



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

February 1, 2023

SENT VIA ELECTRONIC MAIL

Mr. Mark Trogdon, Director
Fiscal Research Division
Suite 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director 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-1242(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 North Carolina Medicaid and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, and (2) an external review by the Carolinas Center for Medical Excellence contractor HMS thereby certifies that the following LME/MCOs are in compliance with the requirements of N.C.G.S. § 122C-124.2(b):

Alliance Health, Eastpointe Behavioral Health, Partners Behavioral Health, Sandhills Center, Trillium Health Resources, and Vaya Health.

A summary of the certification is attached for your review. Should you have any questions regarding this report, please contact John Furnari, Program/Policy Analyst, at John.Furnari@dhhs.nc.gov.

Sincerely,

DocuSigned by:
A handwritten signature in black ink, appearing to read "Kody H. Kinsley".
D7816E4CBA6F4A8...
Kody H. Kinsley
Secretary

cc:	Mark Collins	Joyce Jones	Katherine Restrepo	Luke MacDonald
	Lisa Wilks	Amy Jo Johnson	Francisco Celis Villagrana	Theresa Matula
	Jessica Meed	Nathan Babcock	Fred Aikens	Todd Barlow



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SECRETARY

February 1, 2023

SENT VIA ELECTRONIC MAIL

The Honorable Joyce Krawiec, Chair
Senate Appropriations Committee on
Health and Human Services
North Carolina General Assembly
Room 308, Legislative Office Building
Raleigh, NC 27603

The Honorable Jim Burgin, Chair
Senate Appropriations Committees on
Health and Human Services
North Carolina General Assembly
Room 620, Legislative Office Building
Raleigh, NC 27603

The Honorable Kevin Corbin, Chair
Senate Appropriations Committee on
Health and Human Services
North Carolina General Assembly
Room 623, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:

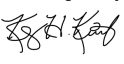
Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). 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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Sincerely,
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Kody H. Kinsley
Secretary

cc: Mark Collins Joyce Jones Katherine Restrepo Luke MacDonald
Lisa Wilks Amy Jo Johnson Francisco Celis Villagrana Theresa Matula
Jessica Meed Nathan Babcock Fred Aikens Todd Barlow

WWW.NCDHHS.GOV

TEL 919-855-4800 • FAX 919-715-4645

LOCATION: 101 BLAIR DRIVE • ADAMS BUILDING • RALEIGH, NC 27603

MAILING ADDRESS: 2001 MAIL SERVICE CENTER • RALEIGH, NC 27699-2000

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

February 1, 2023

SENT VIA ELECTRONIC MAIL

The Honorable Donna White, Chair
House Appropriations Committee on
Health and Human Services
North Carolina General Assembly
Room 307, Legislative Office Building
Raleigh, NC 27603

The Honorable Larry Potts, Chair
House Appropriations Committees on
Health and Human Services
North Carolina General Assembly
Room 307B1, Legislative Office Building
Raleigh, NC 27603

The Honorable Kristin Baker, Chair
House Appropriations Committee on
Health and Human Services
North Carolina General Assembly
Room 306A3, Legislative Office Building
Raleigh, NC 27603

The Honorable Wayne Sasser, Chair
House Appropriations Committees on
Health and Human Services
North Carolina General Assembly
Room 529, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:

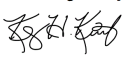
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Sincerely,
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Kody H. Kinsley
Secretary

cc: Mark Collins Joyce Jones Katherine Restrepo Luke MacDonald
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Jessica Meed Nathan Babcock Fred Aikens Todd Barlow

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STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

February 1, 2023

SENT VIA ELECTRONIC MAIL

The Honorable Donny Lambeth, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 620, Legislative Office Building
Raleigh, NC 27603

The Honorable Jim Burgin, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 308, Legislative Office Building
Raleigh, NC 27603

The Honorable Larry Potts, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 307B1, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:


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 North Carolina Medicaid and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, and (2) an external review by the Carolinas Center for Medical Excellence contractor HMS thereby certifies that the following LME/MCOs are in compliance with the requirements of N.C.G.S. § 122C-124.2(b):

Alliance Health, Eastpointe Behavioral Health, Partners Behavioral Health, Sandhills Center, Trillium Health Resources, and Vaya Health.

A summary of the certification is attached for your review. Should you have any questions regarding this report, please contact John Furnari, Program/Policy Analyst, at John.Furnari@dhhs.nc.gov.

Sincerely,

DocuSigned by:

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Kody H. Kinsley
Secretary

cc:	Mark Collins	Joyce Jones	Katherine Restrepo	Luke MacDonald
	Lisa Wilks	Amy Jo Johnson	Francisco Celis Villagrana	Theresa Matula
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AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER



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
11395D232A054A2...

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

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Claims Accuracy and Timeliness Review: Summary Findings						
Audit Type	Timeliness of Provider Payment (Within 30 days)		Claims Processing Accuracy		Financial Accuracy	
LME/MCO						
Alliance Health	98.64%	Compliant	99.97%	Compliant	99.97%	Compliant
Eastpointe Behavioral Health	100%	Compliant	100%	Compliant	100%	Compliant
Partners Health Management	99.92%	Compliant	100%	Compliant	100%	Compliant
Sandhills Center	99.97%	Compliant	99.90%	Compliant	99.95%	Compliant
Trillium Health Resources	100%	Compliant	99.97%	Compliant	99.99%	Compliant
Vaya Health	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.

Solvency Review: Current Ratio Summary Findings												
Month	March		April		May		June		July		August	
LME/MCO												
Alliance Health	2.10	Yes	2.31	Yes	2.69	Yes	2.11	Yes	2.09	Yes	1.96	Yes
Eastpointe Behavioral Health	2.92	Yes	3.15	Yes	3.18	Yes	2.17	Yes	3.20	Yes	3.01	Yes
Partners Health Management	2.20	Yes	2.02	Yes	2.09	Yes	1.72	Yes	2.18	Yes	2.37	Yes
Sandhills Center	6.35	Yes	5.41	Yes	5.73	Yes	4.82	Yes	4.15	Yes	4.68	Yes
Trillium Health Resources	2.54	Yes	2.39	Yes	2.47	Yes	2.46	Yes	2.39	Yes	2.59	Yes
Vaya Health	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.

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

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

HIPAA Transaction Review: Summary Findings					
Audit Type	Enrollment (820)	Benefit Enrollment and Maintenance Set (834)	Health Care Claim Transaction Set (837i and 837p)	Health Care Claim Payment / Advice Transaction Set (835)	Health Care Eligibility / Benefit Inquiry and Response (270/271)
LME-MCO					
Alliance Health	Compliant	Compliant	Compliant	Compliant	Compliant
Eastpointe Behavioral Health	Compliant	Compliant	Compliant	Compliant	Compliant
Partners Health Management	Compliant	Compliant	Compliant	Compliant	Compliant
Sandhills Center	Compliant	Compliant	Compliant	Compliant	Compliant
Trillium Health Resources	Compliant	Compliant	Compliant	Compliant	Compliant
Vaya Health	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.