appropriate fee from the North Carolina Medicaid Podiatry Services Fee Schedule. The agency's rates were set as of November 1, 2011 and are effective on or after that date. All rates are published on the website at <http://www.ncdhhs.gov/dma/fee/index.htm>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

(a). Effective November 1, 2011 Podiatry Services rates shall be set at 97.33% percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009. Effective July 1, 2012 Podiatry Services rates shall be set at 98% percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009.

(b) Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19B, Supplement 3, Page 1e of the State Plan.

TN. No. 11-014
Supersedes
TN. No. 10-035A

Approval Date: 10-31-11

Effective Date: 11/01/2011

State Plan Under Title XIX of the Social Security Act
Medical Assistance
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law:

Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner Services.

b. Optometry Services:

Payments for Optometry Services covered under Attachment 3.1-A.1 are equal to the lower of the submitted charge or the appropriate fee from the North Carolina Medicaid Optometry Services Fee Schedule. The agency's rates were set as of November 1, 2011 and are effective on or after that date. All rates are published on the website at <http://www.ncdhhs.gov/dma/fee/index.htm>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

(a) Effective November 1, 2011 Optometry Services shall be set at 97.36 % percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009. Effective July 1, 2012 Optometry Services rates shall be set at 98.% percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009

(b) Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19B, Supplement 3, Page 1f of the State Plan.

TN. No. 11-014
Supersedes
TN. No. NEW

Approval Date: 10-31-11

Effective Date: 11/01/2011

State Plan Under Title XIX of the Social Security Act
Medical Assistance
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law:

Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner Services.

c. Chiropractic Services:

Payments for Chiropractic Services covered under Attachment 3.1-A.1 are equal to the lower of the submitted charge or the appropriate fee from the North Carolina Medicaid Chiropractic Services Fee Schedule. The agency's rates were set as of November 1, 2011 and are effective on or after that date. All rates are published on the website at <http://www.ncdhhs.gov/dma/fee/index.htm>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

(a) Effective November 1, 2011 Chiropractic Services shall be set at 97.33% percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009. Effective July 1, 2012 Chiropractic Services rates shall be set at 98.% percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009

(b) Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19B, Supplement 3, Page 1d of the State Plan.

TN. No. 11-014
Supersedes
TN. No. NEW

Approval Date: 10-31-11

Effective Date: 11/01/2011

State Plan Under Title XIX of the Social Security Act
Medical Assistance
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law:

Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner Services.

d. Nurse Practitioner Services:

(1) Payments for Nurse Practitioner Services covered under Attachment 3.1-A.1 are equal to the lower of the submitted charge or the appropriate fee from the North Carolina Medicaid Nurse Practitioner Services Fee Schedule. The agency's rates were set as of November 1, 2011 and are effective on or after that date. All rates are published on the website at <http://www.ncdhhs.gov/dma/fee/index.htm>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

(a) Effective November 1, 2011 Nurse Practitioner Services shall be set at 100 % percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on November 1, 2011.

(b) Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19B, Supplement 3, Page 1g of the State Plan.

(2) Enhanced Payments for Pregnancy Medical Home Services will be made to licensed nurse practitioners for services provided by a Pregnancy Medical Home provider as specified in Attachment 3.1-B, Page 7(a) and Attachment 3.1-F. Reimbursement will be as described in Attachment 4.19-B Section 5, Page 4 of the State Plan. There shall be no cost settlement for any provider in any setting for these services reimbursed at the enhanced rates

TN. No. 11-014
Supersedes
TN. No. NEW

Approval Date: 10-31-11

Effective Date: 11/01/2011

State Plan Under Title XIX of the Social Security Act
Medical Assistance
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law:

Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner Services.

e. Independent Practitioner Services(IPS): Physical, Occupational, Speech, Language Pathology/Audiology, and Respiratory Therapy.

