



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

February 18, 2019

SENT VIA ELECTRONIC MAIL

The Honorable Josh Dobson, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 307B, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Joyce Krawiec, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 308, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Donny Lambeth, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 303, Legislative Office Building
Raleigh, NC 27603-5925

Dear Chairmen:

North Carolina Session Law 2017-57, Section 11F.2.(c), requires the Department of Health and Human Services ("Department") to modify the monthly reporting package submitted by the LME-MCOs to the Department to include revenues and expenditures for the State funding sources for single stream, intellectual and developmental disability, and substance abuse services on Schedule D2. Additionally, the Department is required to modify appropriate schedules in the LME-MCO monthly reporting package to include unduplicated recipients and encounters in the same level of detail included in each D schedule for each source of funding for the reporting for the current and previous year's month and year to date periods.

The information provided identifies Single Stream Fund expenditures by LME-MCO with a State average and benchmark for spending expectations through November 2018. The benchmark for the expected single stream funding expenditure for this portion of the fiscal year is 50% of the total annual allocation. The statewide average at this time is 51.7%. Expenditures in the early part of the fiscal year are designed to draw from federal funds prior to the use of state single stream funding. The reports of spending are consistent with state funding expenditures in previous years for this timeframe and the Department anticipates the single stream funding will be accessed increasingly during the year. Due to Hurricane Florence and Michael, Trillium and Eastpointe saw depressed claims for approximately 6 weeks while the hurricane disrupted services. However, we expect a significant amount of catch-up claims in the wake of the storm, and for the next several months.

WWW.NCDHHS.GOV

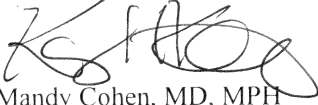
TEL 919-855-4800 • FAX 919-715-4645

LOCATION: 101 BLAIR DRIVE • ADAMS BUILDING • RALEIGH, NC 27603
MAILING ADDRESS: 2001 MAIL SERVICE CENTER • RALEIGH, NC 27699-2001
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

The Department continues to work with all LME-MCOs and to monitor their use of single stream funds. The attached graph for the report demonstrates the individual LME-MCOs performance compared to the static targeted expenditures expectation. The statewide average for spending is above the target for this portion of the fiscal year.

Should you have any questions, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and Intellectual/Developmental Disabilities, at (919) 733-7011.

Sincerely,



Mandy Cohen, MD, MPH
Secretary

cc: Matt Gross
Kody Kinsley
Katherine Restrepo
Denise Thomas
Susan Perry-Manning
Jessica Meed

LT McCrimmon
Marjorie Donaldson
Steve Owen
Mark Benton
Zack Wortman
reports@ncleg.net

Dave Richard
Rob Kindsvatter
Lisa Wilks
Theresa Matula
Deborah Landry

Rod Davis
Joyce Jones
Erin Matteson
Tara Myers
Mark Collins



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

February 18, 2019

SENT VIA ELECTRONIC MAIL

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

Dear Director Trogdon:

North Carolina Session Law 2017-57, Section 11F.2.(c), requires the Department of Health and Human Services ("Department") to modify the monthly reporting package submitted by the LME-MCOs to the Department to include revenues and expenditures for the State funding sources for single stream, intellectual and developmental disability, and substance abuse services on Schedule D2. Additionally, the Department is required to modify appropriate schedules in the LME-MCO monthly reporting package to include unduplicated recipients and encounters in the same level of detail included in each D schedule for each source of funding for the reporting for the current and previous year's month and year to date periods.

The information provided identifies Single Stream Fund expenditures by LME-MCO with a State average and benchmark for spending expectations through November 2018. The benchmark for the expected single stream funding expenditure for this portion of the fiscal year is 50% of the total annual allocation. The statewide average at this time is 51.7%. Expenditures in the early part of the fiscal year are designed to draw from federal funds prior to the use of state single stream funding. The reports of spending are consistent with state funding expenditures in previous years for this timeframe and the Department anticipates the single stream funding will be accessed increasingly during the year. Due to Hurricane Florence and Michael, Trillium and Eastpointe saw depressed claims for approximately 6 weeks while the hurricane disrupted services. However, we expect a significant amount of catch-up claims in the wake of the storm, and for the next several months.

