

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



May 17, 2010

Craigian 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 Title XIX State Plan Amendment, Transmittal #09-008

Dear Dr. Gray:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan that was submitted under transmittal number 09-008 and received in the Regional Office on September 29, 2009. This amendment is to apply an overall negative inflationary adjustment of 5.02 percent for SFY 2010 and freeze rates for SFY 2011 for Personal Care Services (Adult Care Homes). This change is required due to the State administrative decision to freeze existing rates effective July 1, 2009 and effective October 1, 2009 to implement rate reductions for SFY 2010. This amendment also freezes SFY 2011 rates at the 2010 level effective July 1, 2010.

Based on the information provided, we are pleased to inform you that Medicaid State Plan Amendment 09-008 was approved on May 12, 2010. The effective date of this amendment is July 1, 2009. We are enclosing the approved form HCFA-179 and plan page.

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

Sincerely,

/s/

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

Enclosures