



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
KODY H. KINSLEY • Secretary

March 18, 2022

SIGNATURE REQUEST MEMORANDUM

TO: Kody H. Kinsley, Secretary
THROUGH: Dave Richard, Deputy Secretary
FROM: Betty J. Staton, SPA Manager
RE: State Plan Amendment
Title XIX, Social Security Act
Transmittal #2022- 0006

DS
DR

Purpose

Attached for your review and signature is a Medicaid State Plan amendment, summarized below, and submitted on March 18, 2022, with a due date of March 28, 2022.

Clearance

This amendment has been reviewed for both accuracy and completeness by:

Betty Staton, Emma Sandoe, Lotta Crabtree, Adam Levinson and Dave Richard.

Background and Summary of Request

It is recommended that you sign the State Plan Amendment submission per Centers for Medicare and Medicaid Services (CMS) protocol as head of the Single State Agency administering the Medicaid program.

The State Plan Amendment (SPA) requests authority for the following change to the NC Medicaid State Plan.

- The SPA allows Medicaid to increase rates for intermediate care facilities for individuals with intellectual disabilities (ICF/IIDs), including ICF/IID-level group homes, enrolled in the Medicaid or NC Health Choice program. This rate increase will be implemented as intended by the General Assembly to assist in increasing the hourly wages of direct care workers in this State towards a minimum of fifteen dollars (\$15.00) per hour. Any ICF/IID provider receiving a rate increase under Session Law 2021-180 shall be required to use at least eighty percent (80%) of the funding that results from that rate increase to increase the rate of pay paid to its direct care employees.

Your approval of this State Plan Amendment is requested. If you have any questions or concerns, please contact me or Betty J. Staton at 919-538-3215.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • OFFICE OF THE SECRETARY

LOCATION: 101 Blair Drive, Adams Building, Raleigh, NC 27603
MAILING ADDRESS: 2001 Mail Service Center, Raleigh, NC 27699-2000
www.ncdhhs.gov • TEL: 919-855-4800 • FAX: 919-715-4645

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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 ICF/MR Services - Continued:

FY 2009-2010 - The rates for SFY2010 are frozen as of the rates in effect July 1, 2009.

FY 2010-2011 – Effective January 1, 2011, an overall rate increase of 8.35% for ICF-MR facilities.

FY 2011-2012 – Rates will be frozen at the rate in effect on June 30, 2011. Effective November 1, 2011, the June 30, 2011 rates will be adjusted by a negative 5.02% to yield a twelve (12) month two percent (2%) budget reduction and to offset the decrease in the FMAP from ARRA to normal in the nine (9) remaining months of this State Fiscal Year. The direct portion of the rate will receive a decrease of 4.41% while the indirect portion will receive a rate decrease of 6.62%.

FY 2012-2013 – Effective July 1, 2012, the rates will be adjusted such that they will equal 96.24% of the rate in effect July 1, 2011 in order to yield a twelve (12) month two percent (2%) budget reduction and to offset the decrease in the FMAP from ARRA to normal. There will be no further annual adjustments this state fiscal year.

FY 2021-2022 – Effective February 1, 2022, the rates for private providers will be increased by \$102.06 per diem. This rate increase is intended to implement an increase in the hourly wages of direct care workers to a minimum of \$15.00 per hour, as directed by the General Assembly in the Operation Appropriations Act of 2021 Session Law 2021-180. Any ICF/IID provider receiving a rate increase under Session Law 2021-180 is required to use at least eighty percent (80%) of the funding that results from that rate increase to increase the rate of pay paid to its direct care employees.

Reference - Supplement to Attachment 4.19-D, Addendum ICF-MR Page 10

TN. No. 22-0006
Supersedes
TN. No. 11-042

Approval Date:

Eff. Date: 02/01/2022