



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

JOSH STEIN • Governor

DEVPUTTA SANGVAI • Secretary

JAY LUDLAM • Deputy Secretary, NC Medicaid

December 22, 2025

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, a 3% rate reduction was applied to the reimbursement rate paid for NEMT services for all trips completed on or after October 1, 2025, and submitted through NCTracks.

Recent court rulings now require North Carolina Department of Health and Human Services (NCDHHS) to reverse those reductions and restore rates to their September 30, 2025, levels.

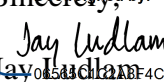
Local agencies were previously instructed to manually apply the 3% rate reduction to the reimbursement amount prior to submitting the claim to NCTracks. In November 2025, NCTracks began to automatically apply the NEMT rate reduction based on the Prior Authorization (PA) amount entered by the local agencies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

Effective December 17, 2025, NCTracks will no longer apply the 3% rate reduction for NEMT claims. Local agencies should enter the 100% reimbursement rate in effect on September 30, 2025. Local agencies must also communicate with their NEMT providers to submit the 100% reimbursement rate in NCTracks to ensure correct payment is received. If the NEMT provider or local agency enters a lower amount, NCTracks will reimburse based on the lower amount entered. It is very important both the Prior Authorization amount and the NEMT provider amount match.

Local agencies may refer to NEMT bulletin at [Non-Emergency Medical Transportation Rate Reduction Update | NC Medicaid](#) which outlines the process to reimburse NEMT providers for claims submitted in NCTracks October 1, 2025, through December 16, 2025. The Department will notify the local agencies when NC Tracks has completed all necessary updates and provide next steps. **No action is required by the local agencies at this time.**

If you have any questions, please contact Brenda Gooch, NEMT Senior Manager at brenda.gooch@dhhs.nc.gov

Sincerely,
Signed by:


Jay Ludlam

Deputy Secretary, NC Medicaid

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