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



October 18, 2010

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 Title XIX State Plan Amendment, Transmittal #10-004

Dear Dr. Gray:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan NC 10-004 that was received in the Regional Office on February 3, 2010. This State plan amendment was submitted with only Attachment 3.1-A pages and no Attachment 4.19-B pages, however, 4.19-B pages were submitted on March 12, 2010.

The amendment to Attachment 3.1-A implements a new service, Peer Support Services. The service is designed to provide structured activities that promote recovery, self-determination, self-advocacy, and enhancement of community living skills. The service assists the recipient to learn to manage his or her own recovery from mental health and substance abuse disorders.

The corresponding financial page review resulted in a new payment methodology being implemented for Peer Support Services located at 4.19B, Section 13, Page 5h.

Based on the information provided, we are pleased to inform you that Medicaid State Plan Amendment NC 10-004 was approved on October 12, 2010. The effective date of this amendment is July 1, 2010. We are enclosing the approved form HCFA-179 and plan pages.

If you have any questions or need any further assistance, please contact Elaine Elmore at (404) 562-7408.

Sincerely,

/s/

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