

Health and
Human Services

Richard O. Brajer

Secretary

Dave Richard

Deputy Secretary

January 1, 2017

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 Building
Raleigh, NC 27601-2808

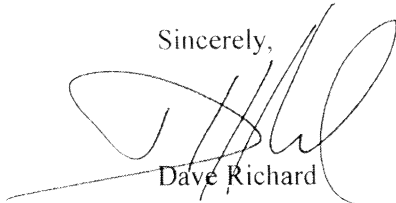
The Honorable Josh Dobson, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 301N, Legislative Office Building
Raleigh, NC 27603-5925

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 27601-2808

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. Pursuant to the provisions of law, the Department is pleased to provide the following report.

Sincerely,



Dave Richard

cc:	Kolt Ulm	Theresa Matula	Marjorie Donaldson	Dave Richard
	Andy Munn	Joyce Jones	Susan Jacobs	Denise Thomas
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“Nothing Compares”

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Status of Implementing Legislation Regarding the Eastern Band of Cherokee Indians

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



**Report to
The Joint Legislative Oversight Committee on
Health and Human Services**

By

**North Carolina
Department of Health and Human Services**

January 1, 2017

Status of Implementing Legislation Regarding the Eastern Band of Cherokee Indians

Reporting Requirements

North Carolina Session Law (SL) 2014-100 and SL 2015-241 require the transfer of certain services to the Eastern Band of Cherokee Indians (EBCI), and modifications and enhancements to the Medicaid, NC Health Choice and Food and Nutrition Services (FNS) programs 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. The NC Department of Health and Human Services (DHHS or Department) in collaboration with the EBCI Public Health and Human Services (PHHS) provides the following report in accordance with SL 2014-100 as amended by SL 2015-241.

Background

An estimated 15,500 North Carolinians are members of the EBCI Tribal trust lands in Cherokee, Graham, Haywood, Jackson, and Swain counties (hereafter referred to as 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 April 1, 2017.

SL 2014-100, Section 12C.3, and SL 2015-241, Section 12C.10 initially authorized the EBCI Tribe to assume responsibility for certain social services including Medicaid, NC Health Choice and FNS public assistance programs, and ancillary services, including Medicaid administrative and service related functions and related reimbursements no later than October 1, 2016. Pursuant to SL 2016-94, Section 12C.2(a), the General Assembly extended the date when EBCI shall assume the above stated functions to be no later than April 1, 2017.

Implementation Update for Child Protective Services, Foster Care, Adoption, Adult Protective Services, Guardianship, Low Income Energy Assistance and Crisis Intervention

Transition meetings continued throughout the quarter (October-December 2016) among the PHHS, the County Departments of Social Services (County DSS), and the DHHS Office of the Secretary, Division of Medicaid Assistance (DMA), Division of Aging and Adult Services (DAAS), and Division of Social Services (DSS) targeting the transition of the child and adult protective services and guardianship cases remaining in the Counties and the management of new referrals.

Efforts in the upcoming quarter will focus on continued development of policies, procedures and transition activities for determining Medicaid, NC Health Choice, FNS and Non-Emergency Medical Transportation (NEMT) eligibility cases along with the implementation of the DHHS/EBCI training plan for the EBCI eligibility staff.

Implementation Update for NC Medicaid, NC Health Choice and FNS

The Department remains fully committed to assisting EBCI to ensure a smooth transition of Medicaid and SNAP services from the applicable county DSS offices to the Tribe.

EBCI developed a detailed work plan for Eligibility Administration and continued the hiring process to onboard qualified staff so that training can begin January 2017. In anticipation of the April 2017 assumption of responsibility for certain administrative and service related functions, EBCI will continue building the required infrastructure, workflows and policies for its case workers. EBCI worked closely with DHHS to finalize the DMA and DSS training plan to ensure staff have the needed resources to responsibly assume administration of these programs. Implementation of the plan began in December and will continue throughout the upcoming quarter. In anticipation of case load and work flow procedures, EBCI requested and received approval for six (6) additional case worker positions from EBCI Tribal Council. EBCI is working with DHHS to formalize plans to convert eligible county DSS cases on the Qualla Boundary to EBCI cases. Plans are underway to transfer cases on the Boundary to EBCI administration.

Executive leadership from DHHS and the Tribe continue to collaborate on the project and to negotiate funding streams that will ensure a successful transfer of services from the county DSS offices to EBCI. In the next quarter, DHHS will continue to work with EBCI to finalize Medicaid and FNS eligibility policies, procedures and associated training, and logistics for coordinating FNS and At-Risk and Non-Emergency Medical Transportation (NEMT) services. DHHS will offer extensive training for new EBCI case workers and staff, and EBCI will continue to host meetings with county DSS staff to work through transition challenges. DHHS planning, with EBCI consultation and collaboration will continue with regard to the use of Social Security Administration (SSA) and Internal Revenue Service (IRS) data for Medicaid and NC Health Choice program eligibility determinations.