Payments for Independent Practitioner Services covered under Attachment 3.1-A.1, are equal to the lower of the submitted charge or the appropriate fee from the specific Independent Practitioner Services Fee Schedule. The agency's rates were set as of November 1, 2011 and are effective on or after that date. All rates are published on the website at <http://www.ncdhhs.gov/dma/fee/index.htm>. Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

(a) Effective November 1, 2011 Independent Practitioner Services shall be set at 97.34 % percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009. Effective July 1, 2012 Independent Practitioner Services rates shall set at 98% percent of North Carolinas' Medicaid Physician Services Fee Schedule in effect on October 1 of 2009.

(b) Notwithstanding any other provision, if specified, these rates will be adjusted as shown on Attachment 4.19B, Supplement 3, Page 1h of the State Plan.

TN. No. 11-014
Supersedes
TN. No. NEW

Approval Date: 10-31-11

Effective Date: 11/01/2011

State Plan Under Title XIX of the Social Security Act
Medical Assistance
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

Medical care and any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law:
Chiropractic Services, Podiatry Services, Optometry Services, Nurse Practitioner Services, Independent Practitioner Services and Other Licensed Practitioner Services.

f. Other Licensed Practitioner Services:

(1) CPT code rates for these licensed practitioners are adjusted annually in accordance with the physician services. A maximum fee is established for each service and is applicable to all specialties and setting in which the service is rendered. Payments for these Other Licensed Practitioner Services covered under Attachment 3.1-A.1, are equal to the lower of the submitted charge or the fee schedule rate.

The following licensed practitioners will have the following reductions to their maximum fee of the physician fee schedule rate.

- (a) Licensed Nurse Practitioners certified in child and adolescent psychiatry will receive 85%,
- (b) Licensed Clinical Social Workers will receive 75%,
- (c) Licensed Professional Counselors will receive 75%,
- (d) Licensed Marriage and Family Therapists will receive 75%,
- (e) Licensed Clinical Nurse Specialists certified in child and adolescent psychiatry will receive 85%,
- (f) Certified Psychological Associates will receive 75%,
- (g) Licensed Clinical Addictions Specialists and Certified Clinical Supervisors who are licensed as clinical addiction specialists will receive 75%,

Notwithstanding any other provision, if specified, the Other Licensed Practitioner Services rates will be adjusted as shown on Attachment 4.19B, Supplement 3, Page 1i of the State Plan.

(2) Any mental health non-CPT codes service which are available for other practitioners to bill will have its rate established based on Attachment 4.19-B, Section 13.

TN. No. 11-014
Supersedes
TN. No. New

Approval Date: 10-31-11

Effective Date: 11/01/2011

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 Chiropractic Services:

SFY 2004 – No adjustment. Chiropractor Fees

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Chiropractic Fees for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005 except Medicaid rates may be adjusted downward in accordance with the current year's downward adjustments to the Medicare fee schedule.

SFY 2007 - Effective January 1, 2007 an inflationary increase of 5.171% was applied.

SFY 2010 –The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009, except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Effective October 1, 2009, an overall negative rate adjustment of 4.90% was applied. There will be no further annual rate adjustment for SFY 2010.

SFY 2011 – The rates for SFY 2011 will be frozen at the rates in effect on June 30, 2010.

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 except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009.

Reference: Attachment 4.19-B, Section 6, Page 1b

TN-No: 11-014
Supersedes
TN- No. NEW

Approval Date: 10-31-11

Eff. Date :11/1/2011

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 Podiatry Services:

SFY 2004 – No adjustment. Podiatry Fees

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Podiatry Fees for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005 except Medicaid rates may be adjusted downward in accordance with the current year's downward adjustments to the Medicare fee schedule.

SFY 2007 - Effective January 1, 2007 an inflationary increase of 5.171% was applied.

SFY 2010 –The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009, except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Effective October 1, 2009, an overall negative rate adjustment of 4.90% was applied. There will be no further annual rate adjustment for SFY 2010.

SFY 2011 – The rates for SFY 2011 will be frozen at the rates in effect on June 30, 2010.

