



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**  
Division of Health Benefits

**ROY COOPER** • Governor  
**KODY H. KINSLEY** • Secretary  
**JAY LUDLAM** • Deputy Secretary, NC Medicaid

February 16, 2024

Kody H. Kinsley  
Secretary  
North Carolina Department of Health and Human Services  
101 Blair Drive  
2001 Mail Service Center  
Raleigh, NC 27699

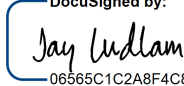
Dear Secretary Kinsley:

Pursuant to Session Law 2013-85, the Secretary of the Department of Health and Human Services shall complete a certification of compliance, in accordance with G.S. § 122C-124.2(a), for each Local Management Entity/Managed Care Organization that has been approved by the Department to operate the 1915(b)(c) Medicaid Waiver. The Secretary shall also provide a copy of the completed certification to the Senate Appropriations Committee on Health and Human Services, the House Appropriations Subcommittee on Health and Human Services, the Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division by no later than March 1, 2024.

Attached hereto, please find a summary report of the findings for fiscal solvency, clean claims payment, and HIPAA compliance for the following Local Management Entities/Managed Care Organizations: Alliance, Eastpointe, Partners, Sandhills, Trillium and Vaya Health. This information has been prepared and reviewed by the Intradepartmental Monitoring Team (including DHB and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services staff).

At this time, based on the attached records, the Division of Health Benefits (DHB) is attesting that all six Local Management Entity/Managed Care Organizations (Alliance, Eastpointe, Partners, Sandhills, Trillium, and Vaya Health) are appropriate for certification under 122C-124.2(b) in that they 1) have made adequate provision against the risk of insolvency; 2) are making timely provider payments; and 3) are in compliance with federal billing, payment, and transaction standards requirements.

Sincerely,

DocuSigned by:  
  
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Jay Ludlam  
Deputy Secretary for NC Medicaid  
Attachments

**NC MEDICAID**  
**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS**

LOCATION: 820 South Boylan Avenue, McBryde Building, Raleigh NC 27603  
MAILING ADDRESS: 1950 Mail Service Center, Raleigh NC 27699-1950  
www.ncdhhs.gov • TEL: 919-527-7000 • FAX: 919-832-0225

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<b>Claims Accuracy and Timeliness Review: Summary Findings</b>						
<b>Audit Type</b>	<b>Timeliness of Provider Payment (Within 30 days)</b>		<b>Claims Processing Accuracy</b>		<b>Financial Accuracy</b>	
<b>LME/MCO</b>						
<b>Alliance Health</b>	98.99%	Compliant	100.00%	Compliant	99.97%	Compliant
<b>Eastpointe</b>	98.19%	Compliant	99.64%	Compliant	99.76%	Compliant
<b>Partners Health Management</b>	98.82%	Compliant	99.85%	Compliant	99.94%	Compliant
<b>Sandhills Center</b>	98.71%	Compliant	99.95%	Compliant	99.97%	Compliant
<b>Trillium Health Resources</b>	100.00%	Compliant	99.92%	Compliant	99.98%	Compliant
<b>Vaya Health</b>	98.67%	Compliant	99.58%	Compliant	99.65%	Compliant

Data is based on a statistical sample of Medicaid claims processed from March of 2023 through August of 2023 for each LME/MCO.

<b>Solvency Review: Current Ratio Summary Findings</b>												
<b>Month</b>	<b>March</b>		<b>April</b>		<b>May</b>		<b>June</b>		<b>July</b>		<b>August</b>	
<b>LME/MCO</b>												
<b>Alliance Health</b>	2.07	Yes	2.09	Yes	2.20	Yes	2.02	Yes	2.12	Yes	2.15	Yes
<b>Eastpointe</b>	2.94	Yes	3.09	Yes	1.81	Yes	1.89	Yes	3.24	Yes	2.94	Yes
<b>Partners Health Management</b>	2.57	Yes	2.38	Yes	2.54	Yes	1.74	Yes	1.86	Yes	1.97	Yes
<b>Sandhills Center</b>	3.96	Yes	2.75	Yes	2.72	Yes	2.85	Yes	2.49	Yes	2.31	Yes
<b>Trillium Health Resources</b>	1.97	Yes	3.22	Yes	3.04	Yes	2.87	Yes	2.53	Yes	2.58	Yes
<b>Vaya Health</b>	1.88	Yes	1.89	Yes	1.92	Yes	1.92	Yes	1.92	Yes	2.02	Yes

