



North Carolina Department of Health and Human Services

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Beverly Eaves Perdue, Governor

February 5, 2009

Lanier M. Cansler, Secretary

Mr. Bob Weiss, Interim Director
Fiscal Research Division
Room 619, Legislative Office Building
Raleigh, NC 27601

Dear Mr. Weiss:

In accordance with Section 10.10(a) of Session Law 2008-107 (House Bill 2436) "Medical Policy Changes," we are pleased to submit the attached report for the period of July 1, 2008 through December 31, 2008 regarding the implementation of DMA medical policy changes with an annual financial impact of less than \$3 million.

If you have questions or would like additional information, please contact Patti Forest, M.D., Assistant Director for Clinical Policy and Programs of the Division of Medical Assistance at (919) 855-4260.

Thank you.

Sincerely

A handwritten signature in black ink, appearing to read "Lanier M. Cansler".

Lanier M. Cansler

LMC:pf

Attachment

cc: Allen Feezor
Jennifer Hoffmann
Sharnese Ransome

Dan Stewart
Tara R. Larson
Legislative Library (2)



**DIVISION OF MEDICAL ASSISTANCE
CLINICAL POLICY AND PROGRAM CHANGES
1st & 2nd Qtrs SFY 2008 - 2009**

Reporting Period - July 1, thru December 31, 2008

Name of Policy	Eff. Date	SFY 08-09	SFY 09-10	SFY 10-11	SFY11-12	SFY 12-13
Breast Surgeries	July 1, 2008	\$0	\$0	\$0	\$0	\$0
Sterilization Procedures	July 1, 2008	(\$2,517,864)	(\$2,980,645)	(\$3,436,895)	(\$3,657,458)	(\$3,891,323)
Childbirth Education	August 1, 2008	\$86,209	\$163,583	\$169,468	\$175,588	\$181,909
Keloids Excisions and Scar Revisions	August 1, 2008	\$0	\$0	\$0	\$0	\$0
Outpatient Cardiac Rehabilitation	August 1, 2008	\$1,817,306	\$2,107,734	\$2,215,914	\$2,338,094	\$2,454,999
Sleep Studies	September 1, 2008	\$1,185,589	\$477,465	\$504,046	\$531,989	\$561,361
*Independent Practitioners	September 1, 2008	N/A	N/A	N/A	N/A	N/A
Mental Health Drug Management Program						
Administrative Procedures	October 1, 2008	(\$9,308)	(\$10,611)	(\$12,097)	(\$13,790)	(\$15,721)
Reconstructive and Cosmetic Surgery	October 1, 2008	\$0	\$0	\$0	\$0	\$0
Rhinoplasty and/or Septorhinoplasty	October 1, 2008	\$0	\$0	\$0	\$0	\$0
**Outpatient Pharmacy Program	October 10, 2008	N/A	N/A	N/A	N/A	N/A
Craniofacial Surgery	December 1, 2008	\$0	\$0	\$0	\$0	\$0
Total		\$561,932	(\$242,474)	(\$559,564)	(\$625,577)	(\$708,775)
Grand Total	(\$1,574,458)					

*Removed "pre-vocational assessment" from list of services provided by occupational therapists. This was a CMS Mandate. The above statement can be found on page 37 of the revised policy (Date- 09/01/08; Section 1.3.1; see attachment) Therefore, a fiscal note is not required.

**Added instructions for the Enhanced Specialty Discount Drug List; renumbered old sections 5.9 through 5.12 to 5.10 through 5.13. The above statement can be found on page 19 of the revised policy. Section 5.9; Attachment A, sections B.3, B.5, and G (Date- 10/10/08- Section 5.9; attachment A, sections B3, B5 and G). Therefore, a fiscal note is not required.