Last quarter, the DHHS Project Management Office (PMO) provided oversight of changes to NC Families Accessing Services through Technology (NC FAST), NCTracks and all legacy systems. The PMO also participated in the development of training plans, procedures, and processes to adapt EBCI to the DHHS Medicaid, FNS and NC Health Choice processes. During the upcoming quarter, the project will concentrate on executing the existing project plan, reviewing and overseeing testing, and completing all software system changes. The PMO will also concentrate on managing the project tracking to align it with the current efforts and Department of Information Technologies (DIT) requirements.

NC FAST completed its third, fourth and fifth software releases for the EBCI project in October, November and December respectively. The third release addressed changes related to system workflows, local-print forms and a system interface. The fourth and fifth software releases included required system changes to work queues, forms, system administrative user screens and external system partner interfaces. Plans are being made to test with external system partners in early January. NC FAST initiated and completed requirements to generate a new EBCI Medicaid – Initial Child Support Referral Report. NC FAST will continue to work with partner applications to facilitate any ongoing reporting requirements for the successful transition of cases from State counties to EBCI.

NCTracks completed its second software release for the EBCI project on October 2, 2016. This release consisted of the functionality to accept, validate, store and display the residential county code. It also expanded the Administrative County file to allow three digits for the EBCI county 200 code. The third and final release of NCTracks will address processing of the county 200 code and update the claims and finance processing systems for required changes. The third release is scheduled for delivery in mid-March 2017.

During this quarter, progress has been made by DHHS staff to enhance the legacy applications affected by the EBCI change. These applications are expected to deliver all required EBCI changes in the upcoming quarter.

During the fourth quarter of 2016, DMA made progress on State Plan and contract requirements in preparation for the April 1, 2017 implementation date. DMA submitted the Medicaid EBCI State Plan Amendment (SPA) to the Centers for Medicare and Medicaid Services (CMS) on December 15, 2016, and the separate NC Health Choice (Title XXI Children's Health Insurance Program) SPA on December 15, 2016. The Single State Agency SPA remains under review with CMS. DMA is awaiting a CMS-directed conference call with the federal Office of Personnel Management to discuss North Carolina merit-based Human Resources law because it is a component of the Single State Agency SPA. CMS wants assurance that State law complies with the relevant federal law. Although the Single State Agency SPA and the EBCI SPAs are unrelated in the subject matter requiring federal approval, CMS has associated the two in their approval process. Both the Department and EBCI are closely monitoring the CMS approval timeliness.

The Department has begun drafting a master agreement between DHHS and the Tribe for the purpose of defining the scope of services for which federal financial participation can be secured. Discussions with the Tribe are ongoing so that all contract requirements are fully addressed.

Additional Initiatives

Substantial collaboration between DHHS and EBCI continues regarding the 1115 Medicaid Waiver submitted on June 1, 2016. EBCI participates in the DHHS Dual Eligibles Advisory Committee and continues to prepare for the Tribal Managed Care Organization (MCO) as described in the 1115 Waiver application. In the upcoming quarter, DHHS, the PHHS and Cherokee Indian Hospital Authority (CIHA) plan to conduct work sessions to include discussions about mechanisms for addressing identified health disparities for the Cherokee, and approaches for the Tribe to assist the region in access to quality healthcare.


DHHS and EBCI have taken steps to implement the policy changes that went into effect based on the February 26, 2016, CMS State Health Official letter (SHO) #16-002 rule change in payment policy affecting federal funding for services received by AI/AN Medicaid-eligible individuals through facilities of Indian Health Service (IHS) or referred to non-Tribal providers at a rate of 100 percent Federal Medical Assistance Percentage (FMAP). The programmatic and administrative changes required by EBCI are underway. A work session was conducted between DMA and CIHA to ensure that documentation is submitted to NCTracks to track the referrals to non-native providers.

PHHS and DMA continue to work to develop additional Medicaid services such as the Community Alternatives Program for Children (CAP-C) and personal care for residents of the Boundary. Access to CIHA Behavioral Health services continues to show growth in numbers of individuals served and service development. The CIHA Behavioral Health Section will continue to work with DMA on Early and Periodic Screening, Diagnosis and Treatment (EPSDT) service definitions and a new clinical model to address the use of opioids and pain management.

The Single State Agency SPA was submitted in its official form to CMS as we work toward meeting the April 1, 2017, timeframe. Both DHHS and EBCI benefit from the well-timed and expeditious pursuit of approval for Medicaid and NC Health Choice eligibility determination, SPAs, and other waivers. Collaboration continues between DHHS and EBCI to expand the participation of Tribal providers in the Medicaid program.