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2023 through August of 2023 for each LME/MCO.

<b>Solvency Review: Total Expenses to Total Medicaid Revenue Summary Findings</b>												
<b>Month</b>	<b>March</b>		<b>April</b>		<b>May</b>		<b>June</b>		<b>July</b>		<b>August</b>	
<b>LME/MCO</b>												
<b>Alliance Health</b>	108%	No	91%	Yes	91%	Yes	90%	Yes	93%	Yes	91%	Yes
<b>Eastpointe</b>	99%	Yes	89%	Yes	98%	Yes	78%	Yes	83%	Yes	113%	No
<b>Partners Health Management</b>	97%	Yes	102%	No	98%	Yes	110%	No	110%	No	103%	No
<b>Sandhills Center</b>	93%	Yes	133%	No	109%	No	101%	No	103%	No	119%	No
<b>Trillium Health Resources</b>	92%	Yes	85%	Yes	106%	No	98%	Yes	104%	No	106%	No
<b>Vaya Health</b>	55%	Yes	99%	Yes	103%	No	96%	Yes	102%	No	102%	No

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2023 through August of 2023 for each LME/MCO.

<b>Solvency Review: Defensive Interval Summary Findings</b>												
<b>Month</b>	<b>March</b>		<b>April</b>		<b>May</b>		<b>June</b>		<b>July</b>		<b>August</b>	
<b>LME-MCO</b>												
<b>Alliance Health</b>	110.93	Yes	116.74	Yes	115.03	Yes	119.18	Yes	115.69	Yes	124.23	Yes
<b>Eastpointe</b>	61.87	Yes	62.49	Yes	58.26	Yes	61.68	Yes	75.91	Yes	42.35	Yes
<b>Partners Health Management</b>	63.06	Yes	55.64	Yes	54.50	Yes	61.41	Yes	66.01	Yes	58.15	Yes
<b>Sandhills Center</b>	99.92	Yes	85.99	Yes	70.54	Yes	74.83	Yes	84.76	Yes	63.00	Yes
<b>Trillium Health Resources</b>	57.40	Yes	93.18	Yes	72.89	Yes	74.67	Yes	82.53	Yes	70.53	Yes
<b>Vaya Health</b>	187.67	Yes	96.20	Yes	92.36	Yes	85.75	Yes	97.85	Yes	85.52	Yes

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2023 through August of 2023 for each LME/MCO.

<b>HIPAA Transaction Review: Summary Findings</b>					
<b>Audit Type</b>	<b>Enrollment (820)</b>	<b>Benefit Enrollment and Maintenance Set (834)</b>	<b>Health Care Claim Transaction Set (837i and 837p)</b>	<b>Health Care Claim Payment / Advice Transaction Set (835)</b>	<b>Health Care Eligibility / Benefit Inquiry and Response (270/271)</b>
<b>LME-MCO</b>					
<b>Alliance Health</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Eastpointe</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Partners Health Management</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Sandhills Center</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Trillium Health Resources</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Vaya Health</b>	Compliant	Compliant	Compliant	Compliant	Compliant

Data is based on a statistical sample of Medicaid claims processed from March of 2023 through August of 2023 for each LME/MCO.

A finding of “Compliant” means that Casper found that the LME-MCO was compliant with the outlined requirements.

LME/MCOs have changed their information systems in preparation for Tailored Plan launch. The new 270/271 process for each plan will be implemented by 7/1/24.