



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

March 28, 2024

SENT VIA ELECTRONIC MAIL

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

Dear Director Matteson:

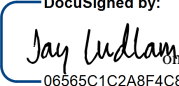
Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)/(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-1242(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

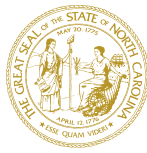
Attached hereto, please find a summary report of the findings for fiscal solvency, clean claims payment, and HIPAA compliance for the following Local Management Entities/Managed Care Organizations: Alliance, Eastpointe, Partners, Sandhills, Trillium and Vaya Health. This information has been prepared and reviewed by the Intradepartmental Monitoring Team (including DHB and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services staff).

At this time, based on the attached records, the Division of Health Benefits (DHB) is attesting that all six Local Management Entity/Managed Care Organizations (Alliance, Eastpointe, Partners, Sandhills, Trillium, and Vaya Health) are appropriate for certification under 122C-124.2(b) in that they 1) have made adequate provision against the risk of insolvency; 2) are making timely provider payments; and 3) are in compliance with federal billing, payment, and transaction standards requirements.

Should you have any questions regarding this report, please contact Karen Wade, Director of Policy, at Karen.Wade@dhhs.nc.gov.

Sincerely,

DocuSigned by:

On behalf of Kody H. Kinsley
06565C1C2A8F4C8...
Kody H. Kinsley
Secretary



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

March 28, 2024

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:

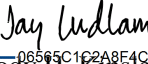
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 on behalf of Kody H. Kinsley
06565C162A8F4C8
Kody H. Kinsley
Secretary

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

March 28, 2024

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

Dear Chairmen:


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Secretary

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STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

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KODY H. KINSLEY
SECRETARY

March 28, 2024

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 Joyce Krawiec, 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:

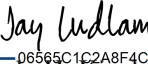
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NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

JAY LUDLAM • Deputy Secretary, NC Medicaid

February 16, 2024

Kody H. Kinsley
Secretary
North Carolina Department of Health and Human Services
101 Blair Drive
2001 Mail Service Center
Raleigh, NC 27699

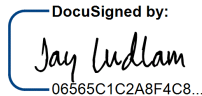
Dear Secretary Kinsley:

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 March 1, 2024.

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, Trillium and Vaya Health. This information has been prepared and reviewed by the Intradepartmental Monitoring Team (including DHB and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services staff).

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06565C1C2A8F4C8...

Jay Ludlam
Deputy Secretary for NC Medicaid
Attachments

NC MEDICAID

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS

LOCATION: 820 South Boylan Avenue, McBryde Building, Raleigh NC 27603

MAILING ADDRESS: 1950 Mail Service Center, Raleigh NC 27699-1950

www.ncdhhs.gov • TEL: 919-527-7000 • FAX: 919-832-0225

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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	98.99%	Compliant	100.00%	Compliant	99.97%	Compliant
Eastpointe	98.19%	Compliant	99.64%	Compliant	99.76%	Compliant
Partners Health Management	98.82%	Compliant	99.85%	Compliant	99.94%	Compliant
Sandhills Center	98.71%	Compliant	99.95%	Compliant	99.97%	Compliant
Trillium Health Resources	100.00%	Compliant	99.92%	Compliant	99.98%	Compliant
Vaya Health	98.67%	Compliant	99.58%	Compliant	99.65%	Compliant

Data is based on a statistical sample of Medicaid claims processed from March of 2023 through August of 2023 for each LME/MCO.

Solvency Review: Current Ratio Summary Findings												
Month	March		April		May		June		July		August	
LME/MCO												
Alliance Health	2.07	Yes	2.09	Yes	2.20	Yes	2.02	Yes	2.12	Yes	2.15	Yes
Eastpointe	2.94	Yes	3.09	Yes	1.81	Yes	1.89	Yes	3.24	Yes	2.94	Yes
Partners Health Management	2.57	Yes	2.38	Yes	2.54	Yes	1.74	Yes	1.86	Yes	1.97	Yes
Sandhills Center	3.96	Yes	2.75	Yes	2.72	Yes	2.85	Yes	2.49	Yes	2.31	Yes
Trillium Health Resources	1.97	Yes	3.22	Yes	3.04	Yes	2.87	Yes	2.53	Yes	2.58	Yes
Vaya Health	1.88	Yes	1.89	Yes	1.92	Yes	1.92	Yes	1.92	Yes	2.02	Yes

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2023 through August of 2023 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	108%	No	91%	Yes	91%	Yes	90%	Yes	93%	Yes	91%	Yes
Eastpointe	99%	Yes	89%	Yes	98%	Yes	78%	Yes	83%	Yes	113%	No
Partners Health Management	97%	Yes	102%	No	98%	Yes	110%	No	110%	No	103%	No
Sandhills Center	93%	Yes	133%	No	109%	No	101%	No	103%	No	119%	No
Trillium Health Resources	92%	Yes	85%	Yes	106%	No	98%	Yes	104%	No	106%	No
Vaya Health	55%	Yes	99%	Yes	103%	No	96%	Yes	102%	No	102%	No

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2023 through August of 2023 for each LME/MCO.

Solvency Review: Defensive Interval Summary Findings												
Month	March		April		May		June		July		August	
LME-MCO												
Alliance Health	110.93	Yes	116.74	Yes	115.03	Yes	119.18	Yes	115.69	Yes	124.23	Yes
Eastpointe	61.87	Yes	62.49	Yes	58.26	Yes	61.68	Yes	75.91	Yes	42.35	Yes
Partners Health Management	63.06	Yes	55.64	Yes	54.50	Yes	61.41	Yes	66.01	Yes	58.15	Yes
Sandhills Center	99.92	Yes	85.99	Yes	70.54	Yes	74.83	Yes	84.76	Yes	63.00	Yes
Trillium Health Resources	57.40	Yes	93.18	Yes	72.89	Yes	74.67	Yes	82.53	Yes	70.53	Yes
Vaya Health	187.67	Yes	96.20	Yes	92.36	Yes	85.75	Yes	97.85	Yes	85.52	Yes

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2023 through August of 2023 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	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 2023 through August of 2023 for each LME/MCO.

A finding of “Compliant” means that Casper found that the LME-MCO was compliant with the outlined requirements.

LME/MCOs have changed their information systems in preparation for Tailored Plan launch. The new 270/271 process for each plan will be implemented by 7/1/24.