

## North Carolina Department of Health and Human Services

Pat McCrory  
Governor

Aldona Z. Wos, M.D.  
Ambassador (Ret.)  
Secretary DHHS

January 31, 2014

The Honorable Marilyn Avila, Chair  
Appropriations Subcommittee on Health  
And Human Services  
Room 2217, Legislative Building  
Raleigh, NC 27601-1096

The Honorable Mark Hollo, Chair  
Appropriations Subcommittee on Health  
And Human Services  
Room 639, Legislative Office Building  
Raleigh, NC 27603-5925

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

Dear Representatives Avila, Brisson and Hollo:

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 Milliman, a subcontractor of Carolinas Center for Medical Excellence (CCME), a summary of which is attached, I hereby certify that the following LME/MCOs are in compliance with the requirements of N.C.G.S. § 122C-124.2(b): Cardinal Innovations, CenterPoint, CoastalCare, Eastpointe, East Carolina Behavioral Health, MeckLINK, Partners Behavioral Health Management, Sandhills and Smoky Mountain Center. Please note that MeckLINK and CoastalCare both have potential concerns regarding their defensive interval, which is not one of the identified measures of the statute but is a measure to be noted. At this time, MeckLINK's contract will be terminating on March 31, 2014 and the catchment will transition to Cardinal Healthcare, and CoastalCare is actively discussing merger with Eastpointe and ECBH; therefore, no additional actions are recommended at this time.

[www.ncdhhs.gov](http://www.ncdhhs.gov)

Telephone 919-855-4800 • Fax 919-715-4645

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

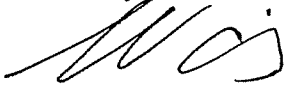
Mailing Address: 2001 Mail Service Center • Raleigh, NC 27699-2001

An Equal Opportunity / Affirmative Action Employer

The Department has set clear and high expectations for our LME-MCOs as they have matured this past year, asking for more accountability, higher quality and a willingness to evolve by consolidating. We will continue to work in the coming year to create a more sustainable behavioral health system that improves services through more efficient delivery of care.

Please feel free to contact me with any questions.

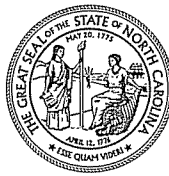
Sincerely,

A handwritten signature in black ink, appearing to read 'Wos', written over the word 'Sincerely,'.

Aldona Wos, M.D.

Secretary

Enclosures



## North Carolina Department of Health and Human Services

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January 31, 2014

The Honorable Ralph Hise, Co-Chair  
Appropriations Committee on  
Health and Human Services  
Room 1026, Legislative Building  
Raleigh, NC 27601-1096

The Honorable Louis Pate, Co-Chair  
Appropriations Committee on  
Health and Human Services  
Room 1028, Legislative Building  
Raleigh, NC 27601-1096

Dear Senators Hise and Pate:

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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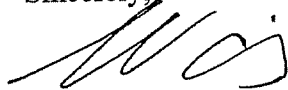
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January 31, 2014

The Honorable Ralph Hise, Co-Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
Room 1026, Legislative Building  
Raleigh, NC 27601-1096

The Honorable Justin Burr, Co-Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
Room 307A, Legislative Office Building  
Raleigh, NC 27603-5925

The Honorable Mark Hollo, Co-Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
Room 639, Legislative Office Building  
Raleigh, NC 27603-5925

Dear Senator Hise, Representative Burr, and Representative Hollo:

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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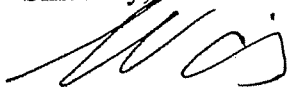
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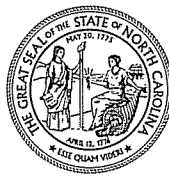
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January 31, 2014

Mr. Mark Trogdon, Director  
Fiscal Research Division  
North Carolina General Assembly  
Room 619, Legislative Office Building  
Raleigh, NC 27603-5925

Dear Mr. 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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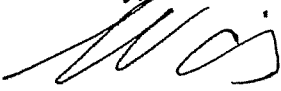
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