



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Richard O. Brajer
Secretary

December 16, 2016

Jackie Glaze
Associate Regional Administrator
Division of Medicaid
Centers for Medicare and Medical services
Region IV
Atlanta Federal Center
61 Forsyth Street, SW Suite 4T20
Atlanta, GA 30303-8909

SUBJECT: State Plan Amendment
Title XIX, Social Security Act
Transmittal #2016-010

Dear Ms. Glaze:

Please find the attached amendment for North Carolina's State Plan under Title XIX of the Social Security Act for the Medical Assistance Program. The affected pages are Attachment 4.19-A, Page 25 and Attachment 4.19-A, Supplement 1, Page 1.

This state plan amendment implements Session Law 2015 – 241, Section 12H.18, which requires that rates for Swing Beds and Lower Level Beds remain the same as those in effect June 30, 2015.

This amendment is effective December 1, 2016.

Your approval of this state plan amendment is requested. If you have any questions or concerns, please contact Teresa Smith or me at 919-855-4116.

Sincerely,

A handwritten signature in black ink that reads "Rob Davis / for ROB".

Richard O. Brajer
Secretary

ROB:ts

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State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

Payments for Medical and Remedial Care and Services: Inpatient Hospital

(e) Days for authorized nursing facility level of care rendered in an acute care hospital shall be reimbursed at a rate equal to the average rate for all such Medicaid days based on the rates in effect for the long term care plan year. The agency's fee schedule rates were set as of July 1, 2012 and are effective for services provided on or after that date. All rates are published on the website at <https://dmas.ncdhhs.gov/providers/fee-schedules>.

Days for lower than acute level of care for ventilator dependent patients in swing-bed hospitals or that have been down-graded through the utilization review process may be paid for up to 180 days at a lower level ventilator-dependent rate if the hospital is unable to place the patient in a lower level facility. An extension may be granted if in the opinion of the Division of Medical Assistance the condition of the patient prevents acceptance of the patient. A single all-inclusive prospective per diem rate is paid, equal to the average rate paid to nursing facilities for ventilator-dependent services. The hospital must actively seek placement of the patient in an appropriate facility.

(f) The Division of Medical Assistance may make a retrospective review of any transfers to a lower level of care prior to the expiration of the average length of stay for the applicable DRG. The Division of Medical Assistance may adjust the DRG payment if the transfer is deemed to be inappropriate, based on the preponderance of evidence of a case by case review.

(g) In state-operated hospitals, the appropriate lower level of care rates equal to the average rate paid to state operated nursing facilities, are paid for nursing facility level of care patients awaiting placement in a nursing facility bed.

(h) For an inpatient hospital stay where the patient is Medicaid eligible for only part of the stay, the Medicaid program shall pay the DRG payment less the patient's liability or deductible, if any, as provided by 10 NCAC 50B .0406 and .0407. (see page 28-28(c) of this plan)

State Plan Under Title XIX of the Social Security Act
Medical Assistance Program
State: North Carolina

Payment for Medical and Remedial Care and Services: Inpatient Hospital

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TN. No. 16-010
Supersedes
TN. No. 13-032

Approval Date: _____

Eff. Date: 12/01/2016