



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

July 25, 2018

SENT VIA ELECTRONIC MAIL

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

The Honorable Louis Pate, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 311, Legislative 0111cc Building
Raleigh, NC 27603-5925

The Honorable Donny Lambeth, Co-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 2015-241, Section 12F.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. This requirement is continued under Session Law 2017-57, Section 11F.2.(c).

The information provided identifies Single Stream Fund expenditures by LME-MCO with a State average and benchmark for spending expectations by May 2018. The benchmark for the expected single stream funding expenditure for this portion of the fiscal year is 92% of the total annual allocation. The statewide average is on target at 98.1%.

The Department has contacted each of the LME-MCOs with totals below the target: Eastpointe and Trillium. One factor that continues to affect the single stream funding expenditures is the increase in federal funds associated with the opioid crisis response. The funding hierarchy requires federal dollars to be expended first. Both Eastpointe and Trillium are moving closer to the percentage necessary to satisfy the annual requirement. 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.

Should you have any questions, please contact Kody Kinsley, Interim Senior Director for the Division of Mental Health, Developmental Disabilities and Substance Abuse Services, at (919) 733-7011.

Sincerely,



fw -Mandy Cohen, MD, MPH
Secretary

Attachment

cc:	Matt Gross	LT McCrimmon	Dave Richard	Rod Davis
	Kody Kinsley	Marjorie Donaldson	reports@ncleg.net	Joyce Jones
	Katherine Restrepo	Steve Owen	Lisa Wilks	Erin Matteson
	Marta T. Hester	Denise Thomas	Leah Burns	Mark Benton
	Susan Perry-Manning	Theresa Matula	Zack Wortman	



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

July 25, 2018

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 2015-241, Section 12F.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. This requirement is continued under Session Law 2017-57, Section 11F.2.(c).


The information provided identifies Single Stream Fund expenditures by LME-MCO with a State average and benchmark for spending expectations by May 2018. The benchmark for the expected single stream funding expenditure for this portion of the fiscal year is 92% of the total annual allocation. The statewide average is on target at 98.1%.

The Department has contacted each of the LME-MCOs with totals below the target: Eastpointe and Trillium. One factor that continues to affect the single stream funding expenditures is the increase in federal funds associated with the opioid crisis response. The funding hierarchy requires federal dollars to be expended first. Both Eastpointe and Trillium are moving closer to the percentage necessary to satisfy the annual requirement. 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.

Should you have any questions, please contact Kody Kinsley, Interim Senior Director for the Division of Mental Health, Developmental Disabilities and Substance Abuse Services, at (919) 733-7011.

Sincerely,



 Mandy Cohen, MD, MPH
Secretary

Attachment

cc:	Matt Gross	LT McCrimmon	Dave Richard	Rod Davis
	Kody Kinsley	Marjorie Donaldson	reports@ncleg.net	Joyce Jones
	Katherine Restrepo	Steve Owen	Lisa Wilks	Erin Matteson
	Marta T. Hester	Denise Thomas	Leah Burns	Mark Benton
	Susan Perry-Manning	Theresa Matula	Zack Wortman	

FY18 Expenditures of Single Stream Funds by LME/MCO
Report Month: July 2018, Reported Expenditures through: May 2018

FY18 - Reported Expenditures of Single Stream Funds by LME/MCO

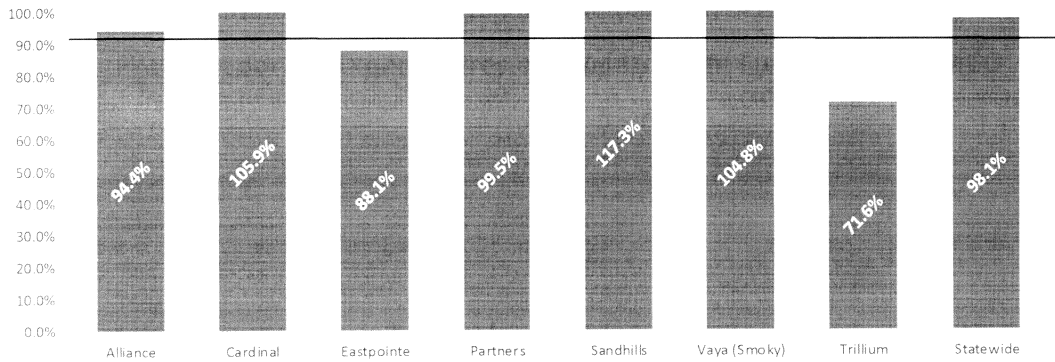
Reported Expenditures through month: **May**

Current Month Target %: **92%** 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	\$ 36,366,354	\$ 23,081,665	\$ 38,535,086	158%	94.4%
Cardinal	\$ 74,264,111	\$ 64,241,755	\$ 70,113,612	116%	105.9%
Eastpointe	\$ 20,628,652	\$ 18,058,472	\$ 23,424,987	114%	88.1%
Partners	\$ 28,244,822	\$ 25,095,611	\$ 28,392,683	113%	99.5%
Sandhills	\$ 29,946,696	\$ 15,167,753	\$ 25,521,488	197%	117.3%
Vaya (Smoky)	\$ 43,897,975	\$ 43,186,473	\$ 41,883,208	102%	104.8%
Trillium	\$ 26,599,907	\$ 40,175,266	\$ 37,147,697	66%	71.6%
Statewide	\$ 259,948,518	\$ 229,006,995	\$ 265,018,761	114%	98.1%

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

FY18 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.

6/22/2018

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.