

The Department of Health and Human Services, Division of Medical Assistance (DMA) hereby provides notice of its intent to amend the Reimbursement sections of Medicaid State Plan. To comply with SL 2011 - 145, section 10.37.(a)(6) and N.C. GEN. STAT. Section 108A-70.21(b1), DMA will be submitting State Plan Amendments for the purpose of revising rate methodology language to reflect for SFY 2011 – 2012. Effective November 1, 2011 rates paid to North Carolina Medicaid and Health Choice services providers will be reduced by 2.67%. Nursing Homes will have their rate reductions effective July 1, 2011. Hospital providers will follow their normal rate update schedule of October 1, 2011 with the implementation of the DRG update.

More detailed information will be posted on the DMA website under the heading of “What’s New” section at <http://www.ncdhhs.gov/dma/provider/index.htm>. Fee schedules previously posted on the website with the effective date of October 1, 2011 have been removed and revised fee schedules will be posted once CMS has approved the related State Plan Amendments.

For questions concerning the reductions, please call DMA Finance Management at 919-647-8111.

Attention: Intermediate Care Facilities – Mental Retardation Centers (ICF-MR)

Effective November 1, 2011, there will be a rate reduction of 5.69% for all ICF-MR facilities. This is due to the legislative mandate of a 2% budget cut (2.67% for remaining State Fiscal Year) and a change in Federal Financial Participation from ARRA FMAP to Regular FMAP, causing a 3.02% decrease in rates.

In the future, any State Plan Amendment (SPA) related rate changes and corresponding recoups/repays will be posted in bulletin articles and put in the “What’s New” section of the DMA website. For questions concerning the reductions, please call DMA Finance Management at 919-647-8111.