



Steve Troxler
Commissioner

North Carolina Department of Agriculture
and Consumer Services
Veterinary Division

David T. Marshall, DVM
State Veterinarian

September 23, 2013

MEMORANDUM

To: County Managers
Interested Parties

From: Penny Page, NC Spay/Neuter Coordinator 

Subject: Changes in the formula for reimbursement
Maximum allowed reimbursement per procedure

Legislation passed by the General Assembly during the last session made significant changes to the reimbursement formula used when there are insufficient funds to pay all requests in full. The legislation also included language establishing a formula setting a maximum amount that can be reimbursed per procedure by species and by gender. Both changes are effective starting on October 1, 2013 and apply to any procedures performed after that date. Attached is a copy of Senate Bill 626 as signed by Governor McCrory.

The maximum amount that can be reimbursed per procedure is set as 150% of the average reimbursed cost by species and gender during the previous year. Calculations have established that the maximum amount that can be reimbursed per procedure performed between October 1 and December 31, 2013 are as follows:

	Spay	Neuter
Dogs	\$126.23	\$112.20
Cats	\$96.00	\$71.13

The maximum allowed reimbursement per procedure will be recalculated each December for use during the next calendar year. When the reimbursement amounts for the coming year are calculated they will be posted to our web site and sent via email to interested parties. If you wish to be notified by email please notify this office.

Previously when there was not enough money to pay all reimbursements at 100% of the requested amounts the formula to determine reimbursement was determined by splitting the requests into Tier groups (Tier 1 and Tier 2/3) and then performing a calculation that included the number of rabies vaccines administered in a county during the previous year. In an attempt to both make things more equitable between counties within a Tier Group and to encourage more spays/neuters the Legislature kept the Tier Groups but changed the reimbursement formula to a rate-based approach (the number of spays/neuters per 1,000 citizens in the city or county with the population determined by the last decennial census).

As a result of the mandated changes, a new **Request for Reimbursement Form** has been created. A draft copy is attached; the final version may vary slightly. Requests for reimbursement for surgical procedures performed before October 1, 2013 will be completed using the current form. The new form will be required for all spays and neuters performed after October 1, 2013.

Please check the NC Spay/Neuter website (www.ncspayneuter.com) for updates and an updated version of the reimbursement request form as the fourth quarter reimbursement request time draws near.

If you have any questions please feel free to contact me at (919) 715-7111 or via email penny.page@ncagr.gov

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

SESSION LAW 2013-377
SENATE BILL 626

"§ 19A-64. Distributions to counties and cities from Spay/Neuter Account.

(a) Reimbursable Costs. – Counties and cities eligible for distributions from the Spay/Neuter Account may receive reimbursement for the direct costs of a spay/neuter surgical procedure for a dog or cat owned by a low-income person as defined in G.S. 19A-63(b). Reimbursable costs shall include anesthesia, medication, and veterinary services. Counties and cities shall not be reimbursed for the administrative costs of providing reduced-cost spay/neuter services or capital expenditures for facilities and equipment associated with the provision of such services. The reimbursement amount for each surgical procedure for a female dog or cat shall be no more than one hundred fifty percent (150%) of the average reimbursement allowed for surgical procedures for female dogs and cats by the Spay/Neuter Program during the prior calendar year. The reimbursement amount for each surgical procedure for a male dog or cat shall be no more than one hundred fifty percent (150%) of the average reimbursement allowed for surgical procedures for male dogs and cats by the Spay/Neuter Program during the prior calendar year.

(b) Application. – A county or city eligible for reimbursement of spaying and neutering costs from the Spay/Neuter Account shall apply to the Department of Agriculture and Consumer Services by the last day of January, April, July, and October of each year to receive a distribution from the Account for that quarter. The application shall be submitted in the form required by the Department and shall include an itemized listing of the costs for which reimbursement is sought.

(c) Distribution. – The Department shall make payments from the Spay/Neuter Account to eligible counties and cities who have made timely application for reimbursement within 30 days of the closing date for receipt of applications for that quarter. In the event that total requests for reimbursement exceed the amounts available in the Spay/Neuter Account for distribution, the monies available will be distributed as follows:

- (1) Fifty percent (50%) of the monies available in the Spay/Neuter Account shall be reserved for reimbursement for eligible applicants within development tier one areas as defined in G.S. 143B-437.08. The remaining fifty percent (50%) of the funds shall be used to fund reimbursement requests from eligible applicants in development tier two and three areas as defined in G.S. 143B-437.08.
- (2) Among the eligible counties and cities in development tier one areas, reimbursement shall be made to each eligible county or city ~~pursuant to rules adopted by the Department~~ in the proportion that the rate of spays and neuters per one thousand persons in that city or county compares to the total rate of spays and neuters per one thousand persons within the total tier one area. Population data shall be obtained from the most recent decennial census.
- (3) Among the eligible counties and cities in development tier two and three areas, reimbursement shall be made to each eligible county or city ~~pursuant to rules adopted by the Department~~ in the proportion that the rate of spays and neuters per one thousand persons in that city or county compares to the total rate of spays and neuters per one thousand persons within the total tier two and three area. Population data shall be obtained from the most recent decennial census.
- (4) Should funds remain available from the fifty percent (50%) of the Spay/Neuter Account designated for development tier one areas after reimbursement of all claims by eligible applicants in those areas, the remaining funds shall be made available to reimburse eligible applicants in development tier two and three areas."