




NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

**ROY COOPER** • Governor  
**KODY H. KINSLEY** • Secretary  
**JAY LUDLAM** • Deputy Secretary, NC Medicaid

**SIGNATURE REQUEST MEMORANDUM**

**TO:** Jay Ludlam 

**FROM:** Betty J. Staton, SPA Manager

**RE:** State Plan Amendment

Title XIX, Social Security Act  
Transmittal #2024-0009

**Purpose**

Attached for your review and signature is a Medicaid State Plan Amendment (Partial Hospitalization/Day Treatment) summarized below, and submitted on March 12, 2024, with a due date of March 14, 2024.

**Clearance**

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

*Betty J. Staton, Melanie Bush, Lotta Crabtree, Adam Levinson*

**Background and Summary of Request**

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

Please find attached a State Plan Amendment (SPA) that applies inflationary rate increases supported by the North Carolina General Assembly appropriated funds in the Current Operations Appropriations Act of 2023 (SL 2023-134) House Bill 259 to the following services:

- Partial Hospitalization (H0035)
- Child and Adolescent Day Treatment (H2012)

The proposed effective date of the SPA is January 01, 2024.

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

MEDICAL ASSISTANCE

State: North Carolina

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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12) Partial Hospital (H0035)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Partial Hospital. The agency's fee schedule rate of \$132.32 per diem was set as of July 1, 2012. Effective March 1, 2022, the rate increased to \$135.20 for services provided on or after that date.

Effective January 1, 2024, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules).

This service will be provided by direct enrolled Medicaid providers who may be either private or governmental. This service is not cost settled for any provider. This service is provided in accordance with Attachment 3.1- A.1 Page 7c. 5, Paragraph 4.b.(8), subparagraph (e) and Attachment 3.1-A.1 Page 15a.4, Paragraph 13.D., subparagraph (v).

The facilities providing this service are not IMD facilities and NC Medicaid is not reimbursing room and board for this service.

In the event this service is operated by a 638 Compact or Indian Health Service Provider, the rate of reimbursement shall be the All-Inclusive Rate (AIR) established on an annual basis as published in the Federal Register.

In the event this service is operated by a 638 Compact or Indian Health Service Provider and is not covered under the criteria to receive the All-Inclusive Rate (AIR), the provider is subject to the NC Medicaid Fee Schedule or other agreed upon rate(s) by the payor.

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TN No: 24-0009

Supersedes

TN No: 22-0008

Approval Date:

Effective Date: 01/01/2024

MEDICAL ASSISTANCE

State: North Carolina

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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19) Child and Adolescent Day Treatment (H2012 HA)

Except as otherwise noted in the plan, state-developed fee schedule rates are the same for both governmental and private providers of Child and Adolescent Day Treatment. The agency's fee schedule rate of \$31.41 was set as of October 1, 2009. Effective March 1, 2022, the rate increased to \$32.13 per hour for services provided on or after that date.

Effective January 1, 2024, the agency's published Enhanced Mental Health Services fee schedule rates are effective for services provided on or after that date. The Enhanced Mental Health Services fee schedule is published on the Division of Health Benefits website at [https://ncdhhs.servicenowservices.com/fee\\_schedules](https://ncdhhs.servicenowservices.com/fee_schedules).

This service will be provided by direct enrolled Medicaid providers who may be either private or governmental. This service is not cost settled for any provider. This service is provided in accordance with Attachment 3.1- A.1 Page 7c.4, Paragraph 4.b, subparagraph (d).

The facilities providing this service are not IMD facilities and NC Medicaid is not reimbursing room and board for this service.

In the event this service is operated by a 638 Compact or Indian Health Service Provider, the rate of reimbursement shall be the All-Inclusive Rate (AIR) established on an annual basis as published in the Federal Register.

In the event this service is operated by a 638 Compact or Indian Health Service Provider and is not covered under the criteria to receive the All-Inclusive Rate (AIR), the provider is subject to the NC Medicaid Fee Schedule or other agreed upon rate(s) by the payor.

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Approval Date:

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