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 except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009.

Reference: Attachment 4.19-B, Section 6, Page 1

TN-No: 11-014
Supersedes
TN. No. NEW

Approval Date: 10-31-11

Eff. Date: 11/01/2011

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 Optometry Services:

SFY 2004 – No adjustment. Optometrist Fees

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Optometry Fees for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005 except Medicaid rates may be adjusted downward in accordance with the current year's downward adjustments to the Medicare fee schedule.

SFY 2007 - Effective January 1, 2007 an inflationary increase of 5.171% was applied.

SFY 2010 –The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009, except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Effective October 1, 2009, an overall negative rate adjustment of 4.90% was applied. There will be no further annual rate adjustment for SFY 2010.

SFY 2011 – The rates for SFY 2011 will be frozen at the rates in effect on June 30, 2010.

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 2.64% 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 except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009.

Reference: Attachment 4.19-B, Section 6, Page 1a

TN-No: 11-014
Supersedes
TN- No. NEW

Approval Date: 10-31-11

Eff. Date: 11/1/2011

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 Nurse Practitioner Services:

SFY 2012 – Rates will be frozen at the rate in effect on June 30, 2011. There will be no further annual adjustments this state fiscal year except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009.

SFY 2013 – Rates will be frozen at the rate in effect on June 30, 2012. There will be no further annual adjustments this state fiscal year except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009. Thereafter, the rate shall be reviewed annually, not later than March 1st of each succeeding calendar year.

Reference: Attachment 4.19-B, Section 6, Page 1c

TN-No: 11-014
Supersedes
TN- No. NEW

Approval Date: 10-31-11

Eff. Date: 11/1/2011

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 Independent Practitioner Services:

SFY 2004 – No adjustment. Other Independent Practitioner Fees

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Independent Practitioner Fees for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005 except Medicaid rates may be adjusted downward in accordance with the current year's downward adjustments to the Medicare fee schedule.

SFY 2007 - Effective January 1, 2007 an inflationary increase of 5.171% was applied.

SFY 2010 –The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009, except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Effective October 1, 2009, an overall negative rate adjustment of 4.90% was applied. There will be no further annual rate adjustment for SFY 2010.

SFY 2011 – The rates for SFY 2011 will be frozen at the rates in effect on June 30, 2010.

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 2.66% 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 except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009.

Reference: Attachment 4.19-B, Section 6, Page 1d

TN-No: 11-014
Supersedes
TN- No. NEW

Approval Date: 10-31-11

Eff. Date: 11/1/2011

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 Other Licensed Practitioner Services:

SFY 2004 – No adjustment. Licensed Practitioner Services Fees

SFY 2005 and 2006 – No rate increase from the June 30, 2005 rate for all Medicaid private and public providers with the following exceptions: federally qualified health clinics, rural health centers, state institutions, outpatient hospital, pharmacy and the non-inflationary components of the case-mix reimbursement system for nursing facilities.

NC General Assembly legislation mandates that effective July 1, 2005, reimbursement rates for Licensed Practitioner Services Fees for the state fiscal years 2005-2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005 except Medicaid rates may be adjusted downward in accordance with the current year's downward adjustments to the Medicare fee schedule.

SFY 2007 - Effective January 1, 2007 an inflationary increase of 5.171% was applied.

SFY 2010 – The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009, except Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Effective October 1, 2009, an overall negative rate adjustment of 4.90% was applied. There will be no further annual rate adjustment for SFY 2010.

SFY 2011 – The rates for SFY 2011 will be frozen at the rates in effect on June 30, 2010.

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 2.66% 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 except that Medicaid rates may be adjusted downward in accordance with the current years downward adjustments to the Medicare fee schedule. Rates for new codes will not include inflation beyond 2009.

Reference: Attachment 4.19-B, Section 6, Page 1e

TN-No: 11-014
Supersedes
TN- No. NEW

Approval Date: 10-31-11

Eff. Date: 11/1/2011