



Richard O. Brajer  
*Secretary*

Dave Richard  
*Deputy Secretary for Medical Assistance*

January 1, 2016

**SENT VIA ELECTRONIC MAIL**

The Honorable Louis Pate, Co-Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
North Carolina General Assembly  
Room 1028, Legislative Office Building  
Raleigh, NC 27601-2808

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 Marilyn Avila, Co-Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
North Carolina General Assembly  
Room 2217, Legislative Building  
Raleigh, NC 27601

Dear Chairmen:

Session Law 2014-100 and Session Law 2015-241 requires the transfer of certain services to the Eastern Band of Cherokee Indians. Session Law 2015-241, Section 12C.10.(h) requires the Department of Health and Human Services to report quarterly on the status of implementation, beginning on October 1, 2015 and ending when implementation is complete. Further, Session Law 2015-241, Section 12C.10.(f1) requires that by January 1, 2016, the Department of Health and Human Services, in collaboration with the Eastern Band of Cherokees, submit a project plan to meet the October 1, 2016 effective date of this section. Pursuant to the provisions of law, the Department is pleased to provide the following report.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Dave Richard', written over a light blue horizontal line.

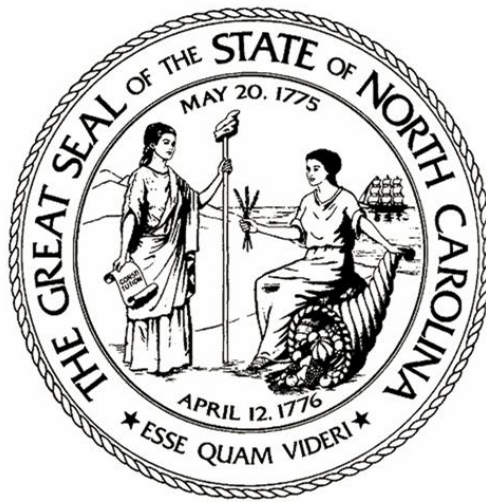
Dave Richard

Attachment

cc:	Brandon Greife	Theresa Matula	Patricia Porter	Marjorie Donaldson
	Sarah Newton	Joyce Jones	Susan Jacobs	Denise Thomas
	Rod Davis	Pam Kilpatrick	<a href="mailto:Reports@ncleg.net">Reports@ncleg.net</a>	



# **Status of Implementing Legislation Regarding the Eastern Band of Cherokee Indians**



**Session Law 2015-241, Section 12 C.10.(h)**

**State of North Carolina**

**Department of Health and Human Services**

**January 1, 2016**

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## **Status of Implementing Legislation Regarding the Eastern Band of Cherokee Indians**

### **Reporting Requirements**

Session Law 2014-100 and Session Law 2015-241 requires the transfer of certain services to the Eastern Band of Cherokee Indians and modifications, enhancements to the Medicaid, HealthChoice program to accomplish the identified goals. SL 2015-241 establishes the quarterly reporting requirement on the status of implementation of Section 12C to begin October 1, 2015 and end when implementation is complete. DHHS provides the following report in accordance with SL 2014-100 as amended by SL 2015-241.

### **Background**

SL 2014-100, Section 12C.3 enabled the Eastern Band of Cherokee Indians (EBCI) to assume responsibility for certain social services, healthcare benefit programs, ancillary services, including Medicaid administrative and service related functions, and related reimbursements no later than October 1, 2016.

An estimated 14,500 North Carolinians are members of the EBCI. Tribal trust lands border Cherokee, Graham, Haywood, Jackson, and Swain counties. EBCI is a federally recognized Indian tribe under federal law and is asserting its inherent sovereign authority to assume responsibility for certain human services by October 1, 2015.

### **Implementation Update for child protective services, foster care, adoption, adult protective services, guardianship, low income energy assistance and crisis intervention**

The Department began meeting with the Tribal leadership in 2013 and many within the Department have worked to assist the Tribal leadership with their planning of a Health and Human Services agency on Tribal trust lands. This level of commitment from the Department, border counties and the EBCI has led to Tribal Public Health and Human Services being prepared to provide child protective services, foster care, adoption, adult protective services, guardianship, low income energy assistance and crisis intervention services to the population living on Tribal trust lands by the target date of October 1, 2015. The EBCI received approval from the federal Administration for Children and Families (ACF) for its Title IV-E application and LIEAP application. Federal approval is retroactive to October 1, 2015.

### **Implementation Update for NC Medicaid, NC Health Choice and SNAP**

As federal law did not allow for the Tribe to bypass the Single State Medicaid agency nor, FNS administration, it was not possible to implement EBCI administration of these programs by October 1, 2015, due to lack of funding resources at DHHS for both personnel and IT support. There was no DHHS budget for work that required IT support in SFY 2014-15.

