




NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
JAY LUDLAM • Deputy Secretary, NC Medicaid

SIGNATURE REQUEST MEMORANDUM

TO: Jay Ludlam 

FROM: Ashley Blango, SPA Coordinator

RE: State Plan Amendment

Title XIX, Social Security Act
Transmittal #2024-0036

Purpose

Attached for your review and signature is a Medicaid State Plan Amendment (Ambulance) summarized below, and submitted on November 21, 2024, with a due date of December 2, 2024.

Clearance

This amendment has been reviewed for both accuracy and completeness by:

Ashley Blango, Betty J. Staton, Kathryn Horneffer, Lotta Crabtree, Adam Levinson, Melanie Bush

Background and Summary of Request

It is recommended that you sign this State Plan Amendment submission per Centers for Medicare and Medicaid Services (CMS) protocol as head of the Single State Agency administering the Medicaid program.

This SPA will add two new codes: Ambulance Treatment Without Transportation to the Hospital (A0998) and Ambulance Specialty Care Transportation (A0434). These services expand coverage and allow for payment without requiring transport to a hospital, with the aim of reducing inpatient visits.

The proposed effective date of the SPA is October 1, 2024.

Your approval of this State Plan Amendment is requested. If you have any questions or concerns, please contact me or Ashley Blango at 919-812-6145.

MEDICAL ASSISTANCE
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

A. Direct Medical Services Payment Methodology

Effective July 1, 2009 Ambulance Services fees will be based on the following percentages of the Medicare Fee Schedule:

- a. Ground Mileage, Per Statue Mile will be 45%
- b. Advanced Life Support, Non-Emergency, Level 1 will be 30%
- c. Basic Life Support, Non-Emergency, Level 1 will be 33%
- d. Advanced Life Support, Emergency will be 35%
- e. Basic Life Support, Emergency will be 22%
- f. Conventional Air Services, One Way (Fixed Wing) will be 16%
- g. Conventional Air Services, One Way (Rotary Wing) will be 14%
- h. Advance Life Support, Level 2 will be 24%
- i. Fixed Wing Air Mileage per Statue Mile will be 45%
- j. Rotary Wing Air Mileage, Per Statue Mile will be 54%

Effective January 1, 2019, the Ambulance Non-Emergency Medical Transportation rate for Procedure Code T2003 will be \$474.00.

Effective October 1, 2024, Treat No Transport and Specialty Care Transportation will be added as covered services.

Effective October 1, 2024, the agency's published Ambulance Transportation Fee Schedule is published on the agency's Division of Health Benefits website at: https://ncdhhs.service-nowservices.com/fee_schedules

TN No: 24-0036
Supersedes
TN No: 18-0011

Approval Date:

Eff. Date: 10/1/2024

MEDICAL ASSISTANCE
State: NORTH CAROLINA

PAYMENTS FOR MEDICAL AND REMEDIAL CARE AND SERVICES

To determine the Medicaid-allowable direct and indirect costs of providing Medicaid-eligible emergency transportation for governmental providers, the following steps are performed:

- (1) Direct costs for direct medical services include payroll costs, EMS service contracted, communications, rental cost equipment/vehicles, EMS travel, vehicle maintenance/operations/repairs; materials and supplies that can be directly charged to direct medical services.

These direct costs are accumulated on the provider's annual cost report, resulting in total direct costs. The cost report contains the scope of cost and methods of cost allocation in accordance with the principles in 2 CFR Part 225 and the CMS Provider Reimbursement Manual.

- (2) Total direct costs for direct medical services from Item B 1 above are reduced on the cost report by any federal grant payments with a matching requirement resulting in adjusted direct costs for direct medical services.
- (3) Indirect costs are determined using the provider's annual central service cost allocation plan. A double step-down allocation requiring sequential ordering of benefiting departments is used to distribute indirect costs among central services and other departments that receive benefits. Only Medicaid-allowable costs are certified by providers. North Carolina adheres to the CMS approved cost identification process described on this page.
- (4) Net direct costs and indirect costs are combined.
- (5) An average cost per trip is calculated by dividing net direct and indirect costs by total transports. Transports are transportation of a patient for medically necessary treatment. Trips are empty ambulance en route to a call or returning from a transport. Mileage is applied for medically necessary ground transportation both in and outside the county's base area.
- (6) Medicaid's portion is calculated by multiplying the results from Item B 4 above by the total number of Medicaid transports.

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