



North Carolina Department of Health and Human Services
Division of Medical Assistance
Audit Section

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Michael F. Easley., Governor
Carmen Hooker Odom, Secretary

Nina M. Yeager, Director
Harold Wiggins, Section Chief

MEMORANDUM

To: All Medicaid Providers
From: Harold Wiggins
Date: February 12, 2003
Subject: Requests for Extensions to File Medicaid Cost Reports

Effective immediately we will only approve extensions to the Medicaid cost report filing due dates for good cause. The following reasons for delay are not considered good causes: ignorance of the law, hardship, inconvenience, and cost report preparer engaged in other work. Basically, there must be a legal excuse for the delay or intervening action beyond your control, i.e., fire, flood, hurricane, tornado, or other natural disaster that causes widespread damage that prevents the preparation and filing the cost report timely.

To be granted this extension, submit a written request and obtain written approval from the DMA Audit Section prior to your cost report due date. If we approve the extension, then penalties and interest will not apply.

If your cost report is submitted after the due date, and the extension is not approved, penalties and interest will apply. A ten percent late filing penalty will be assessed and interest will accrue at six percent per annum (current variable rate). In addition, providers that submit their cost reports after their due dates, and have not requested a late filing extension, are subject to a 20 percent reduction in interim rates until the cost report is filed and accepted.

