NC DEPARTMENT OF HEALTH AND HUMAN SERVICES
Division of Health Benefits

JOSH STEIN • Governor
DEVDUTTA 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 #2026-0008

Purpose
Attached for your review and signature is a Medicaid State Plan Amendment **(Skilled Nursing Facility Ventilator Services (SNF Vent))** summarized below, and submitted on September 18, 2026 with a due date of September 18, 2026.

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

Ashley Blango, Tabitha Evans, Chris Gordon, Sarah Gregosky, 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.

The purpose of the revisions to the State Plan Amendment will remove rate freeze language. It re-establishes rate negotiable reimbursement methodologies that currently exist in the NC Medicaid State Plan for Skilled Nursing Facilities providing intensive services to ventilator dependent Medicaid beneficiaries.

The proposed effective date for the SPA is August 1, 2026.

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
Medical Assistance Program
State: North Carolina

Payment for Services – Prospective Reimbursement Plan for Nursing Care Facilities

(2) Ventilator Services:

(A) Ventilator services approved for nursing facilities providing intensive services or ventilator dependent patients are reimbursed at higher direct rates as described in Section .0102(b)(2).

(B) A facility's initial direct rate shall be negotiated based on budget projections of revenues, allowable costs, patient days, staffing and wages, at a level no greater than the facility's specific projected cost, and subject to review upon the completion of an audited full year cost report. The negotiated rate shall not be less than the North Carolina statewide Medicaid day-weighted average direct care plus the indirect rate. Rates in subsequent years are determined by applying the index factor as set forth in Section .0102(e) to the negotiated rate in the previous year, unless either the provider or the State requests a renegotiation of the rate within sixty days (60) of the rate notice.

(C) Cost reports for this service shall be filed in accordance with Section .0104 but there shall not be cost settlements for any difference between cost and payments.

(D) A single all-inclusive prospective per diem rate combining both the direct and indirect cost components can be negotiated for nursing facilities that specialize in providing intensive services for ventilator-dependent patients. The negotiated rate is considered to provide payment for all financial considerations and shall not include the fair rental value adjustment as defined in Section .0102. The negotiated rate will be paid to the facility for services provided to ventilator patients only. The per diem payment rate for non-ventilator patients shall be the rate calculated in accordance with Section .0102 (b) – (e). All rates are published on the website https://ncdhhs.servicenowservices.com/fee_schedules, and are effective for services provided on or after the published date.