

## **Table of Contents**

**State/Territory Name: North Carolina**

**State Plan Amendment (SPA) #: 17-0008**

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179 Form
- 3) Approved SPA Pages

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Atlanta Regional Office  
61 Forsyth Street, Suite 4T20  
Atlanta, Georgia 30303



**DIVISION OF MEDICAID & CHILDREN'S HEALTH OPERATIONS**

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December 13, 2017

Mr. Dave Richard  
Deputy Secretary  
Division of Medical Assistance  
North Carolina Department of Health and Human Services  
2501 Mail Service Center  
Raleigh, North Carolina 27699-2501

Dear Mr. Richard:

We have reviewed the proposed amendment to the North Carolina Medicaid State Plan (SPA) NC 17-0008 (Durable Medical Equipment – Blood Glucose Testing Equipment & Supplies) that was initially submitted on September 20, 2017. This state plan increases the reimbursement for blood glucose testing equipment and supplies.

Based on the information provided, we are now ready to approve Medicaid State Plan Amendment NC 17-0008. This SPA was approved on December 13, 2017. The effective date of this amendment is January 1, 2018. We are enclosing the signed paper-based HCFA 179 and the approved plan pages.

Should you have questions or need further assistance, please contact Donald Graves at 919-828-2999.

Sincerely,

//s//

Shantrina Roberts  
Acting Associate Regional Administrator  
Division of Medicaid and Children's Health Operations

<b>TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</b>	1. TRANSMITTAL NUMBER: 17-0008	2. STATE NC
	3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
<b>FOR: HEALTH CARE FINANCING ADMINISTRATION</b>	4. PROPOSED EFFECTIVE DATE January 1, 2018	
<b>TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		

5. TYPE OF PLAN MATERIAL (*Check One*):

NEW STATE PLAN                       AMENDMENT TO BE CONSIDERED AS NEW PLAN                       AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (*Separate Transmittal for each amendment*)

6. FEDERAL STATUTE/REGULATION CITATION:  42 CFR 410.38	7. FEDERAL BUDGET IMPACT:  a. FFY 2018    \$5,947,843 b. FFY 2019    \$7,930,457
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:  Attachment 4.19-B, Section 7, Page 4	9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT ( <i>If Applicable</i> ):  Attachment 4.19-B, Section 7, Page 4

10. SUBJECT OF AMENDMENT:

Durable Medicaid Equipment (DME) Blood Glucose Testing Equipment & Supplies

11. GOVERNOR'S REVIEW (*Check One*):

GOVERNOR'S OFFICE REPORTED NO COMMENT                       OTHER, AS SPECIFIED: Secretary  
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED  
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

12. SIGNATURE OF STATE AGENCY OFFICIAL: //s//	16. RETURN TO:  Office of the Secretary Department of Health and Human Services 2001 Mail Service Center Raleigh, NC 27699-20014
13. TYPED NAME: Mandy Cohen, MD, MPH	
14. TITLE: Secretary	
15. DATE SUBMITTED:	

**FOR REGIONAL OFFICE USE ONLY**

17. DATE RECEIVED: 09/20/17	18. DATE APPROVED: 12/13/17
PLAN APPROVED – ONE COPY ATTACHED	
19. EFFECTIVE DATE OF APPROVED MATERIAL: 01/01/18	20. SIGNATURE OF REGIONAL OFFICIAL: //s//
21. TYPED NAME: Shantrina Roberts	22. TITLE: Acting Associate Regional Administrator Division of Medicaid and Children's Health Operations

23. REMARKS: Approved with the following changes to Block 7a and 7b as authorized by state email dated 12/11/17.

Block #7a changed to read: FFY 2018 \$5,947,843 and 7b changed to read: FFY 2019 \$7,930,457.

MEDICAL ASSISTANCE  
STATE: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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- (b) Participation in the program is limited to providers who accept, as payment in full, the amounts paid in accordance with this plan.
- (c) In all circumstances involving third party payment, Medicaid is the payor of last resort. Any amounts paid by non-Medicaid sources are deducted in determining Medicaid payment. For patients with both Medicare and Medicaid coverage, Medicaid payment is limited to the amount of Medicare-related deductibles and/or coinsurance for services, supplies and equipment covered under the Medicare program.
- (d) Excess payments may be recouped from any provider found to be billing amounts in excess of its customary charges, or costs if charges are nominal.

**B. DURABLE MEDICAL EQUIPMENT:**

- (a) Payment for each claim for durable medical equipment and associated supplies shall be equal to the lower of the supplier's usual and customary billed charges or the maximum fee established for each item of durable medical equipment or related supply. The maximum fees are set at the Medicaid fee schedule in effect on July 1, 2012. The DME fee schedule is published on the NC Division of Medical Assistance Web site at <http://dma.ncdhhs.gov/providers/fee-schedules?page=1>. Fees for added equipment shall be at Medicare Part B Fees. If a Medicare fee cannot be obtained for added equipment, then the fee shall be based on an estimate of reasonable cost. [The maximum allowable fee may be adjusted for any changes resulting from market and cost analysis conducted by the Division of Medical Assistance.] There shall be no retroactive payment adjustments for fee changes.
- (b) Effective January 1, 2018, blood glucose testing equipment and supplies shall be reimbursed based on the current State Maximum Allowable Cost. Blood glucose testing equipment and supplies are defined as blood glucose monitors, blood glucose test strips, lancing devices, lancets, and control solution.
- (c) Each equipment item shall be assigned to one of the following categories of payment methods:  
  
Purchase fee paid for inexpensive, routinely purchased, and customized equipment, and DME Supplies.