



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

JOSH STEIN • Governor

DEV DUTTA SANGVAI • Secretary

JAY LUDLAM • Deputy Secretary, NC Medicaid

January 27, 2026

Re: Update: Important Change in Provider Reimbursement

Dear County Department of Social Services Directors:

On September 29, 2025, NC Medicaid notified local agencies of changes to the provider reimbursement rates for Non-Emergency Medicaid Transportation (NEMT) services effective October 1, 2025.

Local agencies were previously instructed to manually apply a 3% rate reduction to the reimbursement amount prior to submitting the claim to NC Tracks. In November 2025, NC Tracks began to automatically apply the NEMT rate reduction based on the Prior Authorization (PA) amount entered by the local agencies to NC Tracks.

Due to recent court rulings, North Carolina Department of Health and Human Services (NCDHHS) reversed this reduction and began taking the proper steps to restore rate reimbursements based on the agreements in place as of September 30, 2025.

All NEMT claims submitted on December 17, 2025, and ongoing, no longer have the 3% rate reduction applied by NC Tracks. Local agencies were asked to enter the 100% of the reimbursement rate in effect on September 30, 2025, and work with their NEMT providers to ensure both the PA amounts and the NEMT provider amounts match.

Please note that NC Tracks has completed all system updates to reimburse NEMT providers with the 3% rate reduction for claims that were submitted to NC Tracks on November 23, 2025, through December 16, 2025.

For claims submitted into NC Tracks on October 1, 2025, through December 15, 2025, and a 3% rate reduction was manually calculated by the local agencies, the local agencies will need to send an update for each PA record. The county will need to include the record in a future file **utilizing the Action Code of '1' to reflect the record is an update and include the full amount of the transportation cost in the Approved Amount field**. If all data validations pass for the PA

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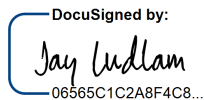
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record, then GDIT will update the NC Tracks PA record with the data in the record from the county. If any validations fail, then the PA will be rejected and included in the response file back to the county with the reason code for the rejection. This is the same process that the counties utilize when updating an existing record today.

Local agencies may also refer to NEMT bulletin at [Non-Emergency Medical Transportation Rate Reduction Update | NC Medicaid](#).

If you have any questions, please contact Brenda Gooch, NEMT Senior Manager at [brenda.gooch@dhhs.nc.gov](mailto:brenda.gooch@dhhs.nc.gov)

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Jay Ludlum

Deputy Secretary, NC Medicaid