In March 2015 the Department, the EBCI, and the five bordering counties worked to develop a project plan, IT timeline, and project cost for a Tribe administered, state supervised model. Some of the early challenges include specification of requirements, identifying DHHS systems impacted, and determining the cost to support the implementation. Other challenges include different IT system configurations which add to the complexity of determining how to integrate the EBCI within the current 100 county structure. As a result, questions arose regarding existing work flows for transition between the bordering counties and the EBCI. Ongoing working sessions continue with technical staff and business owners, exploring and understanding the regulations, data flow and data linkages.

Executive leadership from the Department and the Tribe continue to hold status calls to discuss current challenges, funding streams and ensure a successful transition for the human services transferring from the county departments of social services to the EBCI. The border counties and the EBCI meet monthly. Jackson and Swain County Departments of Social Services will continue to provide eligibility workers on-site at the Tribal trust lands offices five days per week until amended by agreement between the counties and the EBCI or until implementation is complete as required in SL 2015-241, Section 12C.10.(e2).

Since October 2015 the Department has taken steps to formally initiate the project supporting the IT system changes required within NC FAST, NCTracks and legacy systems as required in SL 2015-241, Section 12C.10.(f). NC FAST requested a delay in their annual Advance Planning Document Update (APDU) submission from July 31, 2015 to August 31, 2015 in order to include the legislative requirements per SL 2015-241, Section 12C.10.(f). The NC FAST annual APDU was officially submitted to the ACF, CMS, and USDA on August 31, 2015. DHHS received USDA FNS official approval October 6, 2015 and awaits approval from CMS and ACF. The Department proactively commenced project staffing efforts within NC FAST in anticipation of approval by year-end 2015.

Commencing work to develop the required enhancements to NCTracks is not dependent upon APDU approval; therefore, an APDU was not submitted in October 2015. Instead, a customer service request (CSR) was submitted to the application support vendor to support anticipated NCTracks work efforts.

The State budget was approved September 18, 2015. A project manager and two business analysts are underway producing the required project documentation, including the project plan as required in SL 2015-241, Section 12C.10.(f1). This project was initiated in Touchdown, the State's new Project Portfolio Management System, as required for Department of Information Technology oversight and tracking.

The project charter, which is the foundation of the project plan, is developed and under review within the Department and the EBCI. Collaboration with the EBCI on project governance and committee representation is also underway. The Department and EBCI will formally kick off the project's Executive Steering Committee in January 2016.

With the December 16<sup>th</sup> approval of the APD, DHHS, in collaboration with EBCI, through the project governance structure will evaluate the timeline for implementation of the system and programmatic changes. DHHS is committed to establishing the most aggressive timeline possible to achieve successful implementation. DHHS anticipates reporting this timeline to the Chairs of the DHHS Joint Legislative Oversight Committee in January.

The Department and the EBCI have consulted over the last quarter regarding the following:

- Participation in the development and design of the 1915c waiver for children with SED
- Discussion about the waiver for people with TBI.
- Discussion and exploration of planning for expanded senior services, including the billing for assisted living services, personal care services, CAP-DA and CAP-C.
- Ability to provide and bill mental health peer support.
- Planning for the input and impact of Medicaid reform (1115 waiver) on EBCI and other federally recognized Native Americans in North Carolina

DHHS and EBCI anticipate additional discussion, planning or implementation of the above over the next six to 12 months. In addition, DHHS and the EBCI plans to schedule a work session in the upcoming quarter to discuss Tribal interfaces with Medicaid Transformation, ways to embrace and support the identified health disparities for the Cherokee and also ways for the Tribe to assist the region in access to quality healthcare.

The Department remains fully committed to assisting the EBCI to ensure a smooth transition of Medicaid and SNAP services.

Attachment A: Timeline of NC FAST Implementation Phases  
Attachment B: DHHS Systems and Interfaces Impacted  
Attachment C: EBCI Project Timeline



