

NORTH CAROLINA GENERAL ASSEMBLY



JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MEDICAID AND NC HEALTH CHOICE

REPORT TO THE 2018 SESSION of the 2017 GENERAL ASSEMBLY OF NORTH CAROLINA

APRIL 10, 2018

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TABLE OF CONTENTS

TRANSMITTAL LETTER5

COMMITTEE PROCEEDINGS7

APPENDICES

APPENDIX A

MEMBERSHIP OF THE JOINT LEGISLATIVE OVERSIGHT
COMMITTEE ON MEDICAID AND NC HEALTH CHOICE.....11

APPENDIX B

COMMITTEE CHARGE/STATUTORY AUTHORITY12

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TRANSMITTAL LETTER

April 10, 2018

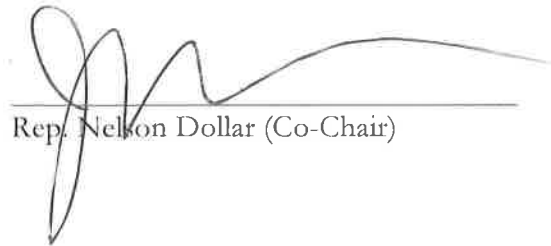
[\[Back to Top\]](#)

TO THE MEMBERS OF THE 2018 REGULAR SESSION
OF THE 2017 GENERAL ASSEMBLY

The **JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MEDICAID AND NC HEALTH CHOICE** respectfully submits the following report to the 2018 Regular Session of the 2017 General Assembly.



Sen. Ralph Hise (Co-Chair)



Rep. Nelson Dollar (Co-Chair)



Rep. Donny Lambeth (Co-Chair)

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COMMITTEE PROCEEDINGS

[\[Back to Top\]](#)

The Joint Legislative Oversight Committee on Medicaid and NC Health Choice met five (5) times between October 2017 and April 2018. This section of the report provides a brief overview of topics and presenters for each meeting and identifies any Department of Health and Human Services (DHHS) action items from each meeting. Detailed minutes and handouts from each meeting are available in the Legislative Library. Agendas and handouts for each meeting are available at the following link:

<http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=284&sFolderName=\Meetings by Interim\2017-2018 Interim>

Summary of Committee Proceedings and DHHS Action Items

October 10, 2017

- **Welcome & Opening Remarks**
Representative Nelson Dollar, Presiding Co-Chair
- **Remarks from DHHS Secretary**
Mandy Cohen, Secretary, DHHS
- **Medicaid and NC Health Choice Enrollment**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
- **Medicaid and NC Health Choice Financial Update**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
- **Status of 1115 Waiver and Work Plan for Medicaid Transformation**
Mandy Cohen, Secretary, DHHS
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Jay Ludlam, Assistant Secretary for Medicaid Transformation, DHHS

DHHS ACTION ITEMS:

- Provide a response to topics and issues identified by the Fiscal Research Division related to DHHS's Proposed Program Design for Medicaid Managed Care
- **Appointment of Joint Health and Human Services and Medicaid Oversight Committees' Behavioral Health Services Subcommittee** (Sec. 12F.10, S.L. 2016-94), Presiding Co-Chair

November 14, 2017

- **Welcome & Opening Remarks**
Senator Hise, Presiding Co-Chair
- **Remarks from DHHS Secretary**
Mandy Cohen, Secretary, DHHS
- **Overview of Medicaid Dashboards**
Steve Owen, Committee Staff, Fiscal Research Division, NCGA
- **Medicaid and NC Health Choice Enrollment**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Michael Becketts, Assistant Secretary for Human Services, DHHS
- **Medicaid and NC Health Choice Financial Update**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Roger Barnes, Chief Financial Officer, Division of Medical Assistance, DHHS
- **Status of 1115 Waiver and Work Plan for Medicaid Transformation**
Mandy Cohen, Secretary, DHHS
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Jay Ludlam, Assistant Secretary for Medicaid Transformation, DHHS

