



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

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
JAY LUDLAM • Deputy Secretary, NC Medicaid

August 16, 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:

This letter replaces the letter provided to you in error dated July 24, 2023.

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 August 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, 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.

Sincerely,

DocuSigned by:

A handwritten signature in black ink that reads "Jay Ludlam".
165681103A8F4C8...

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	99.00%	Compliant	99.97%	Compliant	99.97%	Compliant
Eastpointe	100.00%	Compliant	100.00%	Compliant	100.00%	Compliant
Partners Health Management	99.98%	Compliant	100.00%	Compliant	100.00%	Compliant
Sandhills Center	99.97%	Compliant	99.73%	Compliant	99.86%	Compliant
Trillium Health Resources	100.00%	Compliant	100.00%	Compliant	99.99%	Compliant
Vaya Health	99.97%	Compliant	99.95%	Compliant	99.95%	Compliant

Data is based on Medicaid claims processed from September of 2022 through February of 2023 for each LME/MCO.

Solvency Review: Current Ratio Summary Findings												
Month	September		October		November		December		January		February	
LME/MCO												
Alliance Health	2.01	Yes	2.18	Yes	2.16	Yes	2.07	Yes	2.24	Yes	2.27	Yes
Eastpointe	3.00	Yes	2.19	Yes	1.98	Yes	2.09	Yes	1.89	Yes	3.21	Yes
Partners Health Management	2.48	Yes	2.30	Yes	2.32	Yes	2.06	Yes	2.63	Yes	2.42	Yes
Sandhills Center	4.44	Yes	4.39	Yes	4.37	Yes	3.89	Yes	4.34	Yes	4.66	Yes
Trillium Health Resources	2.47	Yes	2.57	Yes	2.51	Yes	2.56	Yes	2.59	Yes	2.45	Yes
Vaya Health	1.90	Yes	1.89	Yes	1.90	Yes	1.75	Yes	1.72	Yea	1.75	Yes

Analysis based on data submitted by LME/MCOs to DHB through standard monthly financial reporting templates for September of 2022 through February of 2023.

Solvency Review: Total Expenses to Total Medicaid Revenue Summary Findings												
Month	September		October		November		December		January		February	
LME/MCO												
Alliance Health	86%	Yes	85%	Yes	98%	Yes	83%	Yes	96%	Yes	92%	Yes
Eastpointe	99%	Yes	96%	Yes	115%	No	79%	Yes	127%	No	99%	Yes
Partners Health Management	94%	Yes	102%	No	105%	No	96%	Yes	89%	Yes	104%	No
Sandhills Center	99%	Yes	111%	No	99%	Yes	94%	Yes	116%	No	91%	Yes
Trillium Health Resources	94%	Yes	91%	Yes	103%	No	84%	Yes	118%	No	98%	Yes
Vaya Health	106%	No	108%	No	103%	No	112%	No	108%	No	98%	Yes

Analysis based on data submitted by LME/MCOs to DHB through standard monthly financial reporting templates for September of 2022 through February of 2023.

Solvency Review: Defensive Interval Summary Findings												
Month	September		October		November		December		January		February	
LME-MCO												
Alliance Health	112.23	Yes	118.63	Yes	117.81	Yes	133.08	Yes	119.70	Yes	101.91	Yes
Eastpointe	70.60	Yes	80.45	Yes	59.03	Yes	90.52	Yes	53.77	Yes	60.40	Yes
Partners Health Management	69.75	Yes	69.46	Yes	60.87	Yes	74.87	Yes	68.30	Yes	56.49	Yes
Sandhills Center	89.64	Yes	83.46	Yes	86.28	Yes	102.89	Yes	76.93	Yes	88.09	Yes
Trillium Health Resources	72.53	Yes	77.88	Yes	63.97	Yes	87.13	Yes	56.09	Yes	63.04	Yes
Vaya Health	102.95	Yes	109.43	Yes	105.71	Yes	112.57	Yes	110.20	Yes	105.90	Yes

Analysis based on data submitted by LME/MCOs to DHB through standard monthly financial reporting templates for September of 2022 through February of 2023.

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 Medicaid claims processed from September of 2022 through February of 2023 for each LME/MCO.

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