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

Payments for Medical and Remedial Care and Services

Payment for ICF/MR Services - Continued:

FY 2009-2010 - The rates for SFY2010 are frozen as of the rates in effect July 1, 2009.

FY 2010-2011 – Effective January 1, 2011, an overall rate increase of 8.35% for ICF-MR facilities.

FY 2011-2012 – Rates will be frozen at the rate in effect on June 30, 2011. Effective November 1, 2011, the June 30, 2011 rates will be adjusted by a negative 5.02% to yield a twelve (12) month two percent (2%) budget reduction and to offset the decrease in the FMAP from ARRA to normal in the nine (9) remaining months of this State Fiscal Year. The direct portion of the rate will receive a decrease of 4.41% while the indirect portion will receive a rate decrease of 6.62%.

FY 2012-2013 – Effective July 1, 2012, the rates will be adjusted such that they will equal 96.24% of the rate in effect July 1, 2011 in order to yield a twelve (12) month two percent (2%) budget reduction and to offset the decrease in the FMAP from ARRA to normal. There will be no further annual adjustments this state fiscal year.

FY 2021-2022 – Effective February 1, 2022, the rates for private providers will be increased by \$102.06 per diem. This rate increase is intended to implement an increase in the hourly wages of direct care workers to a minimum of \$15.00 per hour, as directed by the General Assembly in the Operation Appropriations Act of 2021 Session Law 2021-180. Any ICF/IID provider receiving a rate increase under Session Law 2021-180 is required to use at least eighty percent (80%) of the funding that results from that rate increase to increase the rate of pay paid to its direct care employees.

Reference - Supplement to Attachment 4.19-D, Addendum ICF-MR Page 10

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