## N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Timeline of NC FAST Implementation Phases

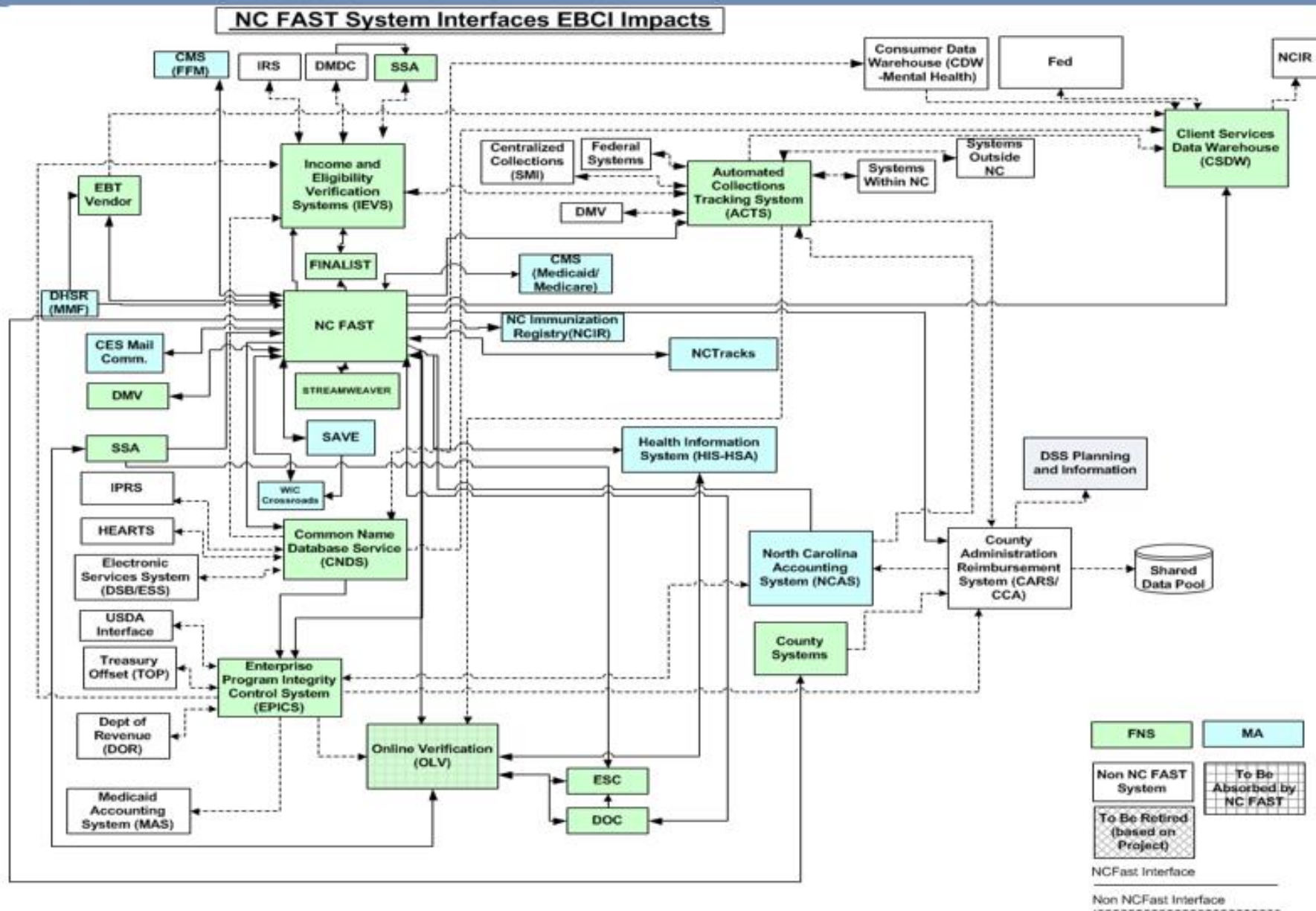
Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	Month 13	Month 14	Month 15
IT Functional Design														
		IT Detailed Design												
				IT Development										
				IT Test Planning										
							IT Test Execution							
												IT Interface Testing		
														Training

#### Assumptions:

- All approvals (SSA, CMS, USDA, and NC Agency agreements) and funding are in place prior to start;
- NC FAST is the driving force for design and implementation and requires 15 months from the start date;
- Timeline, based on high-level requirements and preliminary designs, remains, for the most part, unaffected by detailed requirements identification, functional design, and detailed design;
- Number and scope of affected systems and interfaces remains, for the most part, unchanged by detailed requirements identification, functional design, and detailed design;
- Interface testing with all systems can be conducted in the remaining 3 months based on each downstream application timeline (schedule contingency may add +3 months after test execution phase);
- Estimates provided based on DHHS IT staff only; additional effort required by business staff to support efforts not shown;
- EBCI utilizes the state systems for Food and Nutrition and Medicaid and their current rules as they exist in NC FAST;
- SNAP and Medicaid (includes Health Choice) are the only programs in scope at this time for EBCI;
- Maximus application listed is a county vendor supported system (interface for electronic reimbursement process) and is out of scope in this schedule analysis; EBCI needs to determine a solution for reporting to the state;
- Both CMS and USDA will approve the EBCI data sharing request; and
- Project close-out phase undetermined and not indicated (schedule contingency adds +3 months after implementation phases).



# DHHS Systems and Interfaces Impacted





# EBCI Project Timeline

