Dear Chairmen:

North Carolina Session Law 2017-57, Section 11F.2.(c), requires the Department of Health and Human Services (“Department”) to modify the monthly reporting package submitted by the Local Management Entities-Managed Care Organizations (LME-MCOs) to the Department to include revenues and expenditures for the State funding sources for single stream, intellectual and developmental disability, and substance abuse services on Schedule D2. Additionally, the Department is required to modify appropriate schedules in the LME-MCO monthly reporting package to include unduplicated recipients and encounters in the same level of detail included in each D schedule for each source of funding for the reporting for the current and previous year’s month and year to date periods.

This month’s report includes information on the LME/MCO’s Single Stream Fund expenditures for July, August, and September 2020. The allocations and service expenditures below incorporate the $88M in CARES Act funding allocated to DMHDDSAS for service provision in response to the COVID-19 pandemic. See Session Law 2020-97, Section 3.3 (114F) and Session Law 2020-88, Section 3(b). Notably, the expenditure information in this report is based on the date of payment to the LME/MCOs for services, rather than the date a particular service was provided. There was a dip in some expenditures during the fourth quarter of SFY20 as the system adjusted to the pandemic, which is likely reflected in some of the payment information from this first quarter of SFY21. However, we are actively working with the LMEMCOs to ensure North Carolinians continue to access needed behavioral health and I/DD services and that we are maximizing the impact of public service dollars.
Should you have any questions, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and IDD, at 984-236-5000.

Sincerely,

Mandy Cohen, MD, MPH
Secretary

Kody H. Kinsley
Deputy Secretary for Behavioral Health & IDD
North Carolina Department of Health and Human Services

cc: Kody Kinsley Victor Armstrong Dave Richard Ben Money
    Tara Myers Rob Kindsvatter Marjorie Donaldson Jane Chiulli
    Matt Gross Hattie Gawande Joyce Jones Lisa Wilks
    Katherine Restrepo Jared Simmons Luke MacDonald Mark Collins
    Erin Matteson Theresa Matula Jessica Meed Susan G. Perry
    reports@ncleg.net
Mr. Mark Trogdon, Director  
Fiscal Research Division  
Suite 619, Legislative Office Building  
Raleigh, NC 27603-5925

Dear Director Trogdon:

North Carolina Session Law 2017-57, Section 11F.2.(c), requires the Department of Health and Human Services (“Department”) to modify the monthly reporting package submitted by the Local Management Entities-Managed Care Organizations (LME-MCOs) to the Department to include revenues and expenditures for the State funding sources for single stream, intellectual and developmental disability, and substance abuse services on Schedule D2. Additionally, the Department is required to modify appropriate schedules in the LME-MCO monthly reporting package to include unduplicated recipients and encounters in the same level of detail included in each D schedule for each source of funding for the reporting for the current and previous year’s month and year to date periods.

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     Katherine Restrepo  Jared Simmons  Luke MacDonald  Mark Collins
     Erin Matteson  Theresa Matula  Jessica Meed  Susan G. Perry
     reports@ncleg.net
FY20 Expenditures of Single Stream Funds by LME/MCO
Report Month: September 2020, Reported Expenditures Through: July 2020

FY21 - Reported Expenditures of Single Stream Funds plus Covid Relief Funds by LME/MCO
Reported Expenditures through month: July  
Svc Lvl Percentage Target: 8.3% or more

<table>
<thead>
<tr>
<th>LME/MCO</th>
<th>Reported SS + CRF Earnings *</th>
<th>SS + CRF Allocation</th>
<th>sfy2015 Service Level Req.</th>
<th>Reported Earned as % of Alloc*</th>
<th>Reported Earned as % of old Svc Level Req</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliance</td>
<td>$ 2,147,540</td>
<td>$ 48,060,755</td>
<td>$ 38,535,086</td>
<td>4%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Cardinal</td>
<td>$ 5,842,801</td>
<td>$ 85,868,456</td>
<td>$ 70,113,612</td>
<td>7%</td>
<td>8.3%</td>
</tr>
<tr>
<td>Eastpointe</td>
<td>$ 1,696,920</td>
<td>$ 31,850,510</td>
<td>$ 21,572,071</td>
<td>5%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Partners</td>
<td>$ 1,447,307</td>
<td>$ 40,982,794</td>
<td>$ 30,990,208</td>
<td>4%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Sandhills</td>
<td>$ 1,875,171</td>
<td>$ 40,401,378</td>
<td>$ 25,521,488</td>
<td>5%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Trillium</td>
<td>$ 2,328,283</td>
<td>$ 62,736,783</td>
<td>$ 39,000,613</td>
<td>4%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Vaya</td>
<td>$ 3,130,385</td>
<td>$ 54,496,724</td>
<td>$ 39,285,683</td>
<td>6%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Statewide</td>
<td>$ 18,468,408</td>
<td>$ 364,397,400</td>
<td>$ 265,018,761</td>
<td>5%</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

* Single Stream earnings may exceed allocation, but payments are capped

Notes:
The NonUCR portion of Single Stream Earnings is based on unaudited self-report from LME/MCOs.

LME expenditure of State funds will always lag at beginning of year when Federal funds are pulled down; as Federal accounts are depleted, rate of State earnings increase.

