



North Carolina Department of Health and Human Services  
**Division of Medical Assistance**

2501 Mail Service Center • Raleigh, N. C. 27699-2501 • Tel 919-855-4100 • Fax 919-733-6608

Beverly Eaves Perdue, Governor  
Lanier M. Cansler, Secretary

Craig L. Gray, MD, MBA, JD, Director

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Important Update – Nursing Facility Providers and Hospital Based Nursing Facility Providers

North Carolina Medicaid cost reports are required for Nursing Facility (NF) providers and Hospital-Based Nursing Facility (HBNF) providers pursuant to the North Carolina State Plan (Attachment 4.19-D, Page 11, Section .0104(a)) and the North Carolina Administrative Code (10A NCAC 22G.0104(a)). The current format and medium of these cost reports is in DOS based FoxPro software developed in 1995 which presents annual challenges to maintain given the changes in computer and software technology since 1995. In September 2011, North Carolina Department of Health and Human Services (NCDHHS) decided the Division of Medical Assistance (DMA) will continue the use of FoxPro for the cost report fiscal year ended 9/30/2011. NCDHHS also decided DMA will transition the cost report medium to the CMS cost reporting software including the format of supplemental schedules as necessary to comply with North Carolina State Plan reimbursement regulations. DMA shall assemble a task force to plan, submit required State Plan Amendments for CMS approval and implement this transition so that NF and HBNF with 12 month cost report periods ending on or after 9/30/2012 will file Medicaid cost reports using the new medium and format.

Thank you for your time and attention to this matter.

DMA Audit Section  
PH: (919) 647-8060  
FAX: (919) 715-4711

