



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

**ROY COOPER** • Governor  
**KODY H. KINSLEY** • Secretary  
**DAVE RICHARD** • Deputy Secretary, NC Medicaid

January 24, 2023

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 February 1, 2023.

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, Vaya Health, and Trillium.

At this time, based on the attached records, the Division of Health Benefits (DHB) is attesting that all six organizations are appropriate for certification. Additionally, the Intradepartmental Monitoring Team (including DHB and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services staff) determines that all six LME-MCOs have made adequate provisions against the risk of insolvency based on quarterly financial reports submitted to DHHS.

Sincerely,

DocuSigned by:

*Dave Richard*

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Dave Richard

Deputy Secretary for NC Medicaid

Attachments

**NC MEDICAID**

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

LOCATION: XXX Drive, XXXXX Building, Raleigh, NC 27XXX  
MAILING ADDRESS: XXXX Mail Service Center, Raleigh, NC 27699-XXXX  
www.ncdhhs.gov • TEL: 919-855-XXXX • FAX: 919-XXX-XXXX

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

<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>	98.64%	Compliant	99.97%	Compliant	99.97%	Compliant
<b>Eastpointe Behavioral Health</b>	100%	Compliant	100%	Compliant	100%	Compliant
<b>Partners Health Management</b>	99.92%	Compliant	100%	Compliant	100%	Compliant
<b>Sandhills Center</b>	99.97%	Compliant	99.90%	Compliant	99.95%	Compliant
<b>Trillium Health Resources</b>	100%	Compliant	99.97%	Compliant	99.99%	Compliant
<b>Vaya Health</b>	100%	Compliant	100%	Compliant	100%	Compliant

Data is based on a statistical sample of Medicaid claims processed from September of 2021 through February of 2022 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>	2.10	Yes	2.31	Yes	2.69	Yes	2.11	Yes	2.09	Yes	1.96	Yes
<b>Eastpointe Behavioral Health</b>	2.92	Yes	3.15	Yes	3.18	Yes	2.17	Yes	3.20	Yes	3.01	Yes
<b>Partners Health Management</b>	2.20	Yes	2.02	Yes	2.09	Yes	1.72	Yes	2.18	Yes	2.37	Yes
<b>Sandhills Center</b>	6.35	Yes	5.41	Yes	5.73	Yes	4.82	Yes	4.15	Yes	4.68	Yes
<b>Trillium Health Resources</b>	2.54	Yes	2.39	Yes	2.47	Yes	2.46	Yes	2.39	Yes	2.59	Yes
<b>Vaya Health</b>	2.17	Yes	1.86	Yes	1.82	Yes	2.15	Yes	2.06	Yes	2.03	Yes

Data is based on a statistical sample of Medicaid claims processed from March of 2022 through August of 2022 for each LME/MCO.

<b>Solvency Review: Total Expenses to Total Medicaid Revenue Summary Findings</b>												
Month	March		April		May		June		July		August	
<b>LME/MCO</b>												
<b>Alliance Health</b>	104%	No	74%	Yes	80%	Yes	145%	No	82%	Yes	89%	Yes
<b>Eastpointe Behavioral Health</b>	95%	Yes	86%	Yes	89%	Yes	119%	No	83%	Yes	110%	No
<b>Partners Health Management</b>	89%	Yes	110%	No	97%	Yes	117%	No	95%	Yes	105%	No
<b>Sandhills Center</b>	100%	Yes	94%	Yes	90%	Yes	125%	No	91%	Yes	98%	Yes
<b>Trillium Health Resources</b>	97%	Yes	85%	Yes	96%	Yes	107%	No	90%	Yes	96%	Yes
<b>Vaya Health</b>	109%	No	116%	No	103%	No	65%	Yes	105%	No	108%	No

Data is based on a statistical sample of Medicaid claims processed from March of 2022 through August of 2022 for each LME/MCO.

<b>Solvency Review: Defensive Interval Summary Findings</b>												
Month	March		April		May		June		July		August	
<b>LME-MCO</b>												
<b>Alliance Health</b>	87.75	Yes	126.45	Yes	129.58	Yes	88.26	Yes	120.77	Yes	111.77	Yes
<b>Eastpointe Behavioral Health</b>	67.59	Yes	78.38	Yes	87.81	Yes	65.15	Yes	99.26	Yes	66.28	Yes
<b>Partners Health Management</b>	69.86	Yes	53.46	Yes	61.58	Yes	44.80	Yes	84.21	Yes	67.51	Yes
<b>Sandhills Center</b>	85.52	Yes	91.17	Yes	100.40	Yes	64.82	Yes	94.40	Yes	89.79	Yes
<b>Trillium Health Resources</b>	62.77	Yes	77.39	Yes	73.52	Yes	59.05	Yes	81.55	Yes	73.13	Yes
<b>Vaya Health</b>	101.26	Yes	109.68	Yes	128.63	Yes	115.43	Yes	123.71	Yes	107.25	Yes

Data is based on a statistical sample of Medicaid claims processed from March of 2022 through August of 2022 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 Behavioral Health</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 2022 through August of 2022 for each LME/MCO.

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