11/3/2020
FY20 Expenditures of Single Stream Funds by LME/MCO
Report Month: October 2020, Reported Expenditures Through: August 2020

**FY21 - Reported Expenditures of Single Stream Funds plus Covid Relief Funds by LME/MCO**
Reported Expenditures through month: August  
Svc Lvl Percentage Target: 16.7% or more

<table>
<thead>
<tr>
<th>LME/MCO</th>
<th>Reported SS + CRF Earnings *</th>
<th>SS + CRF Allocation</th>
<th>sfy2015 Service Level Req.</th>
<th>Reported Earned as % of Alloc*</th>
<th>Reported Earned as % of old Svc Level Req</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliance</td>
<td>$4,474,055</td>
<td>$48,060,755</td>
<td>$38,535,086</td>
<td>9%</td>
<td>11.6%</td>
</tr>
<tr>
<td>Cardinal</td>
<td>$11,685,601</td>
<td>$85,868,456</td>
<td>$70,113,612</td>
<td>14%</td>
<td>16.7%</td>
</tr>
<tr>
<td>Eastpointe</td>
<td>$3,418,194</td>
<td>$31,850,510</td>
<td>$21,572,071</td>
<td>11%</td>
<td>15.8%</td>
</tr>
<tr>
<td>Partners</td>
<td>$3,400,317</td>
<td>$40,982,794</td>
<td>$30,990,208</td>
<td>8%</td>
<td>11.0%</td>
</tr>
<tr>
<td>Sandhills</td>
<td>$3,744,497</td>
<td>$40,401,378</td>
<td>$25,521,488</td>
<td>9%</td>
<td>14.7%</td>
</tr>
<tr>
<td>Trillium</td>
<td>$5,179,467</td>
<td>$62,736,783</td>
<td>$39,000,613</td>
<td>8%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Vaya</td>
<td>$5,962,058</td>
<td>$54,496,724</td>
<td>$39,285,683</td>
<td>11%</td>
<td>15.2%</td>
</tr>
</tbody>
</table>

Statewide $37,864,190 | $364,397,400 | $265,018,761 | 10% | 14.3%

* Single Stream earnings may exceed allocation, but payments are capped Pink Highlights Below Target

**FY21 YTD - Reported SSF and CRF Expenditures as % of Annual Service Requirement**

Notes: The NonUCR portion of Single Stream Earnings is based on unaudited self-report from LME/MCOs.

LME expenditure of State funds will always lag at beginning of year when Federal funds are pulled down; as Federal accounts are depleted, rate of State earnings increase.

11/3/2020
FY20 Expenditures of Single Stream Funds by LME/MCO

Report Month: November 2020, Reported Expenditures Through: September 2020

Reported Expenditures through month: September

<table>
<thead>
<tr>
<th>LME/MCO</th>
<th>Reported SS + CRF Earnings *</th>
<th>SS + CRF Allocation</th>
<th>sfy2015 Service Level Req.</th>
<th>Reported Earned as % of Alloc*</th>
<th>Reported Earned as % of old Svc Level Req</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alliance</td>
<td>$ 7,763,564</td>
<td>$ 48,060,755</td>
<td>$ 38,535,086</td>
<td>16%</td>
<td>20.1%</td>
</tr>
<tr>
<td>Cardinal</td>
<td>$ 14,244,052</td>
<td>$ 85,868,456</td>
<td>$ 70,113,612</td>
<td>17%</td>
<td>20.3%</td>
</tr>
<tr>
<td>Eastpointe</td>
<td>$ 6,778,271</td>
<td>$ 31,850,510</td>
<td>$ 21,572,071</td>
<td>21%</td>
<td>31.4%</td>
</tr>
<tr>
<td>Partners</td>
<td>$ 5,784,879</td>
<td>$ 40,982,794</td>
<td>$ 30,990,208</td>
<td>14%</td>
<td>18.7%</td>
</tr>
<tr>
<td>Sandhills</td>
<td>$ 6,981,852</td>
<td>$ 40,401,378</td>
<td>$ 25,521,488</td>
<td>17%</td>
<td>27.4%</td>
</tr>
<tr>
<td>Trillium</td>
<td>$ 8,187,558</td>
<td>$ 62,736,783</td>
<td>$ 39,000,613</td>
<td>13%</td>
<td>21.0%</td>
</tr>
<tr>
<td>Vaya</td>
<td>$ 8,721,522</td>
<td>$ 54,496,724</td>
<td>$ 39,285,683</td>
<td>16%</td>
<td>22.2%</td>
</tr>
</tbody>
</table>

Statewide  | $ 58,461,697                | $ 364,397,400       | $ 265,018,761             | 16%                           | 22.1%                                    |

* Single Stream earnings may exceed allocation, but payments are capped. Pink Highlights Below Target

Notes:
The NonUCR portion of Single Stream Earnings is based on unaudited self-report from LME/MCOs.

LME expenditure of State funds will always lag at beginning of year when Federal funds are pulled down; as Federal accounts are depleted, rate of State earnings increase.

11/3/2020

FY21 - Reported Expenditures of Single Stream Funds plus Covid Relief Funds by LME/MCO

Reported Expenditures through month: September

Service Level Req. 25.0% or more