# North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

September 26, 2014

Jackie Glaze
Associate Regional Administrator
Division of Medicaid
Centers for Medicare and Medicaid Services
Region IV
Atlanta Federal Center
61 Forsyth Street, SW Suite 4T20
Atlanta, GA 30303-8909

SUBJECT: State Plan Amendment
Title XIX, Social Security Act
Transmittal #2014-034

Dear Ms. Glaze:

Please find attached an amendment for North Carolina's State Plan under Title XIX of the Social Security Act for the Medical Assistance Program. The affected pages are Attachment 4.19-B, Supplement 1, page 2 and Attachment 4.19-B, Supplement 1, page 2a.

This state plan change is to revise the reimbursement methodologies for the Home Infusion Therapy (HIT) Program. This change also includes a 1% rate reduction to the Home Infusion Therapy (HIT) Program effective January 1, 2015, which implements Session Law 2014-100, Section 12H.14A.

This amendment is effective January 1, 2015.

Your approval of this state plan amendment is requested. If you have any questions or concerns, please contact Teresa Smith or me at 919-855-4116.

Sincerely,

Aldona Z. Wos, M.D.

Enclosures

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 Home Infusion Therapy:

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 these programs (Home Infusion Therapy) 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 1/1/2007 inflationary increase of 2.39% was applied to Home Infusion Therapy.

SFY 2010 – The rates for SFY 2010 are frozen as of the rates in effect at July 1, 2009. Effective October 1, 2009, an overall rate reduction adjustment of 4.12 % was applied to Home Infusion Therapy rates. There will be no further annual adjustment.

SFY 2011 - As of July 1, 2010, rates will be frozen.

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.

SFY 2014 – As of July 1, 2013 rates will be frozen as in effect June 30, 2013. There will be no further adjustments except that Medicaid rates may be adjusted downward in accordance with the applicable years downward adjustments to the Medicare fee schedule.

SFY 2015 – Effective July 1, 2014, the rates are frozen at the rate in effect as of June 30, 2014. Effective January 1, 2015, the rates will be adjusted such that they will equal 99% of the rate in effect December 31, 2014. There will be no further adjustments except that Medicaid rates may be adjusted downward in accordance with the applicable years downward adjustments to the Medicare fee schedule.

Reference: Attachment 4.19-B, Section 7, Page 5

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 Home Infusion Therapy Continued:

SFY 2016 – Effective July 1, 2015, the rates are frozen at the rate in effect as of June 30, 2015. 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.

Reference: Attachment 4.19-B, Section 7, Page 5