The Department continues to work with all LME-MCOs and to monitor their use of single stream funds. The attached graph for the report demonstrates the individual LME-MCOs performance compared to the static targeted expenditures expectation. The statewide average for spending is above the target for this portion of the fiscal year.

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 27699-2001
AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Should you have any questions, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and Intellectual/Developmental Disabilities, at (919) 733-7011.

Sincerely,



Mandy Cohen, MD, MPH
Secretary

cc: Matt Gross LT McCrimmon Dave Richard Rod Davis
 Kody Kinsley Marjorie Donaldson Rob Kindsvatter Joyce Jones
 Katherine Restrepo Steve Owen Lisa Wilks Erin Matteson
 Denise Thomas Mark Benton Theresa Matula Tara Myers
 Susan Perry-Manning Zack Wortman Deborah Landry Mark Collins
 Jessica Meed reports@ncleg.net

FY19 Expenditures of Single Stream Funds by LME/MCO
Report Month: February 2019, Reported Expenditures Through: December 2018

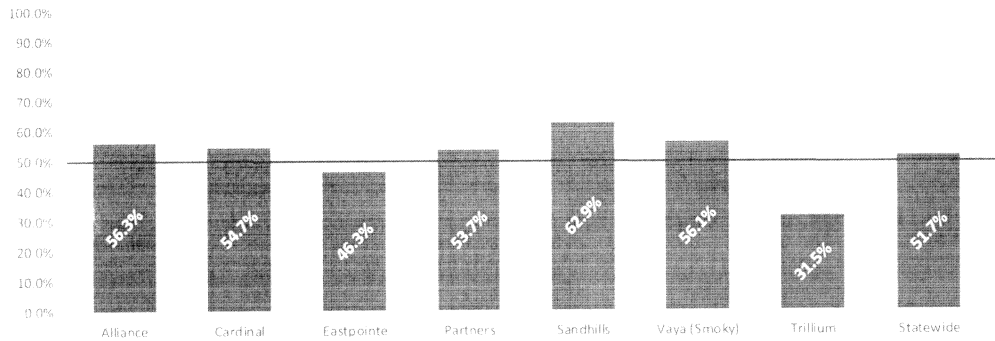
FY19 - Reported Expenditures of Single Stream Funds by LME/MCO

Reported Expenditures through month: **December** Current Month Target %: 50% or more

LME/MCO	Reported SS Earnings *	SS Allocation	Service Level Req.	Reported SS as % of Alloc*	Reported SS as % of Svc Level Req
Alliance	\$ 21,692,491	\$ 13,372,873	\$ 38,535,086	162%	56.3%
Cardinal	\$ 38,325,304	\$ 42,169,478	\$ 70,113,612	91%	54.7%
Eastpointe	\$ 9,992,131	\$ 17,077,566	\$ 21,572,071	59%	46.3%
Partners	\$ 15,239,147	\$ 22,858,068	\$ 28,392,683	67%	53.7%
Sandhills	\$ 16,047,183	\$ 13,376,954	\$ 25,521,488	120%	62.9%
Vaya (Smoky)	\$ 23,489,950	\$ 45,719,163	\$ 41,883,208	51%	56.1%
Trillium	\$ 12,268,561	\$ 50,633,839	\$ 39,000,613	24%	31.5%
Statewide	\$ 137,054,767	\$ 205,207,941	\$ 265,018,761	67%	51.7%

* Single Stream earnings may exceed allocation, but payments are capped *Pink Highlights Below Target*

FY19 YTD - Reported Single Stream Expenditures as % of Annual Service Requirement



Notes: The NonUCR portion of Single Stream Earnings is based on unaudited self-report from LME/MCOs.

1/25/2019

LME expenditure of State funds will always lag at beginning of year when Federal funds are pulled down; as Federal accounts are depleted, rate of State earnings increase.