



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

JOSH STEIN • Governor
DEV DUTTA SANGVAI • Secretary
MELANIE BUSH • Deputy Secretary, NC Medicaid

SIGNATURE REQUEST MEMORANDUM

TO: Melanie Bush ^{DS} MB
FROM: Ashley Blango, SPA Manager
RE: State Plan Amendment

Title XIX, Social Security Act
Transmittal #2025-0010

Purpose

Attached for your review and signature is a Medicaid State Plan Amendment (**Four Walls**) summarized below, and submitted on May 19, 2026, with a due date of May 26, 2026.

Clearance

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

Ashley Blango, Kathryn Horneffer, Todd Baustert, Tabitha Evans, Chris Gordon

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.

The purpose of the revisions to the State Plan Amendment will add an exception to the “four walls” requirement for clinic services provided by IHS and Tribal facilities. Per CMS requirement, this SPA allows NC Medicaid to reimburse IHS and Tribal clinics for clinic services provided the “four walls” of the brick-and-mortar clinic. These SPA pages are to replace the existing Clinic Services pages in the State Plan.

The proposed effective date for the SPA is January 1, 2025.

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

State Plan under Title XIX of the Social Security Act

State/Territory: North Carolina

Section 1905(a)(9) Clinic Services

The state provides coverage for this benefit as defined at section §1905(a)(9) of the Social Security Act (the Act) and 42 C.F.R. 440.90 and as described as follows:

General Assurances

[Select all three checkboxes below.]

- The state assures services are furnished by a facility that is not part of a hospital in accordance with 42 C.F.R. 440.90.
- The state assures that services are furnished by facilities that are organized and operated to provide medical care to outpatients in accordance with 42 C.F.R. 440.90.
- The state assures that services are furnished under the direction of a physician or dentist in accordance with 42 C.F.R. 440.90(a).

Types of Clinic Services and Limitations in Amount, Duration, or Scope

[Select if applicable, describe below, and indicate if limits may be exceeded based upon state determined medical necessity criteria.]

- Limitations apply to all services within the benefit category.

PRA Disclosure Statement - This use of this form is mandatory and the information is being collected to assist the Centers for Medicare & Medicaid Services in implementing section §1905(a)(9) of the Social Security Act. Under the Privacy Act of 1974, any personally identifying information obtained will be kept private to the extent of the law. An agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid Office of Management and Budget (OMB) control number. The OMB control number for this project is 0938-1148 (CMS-10398 #91). Public burden for all of the collection of information requirements under this control number is estimated to take about 25 hours per response. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to CMS, 7500 Security Boulevard, Attn: Paperwork Reduction Act Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

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State Plan under Title XIX of the Social Security Act

State/Territory: North Carolina

Section 1905(a)(9) Clinic Services

Types of Clinics and Services:

[Select all that apply and describe below as applicable]

Behavioral Health Clinics **[Describe the types of behavioral health clinics below and select below if applicable.]:**

Limitations apply only to this clinic type within the benefit category. **[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]**

IHS and Tribal Clinics **[Select below if applicable.]:**

Limitations apply only to this clinic type within the benefit category. **[describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria].**

Mandatory services visits are provided in accordance with 42 CFR 440.230 per recipient per State fiscal year. Exceptions to a visit limitation may be authorized by the State when additional visits are medically necessary.

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Section 1905(a)(9) Clinic Services

9. Clinic Services
 All medical services performed must be medically necessary and may not be experimental in nature.

a. Only services furnished by or under the direction of a physician or dentist are covered.

b. Services specifically covered under other Medicaid programs, e.g., Family Planning are not reimbursable under the clinic program.

c. Office visits in a clinic setting are included in the visit limit per recipient per State fiscal year. This limitation does not apply to adults 21 and over receiving mental health services subject to independent utilization review.

Renal Dialysis Clinics **[Select below if applicable.]:**

Limitations apply only to this clinic type within the benefit category. **[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]**

Specific Criteria Not Covered by Medicaid:

Medicaid shall not cover the following Dialysis Services:

1. office visits, home visits, consults and care plan oversight included in the monthly capitation
2. access maintenance performed by the staff in the ESRD facility
3. take home drugs and supplies
4. specimen collection fees

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Section 1905(a)(9) Clinic Services

- 5. transportation: The beneficiary is encouraged to contact their local county Department of Social Services for assistance
- 6. medical supply charges, including syringes and their administration
- 7. costs associated with a private caregiver, outside of allowed training paid to the training facility; and
- 8. capitation payment for the month in which the training code is billed.

Note: When a beneficiary becomes eligible for Medicare or another third-party payer, Medicaid cannot be billed as the primary payer.

Federal Qualified Health Centers and Rural Health Clinics may not provide dialysis services or any dialysis related services.

Other Clinics **[Describe the types of clinics, if any limitations apply, and select below if applicable.]:**

[Empty text box for describing other clinics]

Limitations apply only to this clinic type within the benefit category. **[Describe below and indicate if limits may be exceeded based upon state determined medical necessity criteria.]**

[Empty text box for describing limitations]

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Section 1905(a)(9) Clinic Services

[Empty box for Section 1905(a)(9) Clinic Services]

Four Walls Exceptions

The state assures that the following services may be furnished outside of the clinic. **[Select the first and second checkbox; Do not select the second checkbox if the state does not enroll IHS or Tribal facilities as providers of clinic services.]**

Services furnished outside the clinic, by clinic personnel under the direction of a physician, to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address in accordance with 42 C.F.R. 440.90(b).

Services furnished outside a clinic that is a facility of the Indian Health Service, whether operated by the Indian Health Service (IHS) or by a Tribe or Tribal organization (as authorized by the Indian Self-Determination and Education Assistance Act (ISDEAA), Pub. L. 93-638), by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(c).

The state elects to cover the following services outside of the clinic **[Select all that apply.]**

Services furnished outside of a clinic that is primarily organized for the care and treatment of outpatients with behavioral health disorders, including mental health and substance use disorders, by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(d) **[Describe the types of behavioral health clinics such exception applies to below.]**

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Section 1905(a)(9) Clinic Services

[Empty box for Section 1905(a)(9) Clinic Services]

Services furnished outside of a clinic that is located in a rural area and is not a rural health clinic (as referenced in section §1905(a)(2)(B) of the Act and 42 C.F.R. 440.20(b) of this subpart) by clinic personnel under the direction of a physician in accordance with 42 C.F.R. 440.90(e) [Select one of the checkboxes below and describe the definition of a rural area that applies to this exception.]:

A definition adopted and used by a federal governmental agency for programmatic purposes [Describe below.]:

[Empty box for federal agency definition]

A definition adopted by a state governmental agency with a role in setting state rural health policy [Describe below.]:

[Empty box for state agency definition]

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Section 1905(a)(9) Clinic Services

The state attests that **[Select the checkbox if the state elects to cover services outside of a clinic that is located in a rural area.]**:

- The selected definition of a rural area best captures the population of rural individuals that meets more of the four criteria that mirror the needs and barriers to access experienced by individuals who are unhoused:
- The population experiences high rates of behavioral health diagnoses or difficulty accessing behavioral health services;
 - The population experiences issues accessing services due to lack of transportation;
 - The population experiences a historical mistrust of the health care system; and
 - The population experiences high rates of poor health outcomes and mortality.

Additional Benefit Description (Optional)

At its option the state may provide additional descriptive information about the benefit, beyond what is included in the federal statutory and regulatory definitions and descriptions. **[Describe below.]**:

[Empty text box for additional benefit description]

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