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



November 1, 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 #11-035

Dear Dr. Gray:

We have reviewed the proposed amendment to the NC Medicaid State Plan that was submitted under transmittal number 11-035 and received in the Atlanta Regional Office on August 4, 2011.

This amendment is required due to the State administrative decision to adjust the supplemental page for in-home care services for adults and children. 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.

While we are approving this State plan amendment, we want to remind the State that a sunset of coverage and reimbursement is still effective February 29, 2012. Also, we want to remind the State that the approval of this amendment does not in any way address the State's independent obligations under the Americans with Disabilities Act or the Supreme Court's Olmstead decision.

Based on the information provided, Medicaid SPA 11-035 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 page.

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

Sincerely,

/s/

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

Enclosures