February 28, 2018

- **Welcome & Opening Remarks**
Representative Nelson Dollar, Presiding Co-Chair
- **Remarks from DHHS Secretary**
Mandy Cohen, Secretary, DHHS
- **Family Planning Enrollment Update**
Steve Owen, Committee Staff, Fiscal Research Division, NCGA
- **Overview of Medicaid Dashboards**
Steve Owen, Committee Staff, Fiscal Research Division, NCGA
- **Medicaid and NC Health Choice Enrollment**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Susan Perry-Manning, Deputy Secretary for Human Services, DHHS
- **Medicaid and NC Health Choice Financial Update**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Roger Barnes, Chief Financial Officer, Division of Medical Assistance, DHHS

- **1115 Waiver Amendment Submitted on 11/20/18 and Work Plan for Medicaid Transformation**
Steve Owen, Committee Staff, Fiscal Research Division, NCGA
Mandy Cohen, Secretary, DHHS
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Christen Linke Young, Deputy Secretary for Policy and Operations, DHHS

March 13, 2018

- **Welcome & Opening Remarks**
Representative Donny Lambeth, Presiding Co-Chair
- **Remarks from DHHS Secretary**
Mandy Cohen, Secretary, Department of Health & Human Services (DHHS)
- **Status of Cardinal Innovations Healthcare LME/MCO**
Trey Suttan, Interim Chief Executive Officer, Cardinal Innovations Healthcare
- **Report on Funding for GME Payments and Actions Taken to Achieve Flex Cut – Section 11H.13 of S.L. 2017-57**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
- **1115 Waiver Update and Work Plan for Medicaid Transformation**
Mandy Cohen, Secretary, DHHS
Dave Richard, Deputy Secretary for Medical Assistance, DHHS
Jay Ludlam, Assistant Secretary for Medicaid Transformation, DHHS
- **Plan to Implement Coverage for Home Visits for Pregnant Women and Families with Young Children – Section 11H.14 of S.L. 2017-57**
Dave Richard, Deputy Secretary for Medical Assistance, DHHS

April 10, 2018

- **Welcome & Opening Remarks**
Representative Donny Lambeth, Presiding Co-Chair
- **Remarks from DHHS Secretary**
Mandy Cohen, Secretary, Department of Health & Human Services (DHHS)
- **Overview of Medicaid Dashboards**
Steve Owen, Committee Staff, Fiscal Research Division, NCGA
Mark Collins, Committee Staff, Fiscal Research Division, NCGA

- **Medicaid and NC Health Choice Enrollment**
 Dave Richard, Deputy Secretary for Medical Assistance, DHHS
 Michael Becketts, Assistant Secretary for Human Services, DHHS
- **Medicaid and NC Health Choice Financial Update**
 Dave Richard, Deputy Secretary for Medical Assistance, DHHS
 Roger Barnes, Chief Financial Officer, Division of Medical Assistance, DHHS
- **1115 Waiver Update and Work Plan for Medicaid Transformation**
 Mandy Cohen, Secretary, DHHS
 Dave Richard, Deputy Secretary for Medical Assistance, DHHS
 Jay Ludlam, Assistant Secretary for Medicaid Transformation, DHHS
- **Efficacy of the Program for All-Inclusive Care for the Elderly (PACE) Study
 – Section 11H.25 of S.L. 2017-57**
 Dave Richard, Deputy Secretary for Medical Assistance, DHHS
- **Plan to Implement Annual Audits of County Departments of Social Services
 for Compliance with Medicaid Eligibility Determination Accuracy Standards
 – Section 11H.22(e) of S.L. 2017-57**
 Michael Becketts, Assistant Secretary for Human Services, DHHS
- **Presentation of Committee Report**
 Jennifer Hillman, Committee Staff, Legislative Analysis Division, NCGA

COMMITTEE MEMBERSHIP

[\[Back to Top\]](#)

