November 7, 2018

Shantrina Roberts
Associate Regional Administrator
Division of Medicaid
Centers for Medicare and Medicaid Services
Region IV
Atlanta Federal Center
61 Forsyth Street, SW Suite 4120
Atlanta, GA 30303-8909

SUBJECT: State Plan Amendment
Title XIX, Social Security Act
Transmittal #2018-0008

Dear Ms. Roberts:

Please find attached an 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-B, Section 9, Page 3 and Attachment 4.19-B, Supplement 1, Page 4.
This state plan change is to remove the Market Basket Index applied as the inflationary factor in effect each January 1st from the Freestanding Birth Center Program.
This amendment is effective January 1, 2019.

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

Sincerely,

[Signature]

Mandy Cohen, MD, MPH
Secretary

Enclosures
d. Freestanding Birth Center Services:

Payments for Freestanding Birth Centers Services covered under Attachment 3.1-A are equal to the lower of the submitted charge or the appropriate fee from the North Carolina Medicaid Freestanding Birth Center Services Fee Schedule.

(a) Effective October 6, 2011, the rate for Freestanding Birth Center Services is an all-inclusive fee schedule facility rate. The rate was initially established at 80% of the hospital reimbursement for a vaginal delivery without complications using the DRG 775 weight and 45th percentile DRG Base rate in effect October 1, 2011.

(b) Reimbursement for Freestanding Birth Center procedures discontinued subsequent to the patient’s surgical preparation, but prior to the administration of anesthesia (local, regional block, or general) will be reimbursed at 50% of the allowable for the procedure.

The agency’s rate was set as of January 1st, 2019 and is effective on or after that date. The Fee Schedule rate is published on the agency’s website at https://medicaid.ncdhhs.gov/providers/fee-schedule-index

Except as otherwise noted in the plan, State developed fee schedule rates are the same for both governmental and private providers.

(c) Freestanding Birth Center Services reimbursed under a fee schedule are not subject to cost settlement.
PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICE

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