



North Carolina Department of Health and Human Services

Roy Cooper
Governor

Dempsey E. Benton
Interim Secretary

January 23, 2017

The Honorable Ralph Hise, Chair
Appropriations Subcommittee on
Health and Human Services
Room 312, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Louis Pate, Chair
Appropriations Subcommittee on
Health and Human Services
Room 311, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Joyce Krawiec, Chair
Appropriations Subcommittee on
Health and Human Services
Room 308, Legislative Office Building
Raleigh, NC 27603-5925

Dear Chairmen:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

Based upon (1) an internal review by an intradepartmental monitoring team comprised of individuals from the Division of Medical Assistance and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services, and (2) an external review by the Carolinas Center for Medical Excellence contractor HMS, thereby certifies that the following LME/MCOs are in compliance with the requirements of N.C.G.S. § 122C-124.2(b): Alliance, Cardinal Innovations, Eastpointe, Partners, Sandhills, Vaya Health, and Trillium.

While all of the LME/MCOs meet the requirements of the law, we do believe it is appropriate to revisit and refine the solvency standards. North Carolina's mental health landscape and the LME/MCO managed care system has evolved since inception and measures and standards, including solvency requirements, are different today than when the legislation was passed. The department intends to work with the General Assembly and other stakeholders to review and adjust the financial measures to balance the solvency of the organizations and the need to reinvest in critical mental health initiatives.

A summary of the certification is attached for your review. Please feel free to contact me with any questions.

Sincerely,

Dempsey E. Benton
Interim Secretary

Attachments

www.ncdhhs.gov

Tel 919-855-4800 • Fax 919-715-4645

Location: 101 Blair Drive • Adams Building • Raleigh, NC 27603

Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2000

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North Carolina Department of Health and Human Services

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January 23, 2017

The Honorable Gregory Murphy, Chair
Appropriations Subcommittee on
Health and Human Services
Room 604, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable William Brisson, Chair
Appropriations Subcommittee on
Health and Human Services
Room 405, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Josh Dobson, Chair
Appropriations Subcommittee on
Health and Human Services
Room 301N, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Chris Malone, Chair
Appropriations Subcommittee on
Health and Human Services
Room 603, Legislative Office Building
Raleigh, NC 27603-5925

Dear Chairmen:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

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The Honorable Josh Dobson, Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 301N, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Louis Pate, Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 311, Legislative Office Building
Raleigh, NC 27603-5925

Dear Chairmen:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

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January 23, 2017

Mark Trogdon, Director
Fiscal Research Division
Suite 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director Trogdon:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

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