2017-2018

Senate Members	House Members
Sen. Ralph Hise, Co-Chair	Rep. Nelson Dollar, Co-Chair
Sen. Dan Bishop	Rep. Donny Lambeth, Co-Chair
Sen. Valerie P. Foushee	Rep. William D. Brisson
Sen. Joyce Krawiec	Rep. Josh Dobson
Sen. Louis Pate	Rep. Verla Insko
Sen. Gladys A. Robinson	Rep. Bert Jones
Sen. Tommy Tucker	Rep. Gregory F. Murphy, MD
Sen. Angela R. Bryant, Advisory	Rep. Beverly M. Earle, Advisory
	Rep. Chris Malone, Advisory
	Rep. Rodney W. Moore, Advisory

Committee Clerks	
Susan Fanning	Candace Slate
	Pan Briles

Committee Staff	
Fiscal Research Division:	
Steve Owen	Denise Thomas
Deborah Landry	Mark Collins
Legislative Drafting Division:	
Amy Jo Johnson	
Legislative Analysis Division:	
Jennifer Hillman	Jason Moran-Bates
Theresa Matula	

COMMITTEE CHARGE/STATUTORY AUTHORITY

[\[Back to Top\]](#)

Article 23B.

Joint Legislative Oversight Committee on Medicaid and NC Health Choice.

§ 120-209. Creation and membership of Joint Legislative Oversight Committee on Medicaid and NC Health Choice.

(a) The Joint Legislative Oversight Committee on Medicaid and NC Health Choice is established. The Committee consists of 14 members as follows:

- (1) Seven members of the Senate appointed by the President Pro Tempore of the Senate, at least two of whom are members of the minority party.
- (2) Seven members of the House of Representatives appointed by the Speaker of the House of Representatives, at least two of whom are members of the minority party.

(b) Terms on the Committee are for two years and begin on the convening of the General Assembly in each odd-numbered year, except that initial appointments begin on the date of appointment. Members may complete a term of service on the Committee even if they do not seek reelection or are not reelected to the General Assembly, but resignation or removal from service in the General Assembly constitutes resignation or removal from service on the Committee.

(c) A member continues to serve until a successor is appointed. A vacancy shall be filled within 30 days by the officer who made the original appointment. (2015-245, s. 15.)

§ 120-209.1. Purpose and powers of Committee.

(a) The Joint Legislative Oversight Committee on Medicaid and NC Health Choice shall examine budgeting, financing, administrative, and operational issues related to the Medicaid and NC Health Choice programs administered by the Department of Health and Human Services.

(b) The Committee may make periodic reports, including recommendations, to a regular session of the General Assembly on issues related to Medicaid and NC Health Choice programs. (2015-245, s. 15.)

§ 120-209.2. Organization of Committee.

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Joint Legislative Oversight Committee on Medicaid and NC Health Choice. The Committee shall meet upon the joint call of the cochairs.

(b) A quorum of the Committee is eight members. No action may be taken except by a majority vote at a meeting at which a quorum is present.

(c) Members of the Committee receive subsistence and travel expenses, as provided in G.S. 120-3.1. The Committee may contract for consultants or hire employees

in accordance with G.S. 120-32.02. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Committee in its work. Upon the direction of the Legislative Services Commission, the Directors of Legislative Assistants of the Senate and of the House of Representatives shall assign clerical staff to the Committee. The expenses for clerical employees shall be borne by the Committee.

(d) The Committee cochairs may establish subcommittees for the purpose of examining issues relating to its Committee charge. (2015-245, s. 15.)

§ 120-209.3. Additional powers.

The Joint Legislative Oversight Committee on Medicaid and NC Health Choice, while in discharge of official duties, shall have access to any paper or document and may compel the attendance of any State official or employee before the Committee or secure any evidence under G.S. 120-19. In addition, G.S. 120-19.1 through G.S. 120-19.4 shall apply to the proceedings of the Committee as if it were a joint committee of the General Assembly. (2015-245, s. 15.)

§ 120-209.4. Reports to Committee.

Whenever the Department of Health and Human Services, or any division within the Department, is required by law to report to the General Assembly or to any of its permanent, study, or oversight committees or subcommittees on matters relating to the Medicaid and NC Health Choice programs, the Department shall transmit a copy of the report to the cochairs of the Joint Legislative Oversight Committee on Medicaid and NC Health Choice. (2015-245, s. 15.)