Attachment A: Timeline of Implementation Phases

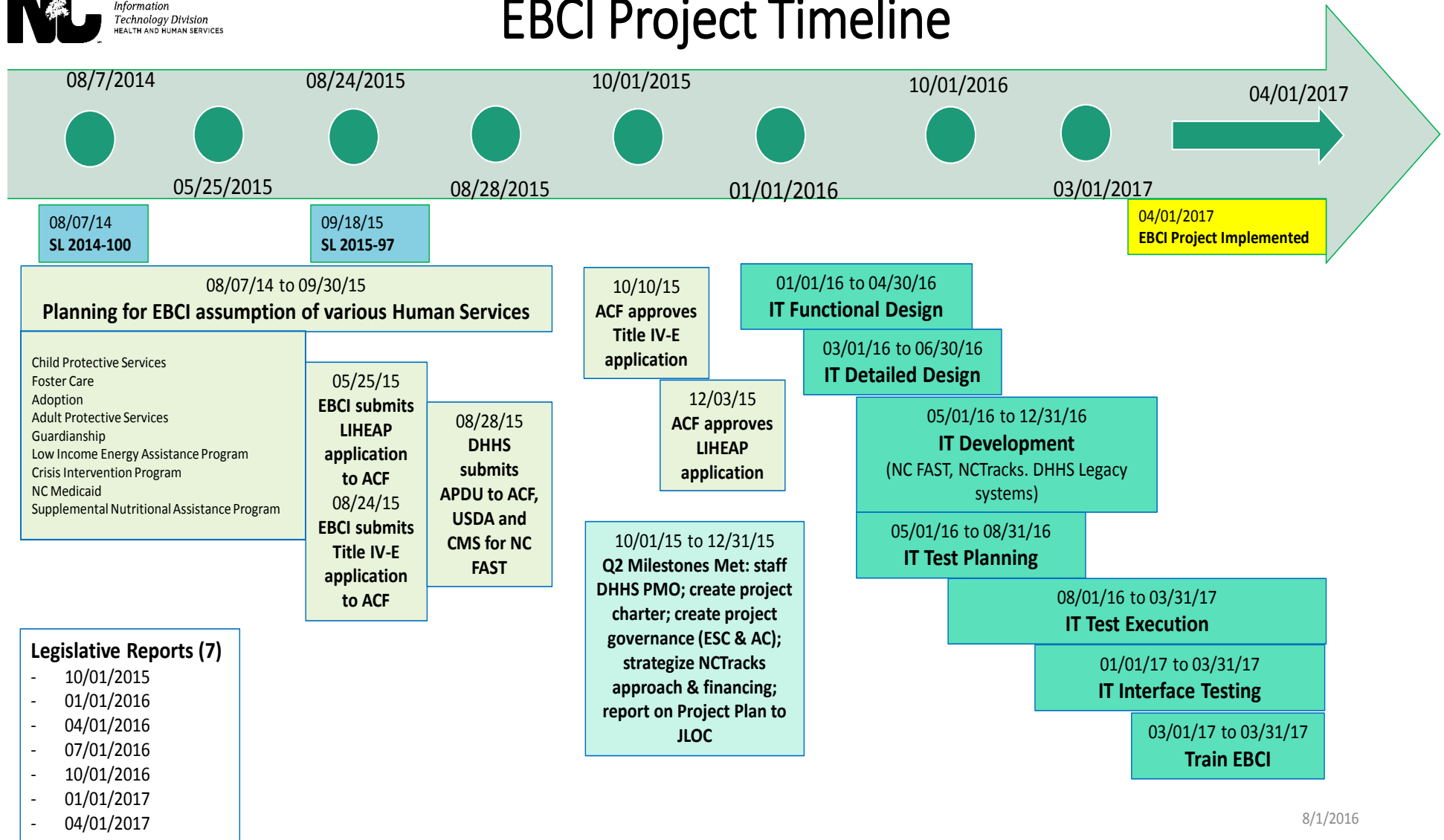
Attachment B: EBCI Project Timeline

 DHHS EBCI Medicaid-SNAP Project														
Timeline of Project Implementation														
Jan '16 Month 1	Feb '16 Month 2	Mar '16 Month 3	Apr '16 Month 4	May '16 Month 5	Jun '16 Month 6	Jul '16 Month 7	Aug '16 Month 8	Sep '16 Month 9	Oct '16 Month 10	Nov '16 Month 11	Dec '16 Month 12	Jan '17 Month 13	Feb '17 Month 14	Mar '17 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, IRS 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 requirements identified and documented by business analysts assigned to this effort;
- Interface testing with all systems can be conducted in the remaining 3 months based on each downstream application timeline (schedule contingency +3 months);
- Estimates provided based on DHHS IT staff only; additional effort required by business staff to support efforts not shown;
- EBCI will use NC FAST to administer SNAP and the NC Food and Nutrition Services programs, and for Medicaid and NC Health Choice program eligibility determination;
- 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 solution for reporting to the state;
- Both CMS and USDA will approve the EBCI data sharing request;
- Project close-out phase unknown and not indicated (schedule contingency +3 months);
- NCTracks requires system modifications to allow for the proper administration of the Medicaid/NC Health Choice programs; other DHHS system changes are also required to accommodate the exchange of new EBCI data.

EBCI Project Timeline



8/1/2016