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 Health Services:

FY 2003 – No adjustment for other services.

FY 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 noninflationary 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 Health) for the state fiscal years 2005- 2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005.

FY 2007 - Effective 1/1/2007 inflationary increases were applied to the following programs:

Home Health received an increase of 2.98%.

FY 2009-2010 - No inflationary adjustment and 5.73% rate reduction (annualized over nine months) for Home Health.

FY 2010-2011- No inflationary or rate adjustments for Home Health.

FY 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.

FY 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.

Reference: Attachment 4.19-B, Section 7, Pages 1-4

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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 Private Duty Nursing Services:

FY 2003 - A 5% rate reduction is applied to Private Duty Nursing.

FY 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 Private Duty Nursing for the state fiscal years 2005- 2006 and 2006-2007 will remain at the rate in effect as of June 30, 2005.

FY 2007 - Effective 1/1/2007 an inflationary increase of 4.25% is applied to Private Duty Nursing services.

FY 2009-2010 – No inflationary adjustment and 5.73% rate reduction (annualized over nine months) for Private Duty Nursing.

FY 2010-2011- No inflationary or rate adjustments are made for Private Duty Nursing.

FY 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.

FY 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.

Reference: Attachment 4.19-B, Section 8, Page 1

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MEDICAL ASSISTANCE State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

8. Private Duty Nursing Services. (PDN)

- A. Private duty nursing services are reimbursed at the lower of billed customary charges or an established hourly rate. Effective October 1, 2002, this rate, is adjusted annually by the percentage change in the rate for a skilled nursing visit by a home health agency. Effective November 1, 2010, the RN rate is paid at Fee Schedule and will be billed with a code and modifier as defined in Clinical Policy, Attachment 3.1-A-1. Notwithstanding any other provision, if specified these rates will be adjusted as shown on Supplement 1 to the 4.19-B section of the state plan. Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers. The agency's fee schedule rate is effective October 1, 2009 and is effective for services provided on or after this date. All rates are published on the agency's fee schedule, http://www.ncdhhs.gov/dma/fee/index.htm. Except as otherwise noted in the plan, this fee schedule rate shall be inflated forward annually by the Medicare Market Basket Index.
- B. Effective October 1, 1993, payment for Private Duty Nursing Medical Supplies, except those related to provision and use of DME shall be reimbursed at the lower of a provider's billed customary charges or the maximum fee established for certified home health agencies. If a new item is not covered by the DME program and Medicare allowable is available, the rate will be set at the Medicare allowable amount available to the Division of Medical Assistance. Fees will be established based on average, reasonable charges if a Medicare allowable amount cannot be obtained for a particular supply item. The Medicare allowable amounts will be those amounts based on the Market Basket Index available to the Division of Medical Assistance as of July 1 of each year.

TN. No. <u>11-037</u> Supersedes TN. No. 03-022

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